

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

Are you considering selling your property?



If you are considering selling your investment property it is important that you contact your property manager to discuss this with them.

The process of selling a property that is tenanted needs to be managed with care and consideration to ensure that you maximise your sale potential and minimise the risk of losing a tenant.

If a tenant becomes unhappy about the property being on the market for sale or feels that their privacy is being invaded it can become more difficult to sell the property.

As your managing agent we have experience, negotiating skills and a relationship with the tenant to ensure that they work with you rather than against you.

Tips for Selling a Tenanted Property

Selling a tenanted property is an everyday common occurrence within real estate. However, from our experience we often find that some owners of a property can become so focused on the sale that they overlook the importance of the tenant.

As your managing agent we do understand that when a property is listed for sale the desired outcome is to sell the property for the highest possible price in the quickest possible time. And to achieve this outcome, it is very important that we work with the tenants.

We need the tenant to be cooperative with property inspections as well as ensuring that the property is well presented.

If we get the communication process right with the tenant from the outset this can greatly assist in selling the property.

We need to communicate to the tenant that we understand and are considerate to how they may be feeling finding out that the property has been listed for sale.

We need to communicate that we are going to respect their quiet enjoyment and will be considerate with inspection times.

If the tenant feels that we care they will be more cooperative.

WHAT IF THE TENANT IS BEING DIFFICULT?

When dealing with people in general there is always the chance of encountering a difficult one, and tenants are no exception. It is often the frequency, time of day and number of inspections that can be disputed by a tenant. If they have no consideration for the process they can also become quite disrespectful with the presentation of the property.

If a tenant does become difficult you may wish to consider offering the tenant an incentive to work with you.

1. Offer a reduction in the weekly rent for a set period of time during the marketing and open house campaign.

Continued Over >

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- Properties recently rented



2. Instead of reducing the rent you may wish to consider offering the tenant a compensation bonus once the property sells – i.e. \$500-\$1000.

Difficult tenants are the minority and as your managing agent we are here to assist in facilitating the process for a win/win outcome, as the last thing most property owners don't want is for the tenant to move out of the property during the sale process.

INVESTMENT TIP: A COMMON MISTAKE SELLING TOO EARLY

Properties double in value on average every 7-10 years. By selling too early, you will be missing out on the next cycle and property growth period.■

Q & A

What happens if the tenant does not want to renew the tenancy agreement when it expires?



This is a more common situation than you may think. As the owner of the property it is important to understand that when a fixed term agreement comes to an end, there is still a tenancy in place and the same tenancy agreement terms and conditions apply. Both the tenancy agreement and the Act allow for a fixed term to revert automatically to a continuing/periodic tenancy at the end if it is not 'renewed' for a further fixed period.

While there are some differences in the notice periods required for the two types of agreements, there are no other differences. In other

words, if the tenant does not meet their obligations the same remedies apply to both fixed term and continuing/periodic leases.

The first step in the renewal discussion process should always be to ask the tenant why they do not want to renew. Often there is a legitimate reason such as they are in the process of buying a property.

If a tenant does not agree to a renewal of a fixed term at the end of a tenancy, then there are only two options that exist – either terminate the tenancy or allow the tenant to stay on as a continuing/periodic tenant.

Remember, while there are advantages to owners knowing that a tenant is secured by a fixed agreement, it may be better to have a continuing/periodic tenancy than no tenancy at all.

In deciding the outcome you should look at how long the tenants have resided in the property, have they paid rent on time and are they a quality tenant.

Chill out with Sudoku

Every row & column, and 3X3 box, must contain the numbers from 1-9. Good luck!

3			2	4			6	
	4						5	3
1	8	9	6	3	5	4		
				8		2		
		7	4	9	6	8		1
8	9	3	1	5		6		4
		1	9	2		5		
2			3			7	4	
9	6		5			3		2

Buy when everyone else is selling and hold until everyone else is buying. That's not just a catchy slogan. It's the very essence of successful investing.

J. Paul Getty

RECENTLY LEASED

53 Rippon Ave	\$435 p/w
14 Connelly Way	\$560 p/w
122/94 Culloden Rd	\$460 p/w
19/42 Helen St	\$675 p/w

JUST SOLD



3 Devon Place, North Rocks



38 Lamorna Ave, Beecroft



22 Wyburn Ave, Carlingford



44 Parkland Rd, Carlingford