**Property Management**

**A close up of a logo

Description automatically generated**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**A guide for owners:**

**Everything you need to know when leasing your property**

Two people smiling for the camera

Description automatically generated

Alex & Katrina Morris – Property Managers

**CONTACT**

**Katrina Morris**

**Phone:** 0488212167

**Email:** katrina@regc.com.au

**Website:** [**www.realestategc.net.au**](http://www.realestategc.net.au)

Welcome

Welcome to Real Estate GC. Choosing the right agency/person to manage your investment property is one of the most difficult tasks you’ll face as a landlord/owner. The purpose of this prospectus is not just to describe the services we offer, but also to help you, especially if you are a first-time investor, to understand how the property management side of real estate works. Property management is much more than just collecting rent.

Our agency/office is a family-based business in the local community. The principal, Katrina Morris, has over 31 years’ experience in all aspects of real estate. We hope this guide will demonstrate to you how we are professional, committed and dedicated to ensuring you have a smooth process with leasing your property.

Our Difference

We do not use task management. Each owner’s property is placed in a portfolio with the principal of the company, Katrina Morris and her assistant Alex Morris. This means you always know whom you are dealing with. We encourage you to call your property manager at any time, open 7 days a week. Our office policy is to maintain open communication with our landlords at all times. You will be provided with a personal email address and mobile number which is contactable 24 hours a day, 7 days per week.

Selecting a Tenant

We set the tone for what is expected from our tenants from the moment they collect an application form. We require all tenancy applicants to supply us with supporting information including: Photo ID, references from their current Property Manager, proof of current address and proof of income. We also request the applicants rent ledger from their last Property Manager to satisfy ourselves that they pay their rent-on time.

All prospective tenants are screened with both the Tenancy Information Centre databases (TICA). We also use our property databases to crosscheck past private landlord references. Once the landlord has approved a tenant, the Property Managers will seek their direct instructions regarding items such as a lease terms and any special conditions they may like included in the lease agreement.

When a tenant is selected, they are required to attend our office within 24 hours for a sign-up meeting. At this meeting the Property Manager will go through the lease agreement step-by-step, as well as our policies and procedures such as:

* How and when the rent must be paid
* The difference between emergency and routine maintenance
* The frequency of inspections

Tenants must also sign our checklist outlining that the tenant understands and agrees to all items that have been discussed during the sign-up meeting.

Setting the rent

Understandably, as a landlord your major concern is that your investment property is always achieving a maximum rental return. Experienced investors prefer to keep the property rented even if it means falling a bit short of the top rental price. If you have to accept a little less than you might like, every 6 to 12 months (depending on the lease), you may be able to increase the rent if the market has moved. When a property is being prepared for the rental market, we will use all of the resources available to ensure that the rent is priced appropriately.

A rental Comparative Market Analysis (CMA) report will be prepared for you showing similar properties in the area, days on market and prices achieved. You will also be provided with information regarding market trends and demand for properties depending on their size, type and location. How do you know when the rent price is right? A rental CMA will only take you so far. At a certain point professional experience and local knowledge comes into the equation. At Real Estate GC, we collect data and feedback from the properties we rent each month, which gives us an edge in pitching the properties we manage to the market, at the right price.

Getting Premium Rent

Properties with additional features are likely to appeal to a higher proportion of potential tenants, which could mean more rental enquiries, more competition for your property and/or shorter vacancy times. Consider some of these options:

* Internet – having the infrastructure to support high-speed wireless internet could be a key requirement for some tenants who may work from home., study or have a growing family. Contact your telecommunications provider to check the availability of high-speed Internet for your property.
* Pets – one of the most reliable methods for achieving premium rent is by allowing tenants to have a pet. We have discovered tenants are generally happy to pay a premium for a property, which allows them to keep their pet. For your peace of mind, we have a separate pet agreement, which imposes greater obligations on the tenant than is possible to have with a normal lease.
* Solar – rental properties with solar power are becoming highly sought-after and, for many tenants, this can be a deal closer. With government rebates still available and new technologies on the market that allow landlords to charge tenants for solar usage, installing solar on your rental property may be far more financially viable than you may have thought.

Regular Inspections

Legally, we are allowed to carry out 4 routine inspections per year for the landlord. We are diligent in ensuring these inspections are not missed and are completed every 12-16 weeks. We also invite our landlords to attend these inspections if they wish.

How it works:

1. Prior to each inspection, the tenant is sent a checklist asking them if various items around the house are in working order, and if there is any maintenance required. The checklist is then handed over or left out for the Property Manager to collect during the inspection.
2. After the inspection has been completed, a detailed report with photos is sent to the owner for their records.
3. If during a routine inspection there are any items of concern found, the owner will be contacted immediately, and we will recommend the best course of action to take
4. Any items of concern are followed up immediately and not left until the next inspection to see if they have been resolved. We proactively ensure that our landlord’s investments are being maintained at all times during the tenancy.

Analytics and Reporting

When we begin marketing your property, we make sure you are updated each step of the way. All of our landlords receive a weekly email report as well as phone calls and text messages to keep you in the loop. You will be made aware the moment a tenant has registered for an inspection, get feedback after the inspection has been carried out, be alerted once a tenancy application has been received, and be updated on the progress of applications as they are processed. We will liaise with you as much as you desire.

Maintenance

During a tenancy, it is likely that some form of maintenance will be required at the property. We have a system in place for our landlords to ensure that this process is handled quickly and effectively, with both the tenant and landlord kept up to date throughout the process. Our tenants have the option of submitting a maintenance request via email or in person at the office.

The owner will then be immediately notified once this request has been received and they will be given the option to have the repair carried out, request quotes or request more information. The owner will also be advised once a work order has been lodged, completed and paid. This process ensures that our landlords are aware of the current condition of their property and any invoices that will be appearing on their next monthly statement.

Arrears Control

Rental arrears and how they are dealt with are always one of the biggest concerns for landlords. Under the residential Tenancy Act, a tenant is not in arrears until the rent is unpaid for 8 days, at which time it is possible to issue a Notice to Remedy Breach.

Most agents will not address arrears until this time, when they are legally obliged to do so. At Real Estate GC we ensure rental arrears are kept to a minimum by working proactively. A daily search is done to find tenants who are 2 or more days behind on their rent, at which point we commence a sequence of daily correspondence reminding them to pay their rent. This contact is continued each day if required, until the 8th day when the formal Notice of Remedy Breach can be issued. Our agency is proud of our consistently low rent arrears figures. Our daily audit of rent arrears, combined with our quick action and the education we provide our tenants at the commencement of their tenancy, enable us to continue to produce rent arrears figures well below the industry norm.

Lease Renewals

At Real Estate GC, we have streamlined our processes to ensure that vacancy times are kept to a minimum, and vacancy inspections are completed without a fuss.

Step one – Approximately 3 months prior to the expiry of a tenants fixed terms lease, we will contact the landlord and start the process of a lease renewal. We start this process well before the expiry of the lease so that if an owner wants to make any changes to the tenant’s current lease, or possibly ask the tenant to leave, this can be coordinated within the time frame of the current lease. We must provide the tenants with 2 months’ notice of any rent increase or termination of the agreement.

Step two – A tenant Comparative Market Analysis report will be provided to the landlord, along with information regarding the current demand in the market. The landlord will be given clear recommendations for any changes to the rent price and will be asked for instructions for the renewal of the lease. We do not discuss any terms of a lease renewal with a tenant until the landlord has provided instructions.

Step three – We start our lease renewal process well in advance, so we become aware of the tenant’s intention to vacate much earlier than other agencies. This allows us to ensure the property is ready to rent and to start advertising as soon as possible. It also allows us plenty of time to remind the tenant of their responsibilities during the vacate inspection, and what condition the property is expected to be returned in.

Online Advertising

Real Estate GC has its own website [www.realestategc.com.au](http://www.realestategc.com.au) with up to date information available in rentals and sales. [www.realestate.com.au](http://www.realestate.com.au) and [www.domain.com.au](http://www.domain.com.au) offer a number of products that can help you get noticed by giving you priority position in search results. A listing on realestate.com is an absolute must have in the QLD rental market. We list our managed properties as Feature Properties on realestate.com which are shown above the standard listing in the search results given on average 2.3x more views and 1.7x more enquiry’s.

Marketing

Photography

Professionally processed photography is a must have in this digital age. At Real Estate GC this is automatically included in our marketing fees, which allows us to ensure your property will make a stunning first impression.

Social Media

Real Estate GC has a Facebook account as well as Instagram. Social media campaigns are a great way to advertise.

Email Database Marketing

Our database of tenants is constantly growing from people attending our open homes and enquiring on the Internet about our listings. We ensure we keep in touch with our database on a regular basis.

Useful Information

Landlord Insurance

Even a good tenancy can turn bad. If the tenant’s circumstances change, sometimes a tenancy will become unstable. This can result in rent owing or the property not being maintained. Landlord Protection Insurance will cover loss of rent due to tenant default or the death of a sole tenant; it also covers the landlord for malicious damage caused by the tenant. In the case of a unit or duplex, it can also provide you with public risk cover inside the property. There are several providers of Landlord Insurance and it is important for you to shop around and find a policy that is right for you. Landlord Protection Insurance is tax deductible. Real Estate GC will mediate any claims that need to be made to the insurer.

Building Depreciation

Most income-producing buildings are eligible for tax depreciation. The extent of the tax benefit depends on when it was built and when you purchased it. Real Estate GC prefers BMT Tax Depreciation. BMT is a Quantity Surveying company that specialises in tax depreciation with a personalised approach to every tax depreciation schedule prepared for investment, commercial or rental properties. To find out the value of tax deductions that may be available to you, contact BMT Tax Deduction on 1300728726. You may also be interested in their online Tax Deduction calculator, which you can find at [www.bmtqs.com.au/tax-depreciation-calculator](http://www.bmtqs.com.au/tax-depreciation-calculator)

We look forward to working

with you

We look forward to working with you! We understand you will want to interview a number of agencies when searching for the right property manager for you. We encourage you to compare our pricing and service, which has been fully outlined in this booklet. As you can see from the figures below, whilst other agencies may quote a lower commission rates, the fees that are then charged to cover this reduction can result in a higher cost to you, the landlord. If you have any questions about our pricing or the services we offer, please don’t hesitate to contact us. You can also find out more information about us on our website:

[www.realestategc.com.au](http://www.realestategc.com.au)

Thank you for your time. We are looking forward to working with you in the near future

Cost Comparison –

$500 per week

Here is a comparison of some other agents in the area:

|  |  |  |
| --- | --- | --- |
|  | **Our Fees and Charges** | **Comparison Agent** |
| Letting Fees | First Weeks Rent – new tenants only | First Weeks Rent |
| Marketing | Included | $90 - $110 |
| Lease Renewal Fee | Included | Up to First Weeks Rent |
| 4 Inspections a Year | Included | Only 2 per year + $12.50 for report |
| Commission | 7% including GST \*\* | 7.70% including GST |
| Monthly Administration Fee | Included | $7.70 including GST |
| Twice Monthly Rent Distribution | Included | Payments only made once a month |
| End of Financial Year Statement | Included | $25.00 |
| Payment of Invoices | Included | Percentage of total invoiced amount |
| Invoice Tenant for Water/Electricity/Gas | Included | $20.00 |
| Routine Inspection and Report | Included | $12.50 |
| Totals based on $550 p.w. for 12 months | $2,557.00 | 2932.00 |

**\*These fees include one let fee of $550.00.**

\*\* The management fee is to be negotiated, the more properties you have the less the fee will be.

