



PROPERTY INVESTOR

NEWSLETTER

FEB – MAR
2018

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

A REMINDER NOT TO RUSH INTO ANY INSURANCE POLICY

We are often faced with landlords who take out their own insurance to discover that excesses are high, important inclusions are not covered and there is fine print that can make a claim void.

As a landlord it is important to take out the most comprehensive insurance you can find to ensure that your asset is protected.

Bank insurance and non-industry policies can result in lost money when making a claim.

Always take the time to compare policy details or speak with your property manager.

THE EXPLOSION OF METH IN RENTAL PROPERTIES

There has been increasing discussion within the real estate industry and recently in the media about meth in properties, which can impact landlords, buyers, sellers and home owners.

Until recently, it was the presence of meth labs in rental properties that were a concern for landlords resulting in tens of thousands of dollars for the clean-up if it was found to be contaminated.

We are now seeing the emergence of properties being contaminated from recreational (meth) ice smoking, which could possibly be the modern-day asbestos explosion.

The Australian Crime Commission guidelines deem a property contaminated if the levels are above 0.5 micro grams, which are low in comparison to a meth lab that can be upwards of 60 micro grams.

At this stage there is no legislation around enforcing clean ups of recreational smoking. If a meth lab is identified at the property or the levels are deemed high, the owner of the property does have a liability of cleaning up the property, which is often directed by the police or local council.

There was a recent case in Queensland where a two-bedroom property was contaminated with a clean up cost of approximately \$50,000 due to the smoke/particles attaching to all porous areas such as walls, carpet, window furnishings, bench tops, grouting, etc. The owner fortunately was covered under their landlord protection insurance for malicious damage. Albeit, as meth in properties becomes more widely known you could assume that insurance companies will have to address this issue within their policy terms.

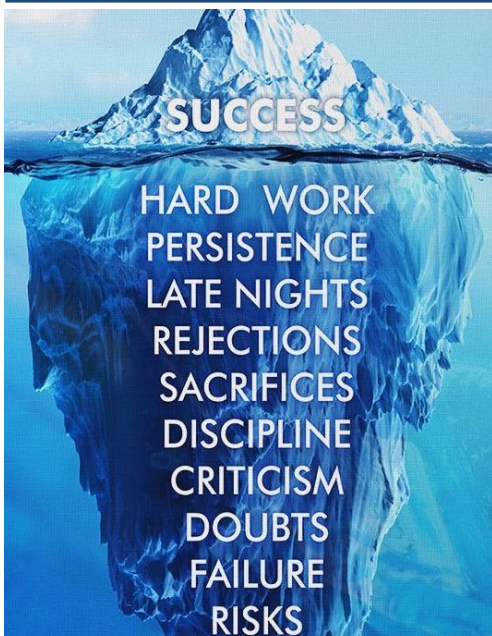
A contaminated property can cause the tenants or occupants (especially the elderly and children) to display symptoms of Asthma, ADHD, headaches, dizziness, lack of sleep, nausea and they are suggesting in worst case scenarios cancer.

What does this mean for property owners?

Firstly, when the time comes it is going to be important to determine if the property has been contaminated and if so to what level.

We believe it will eventually become an industry standard to have all properties tested prior to a tenant entering a property and when they vacate.

Continued Over >



We are focused on maximising your rental income and optimising your capital growth

THE EXPLOSION OF METH IN RENTAL PROPERTIES

We are predicting that a 'meth cleared' property will also deter tenants who recreationally smoke as well as the meth lab operators.

We know that this information may be alarming to landlords. However, as your managing agent it is important that we keep you up-to-date.

We are currently accessing the best way to manage this, as generalised meth lab testing has been expensive until now with few companies offering the service.

Meth Screen and their testing partners can provide more information and are offering testing from \$274 to give property owners peace of mind – 1800 020 348

FIXED TERM & PERIODIC AGREEMENTS AND THE RISK WITH LANDLORD INSURANCE

A fixed term agreement is one that has a start and end date.

A periodic tenancy has a start date, but does not have an end date and can continue indefinitely. The landlord/agent can end the tenancy at any time (allowing for the correct notice) without having to wait for an expiry date. A periodic tenancy agreement may be beneficial if a landlord is considering selling or moving back into the home, as it allows for more flexibility in asking the tenant/s to vacate. However, this option can expose a landlord to a lack of security as the tenant can give notice at any time.

As a landlord if you are considering starting a new agreement as a periodic or you do not wish to renew the exiting agreement and allow the tenants to remain in the property, it is recommended that you contact your insurance company to check your level of coverage, which may be affected with some landlord insures.

HACKING SCAMS ARE ON THE INCREASE

Consumer advisors across the nation are warning everyone to be in alert mode of hacking scams targeting the email accounts of estate agents and businesses in general causing rental monies and home buyer deposits to be transferred to fraudulent accounts.

The emails often look legitimate (from a known company or client) and will request a change to the original bank details or be a follow up email.

It has always been our company policy that any changes to client details (bank or contact) must be in writing and then we will confirm this with a telephone call. We also strongly recommend if you receive any email stating that bank details have been changed, immediately call to verify that the email is legitimate.

SUDOKU COFFEE BREAK

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

9	6			1				
	2		3	6				1
		3	2					
2	3			4	7			9
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PROPERTY OF THE MONTH

6 SOUTHWOOD PLACE

Price Guide: \$595,000

3 x bedrooms, 1 x bathroom,
1x car space.

Approximate rent \$480 - \$500pw

Contact Anita Roelevink on

0409 367 678 for more details.



TALK TO THE PROPERTY EXPERTS

BUYING, SELLING & PROPERTY MANAGEMENT

Call us if you are thinking about buying or selling or know of someone who is

Some Properties Recently RENTED

Keeping you updated on the local rental market

HOUSES

Colo Road, Colo Vale

3 bed, 2 bath, 2 car \$480 pw

Railway Parade, Mittagong

3 bed, 1 bath, 2 car \$520 pw

High Range Lane, High Range

4 bed, 3 bath, 2 car \$680 pw

NEWS Update

GEORGE JOINS THE TEAM

McKillop Property has appointed George Kolovos from Red Rock Media in a specialist role to direct and manage marketing across the entire group.

Head of Marketing and Creative Services, George Kolovos said – "It's an exciting time for the industry with the interest and effectiveness of video and social media taking on a more prominent role"

