

Back at last!! It seems we have been on holidays for months. But in reality we were away for only 3 weeks in August. If you wondered whether you had missed a newsletter you hadn't. The editor was so caught up with office matters that he simply forgot. Well that accounts for July. August just did not work out at all.

So, we are now into another month and finally a newsletter for September. So let's get started with...

A Property Management issue:

How times have changed in the world of Rental Bonds. Going back around 5 years new tenants would have to come into our office with a Money Order or bank cheque made payable to the Rental Bond Board and sign the appropriate lodgement form which in turn was photo copied and posted to the Rental Bond Board in Sydney.

Today the Rental Bond Board requires a Bond to be paid electronically via a Credit Card.

We are emailed by the Rental Bond when the Bond has been paid and that the Tenancy Agreement can be signed. At this time we receive the first two weeks rent.

Today the Rental Bond Board operates out of Grafton.

Apart from this exercise saving us time, it is a huge time saver for the Rental Bond Board. They no longer have to process paper work and take the money orders and bank cheques to a bank.

And at the end of a tenancy Rental Bonds are being processed so much faster than ever before,

that is when there is no claim to be made.

Lyn goes into the Rental Board web site, enters the details and within 10 minutes she receives an email saying the Bond has been processed.

Gone are the days when it took a week to 10 days for the tenant to receive his refund.

However if a claim is being made against the tenant the process is much slower. Unfortunately the paper work is far more complicated particularly if the claim is disputed by the tenant, or even the owner.

What's happening in the Rental Market?

Generally our Open House inspections draw a reasonable level of enquiry and of course properties can be inspected by appointment.

The internet plays a major part in our advertising of rentals. We have photographs of the various properties Open for Inspection listed on realestate.com, domain, as well as our own web site.

Some properties have a video that is just like a walk-through. Hopefully it inspires the need for an inspection.

Tenancy applications are found not only on our web site but on realestate .com (1Form.) They are usually emailed or faxed to the office.

First they are checked to make sure that all the ID we require is attached, very particularly current paysheets and passports.

We require a tenant to pay no more than 33 percent of wages/salaries in rent.

We need to be sure that the tenant can actually afford the rent. Once all the checking has been done an appointment is made for the Tenancy Agreement to be signed at which point the tenant is instructed on how to pay his/her rent.

Included in the Tenancy Agreement is a Check In Report which in fact is Part 2 of the Residential Tenancy Agreement. The tenant is told to check this report and either agree or disagree with the comments of the Property Manager and return it to us within seven days. This document is very important because if there is a dispute at the end of the tenancy regarding the condition of the property the Check In report and the photographs taken by the property manager, determine the result to the Rental Bond.

And what of sales:

Well there have been a few activities in the sales area.

Lyn spent a lot of time negotiating with a developer over some units in Macquarie Park, primarily the low side of Cottonwood Crescent.

The low side is a better proposition than the high side. The reason is simple: the high side have frontages but not a lot of depth and that is because of the units that face Herring Road.

A potential developer would have to negotiate the sale of, not one property, but at least 2 properties. That's assuming they are in alignment.

So we, like some others, dream that one day....

You know the old saying: the work is full of surprises. Well I had one this month.

An owner decided to sell what was once a family home, many years ago, in Dundas.

It had been rented for several years and was in need of much TLC.

Very graciously, the owner said she would wait till we were home from holidays before the property went on the market.

So the sign went up to auction

the property.

What was the expectation? Around a \$1M...for 929m2 block with a frontage of 15.2m. Could you build a duplex on it? There were conflicting views. The lady I spoke to told me there was sufficient land to build a duplex and a granny flat in the back.

On the first open house I had only a few locals, but 3 serious buyers. Would the owner sell before auction? That was the question, they all asked. I could only respond with the suggestion that any offer made would be submitted.

So the auction that was not an auction began.

The first offer was \$1.125 and from there it kept growing.

By the end of the second open house, the offer had reached \$1.3M.

It was quite extraordinary, almost surreal for me who thought a mere million dollars was almost too much. But then I was not out to buy a property.

The other extraordinary aspect of this experience: my buyer could not have been 30. I had chatted with him on the phone while he was on a "high earner" reward of 5 days in Vancouver.

It is not surprising that inner city properties, where the demand is considerable, reach unbelievable heights.



The great EOFY mystery.

I wanted to make sure that everything went smoothly for the end of the Financial Year reports. I even employed a software consultant to help.

Because we run 3 Trust accounts, 2 are for rentals, and one of those has 'an end of month' on the 14th, while the other ends on the 24th, I wanted to be confident that all would be well.

The programme allows us to click the boxes: email only; hard copy only or both.

So we went through the list of owners. Yes there

were ticks in one box per owner.

The 14th was done first, in the first week of July.

The 24th was done 2 days later.

So all reports were emailed and or posted by Monday 10th July.

Why some owners did not receive their reports is still a mystery.

Again I apologize to any owner who was inconvenienced.

I can only assume it does not happen when we send an end of month report.