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FIVE REASONS TO WORK WITH A PROPERTY MANAGER

Why use a property manager?

If you own an investment property, you may be tempted to manage it yourself. After all, how hard can it be to find a tenant, collect the rent and take a few phone calls every now and then?

As many of our clients realise, managing your own property often takes a lot more energy and can be far more complicated than you think.

Here's why the relatively small cost of handing responsibility to a professional property manager makes so much sense.

1. Save time

Managing a property is time-consuming. There are regular inspections to deal with, requests from your tenants to be considered and handled, rates or strata fees to pay (depending on the type of property you own), and any number of pesky little issues that will eat up your time.

Unless you are retired and have pretty much nothing else to do, it can be very difficult to give your tenant and property the attention they need. You might find yourself losing time at work or staying up late to make sure everything is taken care of.

2. Reduce stress

As long as nothing ever goes wrong, owning an investment property should be stress-free.

But when did that ever happen?

Over the period of time that you own the property, you will have difficult tenants, maintenance emergencies, sudden vacancies, damage caused by weather... the list goes on.

Property managers have seen it all before and know what to do. In many ways, you're paying them to handle the headaches for you. In exchange for a very small monthly fee, you get so much peace of mind.

3. Easier financial management

When there is no property manager, tenants often try to take advantage.

How will you handle calls asking for "just an extra week until the rent is due"? Tenants often don't understand that you are counting on their money; they think the rent they are paying is additional income for you.

When there is an experienced property manager, tenants are less likely to push the boundaries when it comes to paying the rent. The property manager will deal with the finances and you will receive your rental income into your bank account every month like clockwork.

4. Easier reporting

When tax time comes around, your property manager will take care of all the relevant reports. All you have to do is hand the paperwork over to your accountant.

5. Stay compliant

There are a lot of rules and laws governing the leasing of residential property. Breaking any of these can get you in hot water, whether it was intentional or not.

Savvy tenants who realise they are not being treated in accordance with the law will not hesitate to take you to court if they feel you are in the wrong. This can be stressful and incredibly expensive if a ruling goes against you.

Perhaps the number one goal of every property manager is to stay away from the tribunal. Your property manager knows all the rules and can negotiate to resolve situations before they become too serious.

Make the most of your property

Property managers live and breathe property. They can recognise the best tenants and will help you maximise the value of your investment so you can achieve optimal rent and reduce your holding costs.

A reliable property manager pays for themselves so many times over by saving you time, money and stress. Side-step the biggest hassles of being an investor by enlisting the help of this professional.

To work with a reliable and proactive property manager, contact your local Professionals office today.



HOW TO MAKE A RENTAL PROPERTY FEEL MORE LIKE YOUR OWN

Renting gives you a lot of flexibility and saves you from the many requirements and costs of owning your own place. However, it can be frustrating to live in someone else's home because you are limited with what you can do.

The good news is there are plenty of ways to introduce your own personality to your rental property.

7 ways to personalise your rental property

- 1. House plants:** With the rolling lockdowns of the last few years, even plants have made their way indoors. Not only are hardy houseplants the perfect way to bring the outdoors in, but they will also transform any room. Some of the most resilient plants for indoor areas are *Aspidistra elatior* (aka the cast iron plant), peace lilies, *Monstera deliciosa*/Swiss cheese plant and *syngonium podophyllum*/arrowhead.
- 2. Art:** Art in a frame or on canvas will stamp your personality on your space and make it feel like your own. If it's not possible to hang art on the wall because of rental agreements, you can prop large pieces on the floor. Get creative, for example, a stack of books can make a clever pedestal to raise a piece higher.

There is also always the option of removable picture strips. They are readily available at most supermarkets and your landlord should be ok with you using them (just check with your property manager first).
- 3. Unique furniture:** The building may belong to someone else but the furniture can be all yours. Even if you rent a furnished place, you can still bring in pieces of your own. The best thing is that when you have to move, the new place will feel like yours before you know it because it will be filled with your familiar couch, dining table etc..
- 4. Removable fixtures.** Anything that you can take off and pack away, you can replace with choices of your own. Cupboard handles, tapware, showerheads, even curtains or blinds can be updated to match your taste.

Because you are renting, you will need to put the original parts safely away and reattach them when you leave. It's also a good idea to let the property manager know what you're doing so they're not confused by a slightly different home at inspection time.

- 5. Paint:** If you can't stand the colours you're surrounded by, your landlord may be open to discussing a paint job. They could offer to pay for it, or other options may be to split the costs or for you to choose a colour you like but paint it over before you leave. This is something to discuss with your property manager because there are rules about who can do work on the home.
- 6. Rugs:** A nice rug can tie a room together and it's yours to take with you when you move. Add a pop of colour and really express your personality with your choice of rug.
- 7. Lighting:** You don't have to settle for the lighting the way it is in your rental home. Carefully placed lamps can add mood lighting to any room. Standing lamps work well in larger spaces and table lamps can do the job in bedrooms.

If the changes you want to make involve removing anything or will be tricky to reverse, take the time to chat with your property manager. Openly communicating can even help you to make more significant changes like adding a picture rail or installing an air conditioning unit. It's always worth asking, especially if you have a good relationship with the agency that manages the home.

**Want to rent from a responsive and reliable property manager?
Reach out to your local Professionals office today.**



START PREPARING NOW FOR A SPRING SALE

Spring may seem a long time away but if you want to take advantage of the busiest selling season, autumn and winter are the time to start getting prepared.

Take the following steps so you can spring into action and list your home in September.

Get ready to sell your home in spring

1. Choose your selling agent

Finding a suitable selling agent with a few months up your sleeve is the first step to selling your home in spring. If you start now, you will have the time to shop around. Talk to different agents and ask them the following questions:

- How much do you think my property is worth and why?
- How will you represent the sale of my home?
- What will your selling strategy be?

Once you have asked two or three agents these questions, you will have an idea of which one will suit you best.

There are two things to keep in mind; firstly that you need to have a good feeling about working with the agent. Next, if one agent suggests an amount far higher than the others, find out why before you commit to working with them.

2. Start decluttering and tidying

Get stuck into tidying and decluttering with as much lead time as you can. Hire a skip or take a trip to the tip and get rid of all your rubbish.

This is also the time to pack up and store away personal items. It may not be the most fun to live without your things for a few months, but it's for the best in the long run as you will be able to present buyers with a clean slate.

3. Research the market

Start dipping your toe in the market to see what's out there. If you are selling, you will most likely be buying as well. Talk to your agent and start planning your next moves. This is the time to get a feel for what you should expect to pay for your new place.

While you're researching the market, start figuring out your finances. Talk to your lender or broker and get the ball rolling on loan pre-approval for your next purchase, or work with a financial advisor to figure out what to do with a surplus if you're planning to downsize.

4. Organise a deep clean

Any home that's been lived in for a few years will need a deep clean so take care of the following:

- High pressure clean the exterior
- Wipe down walls and surfaces in every room
- Remove any mould or stains
- Clean the windows
- Wipe the inside of drawers
- Wash curtains or drapes
- Dust blinds
- Clean carpets

All these and more can make a difference in how potential buyers view your home. If you're busy, book some cleaners and ask them to show up a week or so before you intend to hold your first home open.

5. Fix minor problems

Walk through the house with the eyes of a potential buyer and find all the minor issues. Whether you hire someone or do it yourself, small details like cracks in the ceiling can have a big impact. Do the same in the garden and yard.

If you have an older home, it might be wise to request a building inspection. This will give you a heads up about any serious issues so you're not surprised when buyers come to you with their reports.

6. Talk to a property stylist

A stylist can help you get your home just right for your photos and home open. Make sure you have plenty of time for this expert to come in and help you make the relevant changes. Talk to your agent about the benefits you might derive from hiring a property stylist; by adding or removing some key pieces of furniture you have the potential to add several thousand dollars to your sale price.

7. Plant the garden

A beautiful, blooming garden is one of the reasons to sell your home in spring. Do your research and find out what plants will flower and look their best at the end of winter. Get them planted well in advance so that your garden is in full bloom when it comes time for your home open.

Spring is when buyers are at their most active, and your home is less likely to come across as too cold or hot. Give yourself lots of lead time so you can minimise the stress involved with selling.

Want to sell your home in spring 2022? Reach out to your local Professionals agent today.



THE END OF LOW INTEREST RATES?

After many months of warning that it was about to do so, the Reserve Bank of Australia (RBA) has raised the cash rate.

For over a year during the pandemic, the RBA set the interest rate at 0.1%. Now they have raised it to 0.35%. Not only is this a significant rise from 0.1%, but it is also the first time the RBA has raised rates at all since 2010.

Why the change in interest rates?

There was no doubt the RBA would raise rates eventually. The only question was when. In the end, the RBA had its hand forced by rising inflation.

The fact is, extremely low interest rates were an emergency protocol that were necessary because of people losing their jobs and putting their businesses into hibernation during COVID. Now, with lockdowns behind us, inflation on the rise and wages increasing, the RBA decided it was time to leave the emergency rate behind.

At face value, it seems counterintuitive. How will rising interest rates help Australians when the cost of living is a serious issue? What will happen, though, is that the rise in the interest rate will stymie the inflation rate. This works because the increased cost of money will lower the demand for other goods and services. As a result, prices should come under more control.

How are major lenders responding?

It didn't take long for the 'big four' banks to announce they were passing the rate rise on to borrowers. As shared by 7News, "Variable interest home loans will increase by 0.25 per cent across all banks."

If you have a home loan and haven't heard from your lender about an increase to your variable home loan rate, keep an eye out for a letter.

What does all this mean?

A jump in interest rates means that buying a home and paying off the loan will cost more in the long run because of higher repayments.

This will affect future home buyers and people who have a loan with variable rates.

The extra amount you will pay if you already have a loan depends on how much you owe. For example, those with loans of \$500,000 will now pay an extra \$65 per month. For a loan of \$1 million, repayments will jump by more than \$120 per month.

The rise in the interest rate has led to talk of a slow in the property market, but this is impossible to predict with total accuracy. What's more, after the dramatic growth of the past year, it's worth remembering that homeowners are still very much ahead. If you are planning to sell, chances are you will still make a profit, and you can take advantage of the change in interest rates to get a good price on your next purchase.

What to do?

Interest rates are forecast to keep rising, to a potential 2.5%. If you currently have a variable loan, you'll need to rework your budget. If you can refinance to a fixed rate now, it may be worth investigating. Otherwise, expect an increase in your monthly repayments. If you think you're in line for a tax rebate this year, using it to cover increased mortgage repayments may ease the burden.

For those in the market for a new home, experts recommend you move now. Prices are levelling, and interest rates are still rising. The sooner you get in, the less interest you will have to pay. The advantage you have is that you may have less competition from other buyers.

Talk to your agent and broker to work out the most suitable loan for you and take action to purchase your ideal property at a decent rate.

Want to find your ideal home before rates rise again? Reach out to your local Professionals team.



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