

With more of us choosing to live in apartments and or to invest in apartments we have to take the time to understand how apartment living and ownership works

A friend gave me a copy of the magazine, *Title Apartment & Town House Living* and I thought that I would share some interesting information provided by Lia de Sousa in the Winter edition 2014.

We often have owners ask us if a particular problem is covered by Strata Insurance. Strata Insurance which is compulsory provides general insurance cover for the building - the common property which includes fixtures that form part of the building structure - such as balconies, shared water pipes, sewage pipes and electrical conduits.

It also provides cover for legal

However it's important to note that you open your front door and

As we have said many times before insurance or if it's your own home you are encouraged to have your own insurance that will cover a water problem, for example, and their own insurance that will cover

Earlier this year there was a fire in a kitchen (in a Strata lock) and the tenant really thought that the Landlords insurance would cover his losses.

Because of the amount of repair work to be done by the Strata insurance, they also reimbursed the owner for loss of rent as the property was unable to be rented for some weeks.

In a similar vein, we manage a town house in Marsfield and because of tree root problems blocking the sewer line, the sewer line needed to be replaced. However the Strata Manager told us that there were insufficient funds available in the Sinking Fund and the sewer pipes would need to be jet blasted around every six months to stop a back flow in the sewer line.

Hardly a solution for both the property owner or the tenant.

It is possible for the Owners Corporation to take out a loan which can be repaid by increas-



liability of the Owners Corporation. that Strata Insurance ends immediately into your apartment.

before you need to have Landlord Insurance. Contents Insurance because if there their possessions are damaged, it's this situation.

in a kitchen (in a Strata lock) and Landlords insurance would cover his

ing levies so that major repair work can be done.

A ten year sinking fund plan is required by law and so it's important to make sure that this fund is not neglected. It doesn't hurt to check with your strata manager if you want to be sure or the financial accounts should show the balance in the sinking fund account.

If you pay your own Landlords insurance, please make sure that you let us know the details for record purposes. Email details to repairs@kghurst.com.au

Christmas is fast approaching...for some of us it is approaching too fast.

Please be aware that our office will be closed over the Christmas-New Year period.

The office will close on Monday 22nd December and re-open on January 5th.

Our tenants will be reminded of our closure as well as who to contact in case of an emergency.

Property Management:

Many people in Macquarie Park are employed on Contracts and many Contracts expire at this time of the year. A number of tenants are buying their own properties as mentioned in other newsletters. We are very conscious about processing Rental Bond check-outs as quickly as possible and getting the properties back into the rental market as quickly as possible. Rental enquiry is good and with Maureen, Barbara and Seiko (our three Property Managers) doing Open House inspections every day at various times we should have minimum vacancy come 22 December.

This last week is the first time in a very long time, that we have had to take 3 tenants to a Tenancy Tribunal for the non payment of rent. One tenant kept on paying rent with bouncing bank cheques and the bank fees amounted in excess of \$100.

Property Inspections: We believe that if possible our property owners should inspect their properties every couple of years. While our Routine Inspection Reports are comprehensive, it's good to come and see for yourself. Just either email me lyn@kghurst.com.au or ring me on 02 9858 6104 and we can organise an appointment. Although our office is closed weekends, I am usually available to accompany you on an inspection. on a Saturday
We are required to give 14 days notice if the property is tenanted, before we can enter the property. So please keep that in mind should you wish to view your property in the future.

What's happening in Sales:

We have just sold the 3 bedroom 2 bathroom townhouse with 2 car accommodation in Busaco Road, Marsfield for \$850,000. Although it failed to sell at auction the selling price was negotiated a week later.

I had a 2 bedroom unit in Waterloo Road Marsfield that was slow to sell. However, a first home buyer showed much interest in it, after all it was almost walking distance to her office in Macquarie University. Her legal impeded rather than helped the sale, but the contract was exchanged for \$559,000.

Marsfield, for some reason, is considered a little remote and buyers tend to shy away from the area, in spite of the quality of the product.

By contrast, we had a 2 bedroom unit in West Ryde for \$470,000 which needed major renovation before it could come back into the rental market.

It was sold before we could advertise it: there was an investor waiting in the wings.

Because we manage properties all over Sydney, it is not unusual for us to have something for sale beyond the Eastwood area.

Consequently Denis has been in Kensington with an up market one bedroom apartment to sell. There have been many investors who liked the property but they were not impressed with the return on an asking price of \$575,000.

With a property of this quality, it is not the return that is significant, but rather it is the capital gain and that means it would have to be a long term investment.

I thought you might be interested to know about some of the complaints and even some funnies we receive from tenants.

A resident in our block is making a lot of noise and I can't sleep. Our first question always is which unit number is causing the problem? The standard reply is: I don't know. Tell us the unit number and we will try to do something about the problem.

Many units have 50 litre hot water systems and the regulated water flow is 9 litres a minute. One tenant told us he had measured the amount of water in his hot water system and it was only 49 litres.

There is a snake in my unit
It was a small lizard, not even a blue tongue.

The pebbles are coming off the wall in the bathroom, what will I do?
Some tiles had fallen off the wall!

Finally...Smoking on balconies is a major issue. To help combat the problem, on both our commercial office blocks and whole blocks of units we manage, we have a sign that says:

**THIS IS A NON
SMOKING BUILDING.**