



This newsletter has been designed to keep you updated on what is happening within the industry and our real estate office

FROM OUR PROPERTY MANAGEMENT TEAM

HAPPY NEW YEAR



*Take a moment to think
Of the things you can do
To make your life better
Before the year is through*

*Resolutions can be tough
Or simple as can be
Making resolutions
Are not only great for you but
for me*

*So what will you promise
To help yourself, dear
Through 2014
Have a happy year*

IMPORTANT: This is not advice. Clients should not act solely on the basis of the material contained in this newsletter. Items herein are general comments only and do not constitute or convey advice per se. Every effort is made to ensure the contents are accurate at the time of publication. Clients should seek their own independent professional advice before making any decision or taking action. We take no responsibility for any subsequent action that may arise from the use of this newsletter. **Published by THE PPM GROUP - www.ppmssystem.com**

TENANTS BREAKING THEIR AGREEMENTS ARE ON THE RISE...

During the past 12 months we have noticed a change in the number of tenants wanting to break their Tenancy Agreement.

This is predominately due to the economy. Some reasons that tenants are requesting to break their Agreement are due to:

- Tenants being relocated for employment
- Loss of employment placing the tenant in financial hardship
- Personal or family issues

Just to name a few

When a tenant signs an Agreement it is binding (in most circumstances) for the term of the agreement i.e. 6-12 months.

If a tenant breaks their agreement they must pay a break fee of the following amount –

- a) If the fixed term is for 3 years or less, 6 weeks rent, if less than half of the term has expired
- b) or 4 weeks rent in any other case.

This doesn't apply if the tenant terminates for any reason that is permitted under the Residential Tenancies Act 2010. Permitted reasons include -

- destruction of residential premises,
- breach of the agreement by the landlord
- an offer of social housing or a place in an aged care facility.

The tenant is still required to pay rent until the day the keys are received.

When managing every process of the tenancy our focus is always to protect your investment, maximise your income and optimise capital growth.

If a tenant does request to break their Agreement our property management team will discuss this promptly with you.

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RENT ARREARS UPDATE



It is that time of the year again when we find some tenants in a rent arrears 'catch up' period after the holidays and Christmas time.

As much as we try to educate the tenants to pay a little in advance leading up to the holidays and Christmas period there are still tenants who fail to budget adequately over this time.

If you have received your rental statement and noticed the tenants behind, please note that we are following our normal arrears process of issuing notices and being proactive in following up the tenant to rectify the situation as soon as possible.

Q & A – LAND TAX

Q. Can you claim land tax as a tax deduction and are there any good strategies for property investors to minimise land tax?

A. Provided the property is producing income you can claim the land tax as a tax deduction. It is a State tax, therefore can be minimised by holding your investment properties in various States.

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EMPTY HOUSES HARD TO SELL

Many people think it's cleaner and simpler to move out of their home before selling it, while others find themselves doing it by default, because they have already found another home. But selling an empty home should be avoided where possible.

Few empty houses have charm. And few prospective buyers are good at visualising a house's charm potential. Empty houses usually **take twice as long to sell** and often sell for less. After all, people don't buy houses, they buy homes. In other words, when they walk into a property for sale, while their heads are looking at features and benefits, their hearts are engaged only when the atmosphere makes them feel at home. If their hearts aren't engaged, the fact that the features of the property add up on paper rarely makes a sale.

Empty houses make it hard for people to decide whether their furniture will work. Without chairs or sofas to indicate size and scale, how can they make the translation from their current living room to the one they are looking at? If there are, say, two two-seater sofas, buyers can quickly make comparisons with their own living room without resorting to time-consuming measurements when they are simply trying to form their early impressions. Uncertainty makes people lose interest, especially when the house isn't sending out lifestyle vibes that engage their emotions. Above all, when the house is empty, prospective buyers tend to focus on negative details. Chips or cracks are obvious when there are no paintings, furniture or window coverings to take buyers' attention and camouflage imperfections.

Properties Recently Rented!

Keeping you updated on the local rental market

HOUSES

Gladstone Close West Hoxton - \$510 p/w

UNITS

138 Moore Street Liverpool – \$310 p/w

TOWNHOUSES/DUPLEXS

13-15 Carnation Avenue Casula – \$350 p/w

Properties Recently SOLD!

Keeping you updated on the local sales market

The sales market is hot! You may be undervaluing your home if you sell by negotiation. We have had outstanding success selling by auction – some properties going for \$77,000 over reserve.



NEWS

Happy birthday to Mick!

