

Landlord Information Guide

(Once you become our client Landlord, you will be given an Exclusive Property Owners Handbook)

Here are some facts about Bellarine Property we think you should know...

The professional team at Bellarine Property will provide advice and assistance on a number of issues pertaining to your potential, completed purchase or existing investment property.

From sales, leasing and marketing, to property management, investment and development, Bellarine Property has consistently provided excellence.

As local residents, we have the local knowledge that is required to look after your best interests.

When it comes to life's big decisions, buying and selling property is one of the most important you'll ever make. We also believe that selecting an Agent to manage your valuable investment is just as important which is why we put as much, if not more emphasis in ensuring our Property Management Department is the best available.

We are committed to making the selection of your Managing Agent as smooth as possible, hence have created this guide for your benefit. Speak to anyone who has experienced our process of flowing your investment property on to the rental market and you will be assured of an efficient team handling your property, providing you with a level of satisfaction, knowing your most desired wants and needs are being met.

Bellarine Property has thoroughly researched what a client requires from their agent. We will give you a 'professional' who can listen to individual wants and needs and provide solutions for you - our Landlord/Client.

Once you become our landlord we will then give you our Exclusive Property Owner's Handbook that will further enhance your understanding of the Property Management Market.

Tempted to do it yourself... NOT RECOMMENDED!

Are you tempted to do it yourself - the complexities of managing your own investment property are soon revealed if something goes wrong!

Here are a few questions you should ask yourself when contemplating going down the DIY route:

1. Could you bring yourself to evict a family, or a person who has fallen on hard times?
2. How would you go standing up in a tribunal and arguing a case?
3. Do you feel comfortable with the tenant having your phone number and being on call 24 hours a day?
4. Are you informed about tenancy legislation?
5. How will you manage the tenancy if you go overseas or on holiday?
6. Are you available to supervise tradespeople, at short notice, if required?
7. How will you find out if tenants have previously been evicted or have a poor rental history?
8. How will you verify that tenants are who they claim to be?
9. Are you organised and assertive enough to chase up late rent immediately?
10. How good are you at record keeping?
11. Will your landlord insurer cover you if you self-manage - and, if so, will the premium rise as a result?
12. How much will you save, after tax, by managing your property yourself?
13. Once the potential stress is taken into account, is your time worth more, or better spent, on other priorities?



Bellarine Property is an REIV Member.

There are numerous benefits of using an REIV Member for all your real estate needs: a commitment to the highest professional and ethical standards.

The REIV is committed to promoting the delivery of professional services by our Members to the public and to ensuring the integrity, credibility and ethical standards of the real estate industry.

All Members are bound by the REIV Code of Conduct and Rules of Practice.

Continuing Professional Development (CPD) is compulsory for all REIV licensed and agent's representative Members to ensure they meet the highest professional and ethical standards.

The six key purposes of CPD are to:

- Address the need for lifelong learning;
- Maintain and improve technical knowledge and professional skills;
- Provide consumers with confidence in the professional standards of REIV Members;
- Elevate the public perception of Member training and professional standards;
- Gain recognition for Members as meeting professional best practice standards;
- Achieve a higher level of customer satisfaction.

Gone are the days of a handshake, paying some rent and collecting keys.

With such a highly legislated industry, an experienced and knowledgeable Property Manager is a must to ensure, and safeguard all parties involved with a tenancy, and to ensure compliance. Property Managers must be more thorough than ever before should the need arise to go to tribunal.

Choosing an REIV Member: Six great reasons why...

1. Professional indemnity insurance

REIV Members are required to have professional indemnity insurance – an important consumer safeguard. Members can also access exclusive insurance packages to cover rental defaults or malicious damage. REIV Insurance Services can assist with all aspects of insurance.

2. Professional development and skills training

REIV Members have access to a wide range of professional development opportunities to enhance their skills and to offer quality customer service. Courses are fine-tuned in response to feedback from an inquiry service handling more than 40,000 calls every year.

3. Accreditation for specialist knowledge

REIV Members can achieve accreditation for specialising in residential property management. REIV-accredited Members have committed themselves to an extensive and ongoing education and professional development process.

4. Comprehensive property database

Only REIV Members have access to the Property Rentals Database. This is the most timely and comprehensive research document available, and enables REIV members to provide you with the latest trends in your local market. REIV Members' experience and knowledge of their local market, combined with exclusive access to the Property Rentals Database, enables them to make the most accurate market rental appraisal of your property.

5. Informed about relevant rules and regulations

REIV Members are kept abreast of changes to legislation and regulations affecting the real estate industry and the decisions of their clients. The REIV maintains a close working relationship with key government departments and regulatory bodies and other industry groups.

6. Supporting an active Internet presence

The REIV's website provides information about real estate and a directory of all REIV members.

Office Profile

At Bellarine Property we know what is truly important to you... profit, protection and communication at a fair price.

Bellarine Property is a locally owned business with an office in the main street of Barwon Heads. The owner, Christian Bartley has developed a very professional team of residential sales consultants together with the largest rental portfolio in the area and the only Property Manager based in the area. He has a dynamic administrative team that strengthens the core of the business.

The Bellarine Property team has brought a new dimension to real estate through advanced methods of training in all areas of the profession including sales, property management and administration systems. These are all designed to provide the most professional and efficient service to our clients. Additionally, Christian Bartley is often a guest speaker at real estate conferences within Australia and New Zealand.

Our property management department is driven by Laura Stevens, who is an Accredited Investment Property Manager on the Bellarine Peninsula. Laura, a well known local, is highly respected in this region for ensuring her clients are provided with the highest standards and quality of service. Her motivation comes from her passion for property management and from the extensive professional development courses she is constantly completing.

Additionally, Laura has managed her rental portfolio for 13 years, therefore landlords have a very loyal and trusting relationship with her. The same can be said for many of her tenants who have been long term clients of ours. Laura is a long time local so knows the area very well right through to Geelong where some of her listings will be found.

Bev Park is a Property Manager and comes with 4 years real estate experience between sales and rentals, mostly rentals. Bev is very knowledgeable in rentals and assists Laura's with managing the portfolio. If you have any queries, either Bev or Laura can help as they work very closely together. Bev also is a long time local and very respected throughout the community.

Maddie Hill, Assistant Property Manager, has had her agents representative certificate for 12 months and is fast exceeding our expectations for someone so new to the industry. A quick learner and well liked by both landlords and tenants. Everyone finds her refreshing and full of enthusiasm for this field of expertise and we find her very dedicated to the job and very meticulous in her work.

All three ladies above are professional and skilful in their approach to service your needs in Property Management. Their aim is to provide the best service as possible and always think outside the square and work beyond the hours of property management to ensure they run a smooth portfolio. The high number of recommendations and referrals prove this beyond doubt.

Property Management - An Introduction

Property management is now a specialised area of the Real Estate Industry with a focus on well-trained and qualified employees.

The Residential Tenancies Act has complex rules and regulations relating to property management.

It places immense responsibility on whoever manages the rental property to comply with these guidelines.

Failure to do so can attract harsh penalties to either the owner (you) or the owner's nominated managing agent (us).

Agents involved in property management (and owners who manage their own properties) must possess a thorough working knowledge and understanding of this Act, as well as other Acts of Parliament.

With the ongoing changes in legislation, it is more important than ever to have your property managed by a fully qualified professional Property Manager. The Residential Tenancies Act has complex rules and regulations relating to property management.

Our Property Management department is informed and fully trained in all aspects of the relevant legislation to provide peace of mind to you, the investor. Additional on going training ensures that the Property Manager is up to date with ever changing legislation and VCAT procedures should they need to attend the tribunal on your behalf. Having a Senior Property Manager that is accredited further ensures that we will be acting in your best interests – legally, ethically and financially, at all times.

Promoting Your Property

A prospective landlord and/or tenant anywhere in the world can push a button and view your property.

At Bellarine Property, we believe that it is vital for your property to be submitted to all avenues of effective advertising.

The internet has proven to be the best form of promotion. It has far reaching capabilities with tenants all over Australia (and even the world) being able to access your property on line.

Clearly the role of the internet has changed the way we market real estate. Due to it's immediacy, a newspaper advert can be cold news in 24 hours - our days on market for leasing are continuing to come down due to the internet's swiftness.

As soon as the management authority is received, we upload your property on the following sites:

www.bellarineproperty.com.au

Our own website, which shows all of our current listings. It is receiving thousands of hits per month - a user friendly web site designed by ourselves.

www.realestate.com.au

The most well-recognised real estate site in Australia and is aligned with ninemsn.com.au.

www.realestateview.com.au

Dedicated to only Victorian properties. This site was developed jointly by the Real Estate Institute of Victoria and a number of Victoria's leading Real Estate Agents. This site also has multilingual facilities.

www.domain.com.au

The real estate site for the Fairfax Corporation and is associated with The Age newspaper.

www.onthehouse.com.au

The only website that combines historical property data and 'guesstimate' values with what's on the rental market.

www.thehomepage and million plus

A popular portal for tenants searching properties for rent.

www.propertynow.com.au

A real estate website designed to help both rent and sale by owners, clients and real estate agents.

www.agentpoint.com.au

Provides everyone with a full suite of real estate products and services.

www.reallistings.com.au

A real estate marketing company providing product and services to buyers and tenants.

Rental List

We have a rental list available in the office, online and also via fax to all prospective tenants, which is update as required almost daily.

Prospective Tenant Register

We maintain a prospective tenant database which is accessed as soon as your property is listed with Bellarine Property. An email or telephone call is made to any prospective tenant whom we believe may be suited to the property.

Saturday

A Property Manager is available for any inspections by appointment only between 9-12pm. Appointments need to be made with 24 hours notice, if possible.

For Lease Boards

As a complimentary service to you, we also display prominent FOR LEASE boards in front of your property, with your authorisation.

Word By Mouth/Reputation

Furthermore, as our Property Manager, Laura Stevens, is so well respected and known in town for her client service - clients from here to Melbourne tend to seek out her services.

Selecting The Right Tenant

We are particularly discerning when it comes to maintaining the quality of tenants for our managed properties.

We will not compromise our reputation of providing our clients with unsuitable tenants to lease their properties. Our philosophy is to always be critically selective with tenants because our aim is for you to have a worry free tenancy.

Our detailed screening process aims to establish that tenants can meet the responsibilities of the tenancy agreement. A mathematical formula is used in conjunction with reference checks. Tenant selection is in accordance with laws covering discrimination, residential tenancies and privacy.

We ensure that all references are checked and a comprehensive selection of information is provided to confirm applicants' identities.

We inform you of applications and the final decision as to whom your property is leased to is made **BY YOU**.

Tenant Reference Checks - A MUST!

As members of The Tenancy Information Centre of Australia (a database of tenants who have defaulted on previous tenancies throughout Australia), we source up-to-date prospective tenant's previous rental records using their website - www.tica.com.au

This is just another service we provide to protect your property and give you a worry free tenancy.

Landlord Protection Policy

Whilst we make every effort to ensure the tenant you have selected is going to be the right tenant, unforeseen circumstances can change the ability of a person to pay rent or cause them to act in a way that is totally out of character.

As Real Estate Agents, we would strongly recommend you consider taking out a Landlord Protection Insurance Policy.

This type of insurance policy is especially designed to alleviate any concerns you may have regarding financial loss as a result of tenant's actions.

This policy will cover you for things such as a tenant defaulting on their rental payments, malicious damage, accidental damage and public liability.

The Landlord Protection Policy offers a range of benefits and features in addition to those found on standard policies, all at a competitive price. The question is, can you afford not to have it?

You can also combine your landlord insurance policy with your building policy for a more competitive rate.

There are different policies offered by several different companies in the market place.

We can refer you to these companies to enable you to discuss the policy that best suits your needs or you may wish to make your own enquiries via the internet or directly through REIV.

Our Services To You

Regular inspections are a major part of how we care for your investment property, ensuring that you achieve continual occupancy and maximum return.

When we list your property for lease, we will provide you with a checklist which outlines your requirements and also our expectations in terms of the way the property is presented for lease.

Your need and our desire is to lease your property in a timely manner. To help achieve this, the property must be presented and maintained in the best possible manner.

Prior to the commencement of each new tenancy, a condition report is prepared. This thoroughly details all aspects of the property, including an inventory if applicable. Digital photos are also taken and kept on file. The role of imaging within smartphones and tablets has enabled us to take as many digital photos as required for condition reports.

Routine inspections of your property are made regularly depending on your needs and legislative requirements. As mentioned above, the role of imaging within smartphones and tablets has enabled us to take as many digital photos as required for routine inspection reports.

Following each routine inspection, you will receive a comprehensive report on the overall condition of the property. This report may be received by post or via email.

The purpose of the inspections is three-fold:

Firstly to bring to your attention to any immediate maintenance needs and secondly, to inform you of any preventative maintenance or refurbishment that may be beneficial.

Thirdly, we can gain an accurate assessment of how the property is being maintained by the tenant and also what their future intentions are regarding renewal of their lease. It also provides us with an opportunity to consider a rent increase if required.

Please note that we are not building inspectors but have a keen eye.

Owners can then forecast and budget accordingly, for any upgrading work suggested in the report.

Our Services To You continued

Landlords Be Aware!

Neglect of minor repairs can often lead to major expenditure and the loss of a good tenant. Our attention to maintenance will ensure that problems are resolved quickly, by qualified tradespeople and at a reasonable price with a limit determined by you.

Final Inspection Guide

When tenants vacate the property, we carry out a final inspection ensuring that they leave it in an acceptable condition and in accordance with the ingoing condition report. This report, together with the original digital photos are used as a guide to complete the final inspection. Bond monies are not released until all parties are satisfied.

What We Will Do For You

- Ensure the property is maintained in its original condition allowing for fair wear and tear in accordance with the Residential Tenancies Act
- Advertise the availability of the property for rental
- Personal inspections with prospective tenants and/or landlords 6 days a week, including outside business hours
- Process application forms thoroughly within 48 hours, including TICA checks and additional background checks and 100 point ID checks
- Comprehensive Property Condition Report completed at the beginning of each tenancy
- Digital photographs of the property at the beginning of each tenancy (kept on file)
- Photocopy of all keys given to tenants (kept on file)
- The signing of Leases/Tenancy Agreements in accordance with the Residential Tenancies Act
- Collection of bond monies in accordance with the Residential Tenancies Act
- Collection of rent money and issuing of receipts in accordance with the Residential Tenancy Act
- Constant communication with tenants to follow up any late payment of rent – letters, emails, sms
- Zero tolerance of rent arrears – notice to vacate issued when a tenant is 14 days in arrears
- Issue and serve all relevant notices on your behalf in accordance with the Residential Tenancies Act
- To attend any Victorian Civil and Administrative Tribunal hearings and to act in accordance with the determination of the Tribunal
- Conduct routine inspections of the property – initially three months, then every six months thereafter in accordance with the Residential Tenancies Act
- Provide comprehensive typed routine inspection reports
- Undertake regular rent increase reviews
- Renegotiate new lease when current lease expires
- Conduct thorough bond inspections ensuring the property is reinstated to its original condition allowing for fair wear and tear
- Relet your property at the end of each tenancy

What We Will Do For You continued

- All general maintenance and repairs organised in a timely manner at competitive rates
- Forward monthly rental statements
- End of financial year reporting
- Provide a free, no obligation Sales Market Value of your property at your request
- Find the most suitable tenant for your property, respecting your wishes with regards to all stipulations, including permission (or not) of pets
- Use our database, website and network of contacts to find a tenant for you when your property is vacant in the shortest possible time
- Send a written weekly report every week informing you of the enquiry level and activity on your property we are pursuing to tenant (when vacant)
- Conduct Open For Inspections on your property to increase exposure to prospective tenants
- Service all tenant and prospective tenant enquiries
- Return all phone calls, emails and other written correspondence with 24 hours
- Place a highly visible 'For Rent' board outside your property when vacant (with your permission and body corporate approval)
- All lease paperwork, sending you a copy
- We manage the ingoing and outgoing tenancy
- Pay your council rates, water rates, insurances and strata levels on your behalf
- Experienced mediation and negotiation between landlords and tenants
- Provide honest and open communication at all times. We provide market specific rent appraisals (i.e. we give truthful indications of experienced rent, rather than inflate a figure that leads later to dissatisfaction). Rental prices work on supply and demand triggers and when there is an oversupply, the prices achieved are not as high as when there is a shortage. Many external factors influence this, and we are constantly monitoring the general health of the wider rental market in our region to assist us to issue informed and educated advice.

Rent Reviews and Lease Renewals

We want your investment working for you. That's why your tenancy agreement is closely monitored to ensure you gain full advantage of current rental market trends.

It is most important for us to constantly monitor the rental pricing market and review the rental prior to the expiration or renewal of each tenancy agreement. Why? Because we must help you maximise your investment return.

We want to ensure that you achieve the highest return possible on your property investment.

We will contact you on these occasions to present the options available and make a recommendation that is best for you and your property.

We will then seek to confirm your instructions on paper as all landlord instructions **must be in writing**.

For those leases that are periodic, that is on a month to month basis, we will contact you via mail every six months advising you if a rent increase is applicable. For periodic leases, rent increases can be applied every 6 months.

Payments and Statements

To help maximise your rental return, we ensure payments are forwarded to you promptly each month.

Each month, we forward to you an itemised statement showing all rental income and payments made on your behalf. For owners with multiple properties, these can be separated on individual statements or combined on one statement.

There are 3 payment runs available depending on the frequency the tenant pays rent. We will place you on the most suitable payment run to get rental funds to you as quickly as possible. Statements can be emailed or posted (with copies of invoices attached).

Council rates, water rates, body corporate fees and insurance premiums are just some of the accounts that can be paid on your behalf from received rental monies.

We encourage and educate tenants to pay the full rental amount when due, to ensure that your investment is working for you. This is somewhat alleviated by the fact that the majority of our tenants pay their rent by direct debit whereby we are in control of drawing the funds from their bank account.

However, should tenants fall into arrears, we are aware of it immediately, because of our 'zero tolerance' policy and our daily arrears management process. Prompt action follows in accordance with the Residential Tenancies Act and your instructions.

Common Depreciable Items in an Investment Property

The following examples are common depreciable items that can be found in a standard residential property, along with their effective lives. Property Managers may find this document useful in case of any dispute over plant and equipment items in an investment property.

Effective Lives - Explained

The 'effective life' of an asset is used by a Quantity Surveyor to work out an asset's decline in value. The Australian Taxation Office (ATO) describes an effective life as the period of time that a depreciating asset can be used by an entity to produce assessable income:

- assuming it will be subject to wear and tear at a reasonable rate,
- assuming it will be maintained in reasonably good order and condition, and
- having regard to the period within which it is likely to be scrapped, sold for no more than scrap value or abandoned. Source: www.ato.gov.au

Every investment property owner needs a property depreciation report!

Contact BMT Tax Depreciation for further information on 1300 728 726 or visit www.bmtqs.com.au

BMT Tax Depreciation
QUANTITY SURVEYORS

Depreciable Item	Effective Life (yrs)
Air Conditioner - Room Units	10
Air Conditioner - Split Systems	10
Air Conditioner - Packaged Unit	15
Automatic Garage Door - Controls	5
Automatic Garage Door - Motors	10
Bathroom Accessories - Freestanding	5
Blinds	10
Carpet	10
Ceiling Fans	5
Clothes Dryers	10
Cooktops	12
Curtains	6
Dishwashers	10
Door Closers	10
Exhaust Fans	10
Floating Timber Floors	15'
Garbage Bins	10
Garden Sheds - Freestanding	15
Gardening Watering Installations	5
Heat, Light & Exhaust Units	10
Heated Towels Rails - Electric	10
Hot Water Systems	12
Light Shades	20
Ovens	12
Pumps	20
Rangehoods	12
Security System	6.67
Smoke Alarms	6
Spa Bath Pumps	20
Stoves	12
Vinyl	10
Washing Machines	10
Window Shutters - Automatic	10

In Conclusion

Your financial well-being is our highest priority.

This information booklet is not intended to be exhaustive with regard to all of the property management services offered by Bellarine Property Barwon Heads.

However, it is intended to give you sufficient information to emphasise the importance of having your property comprehensively managed on a full-time basis by the most qualified property manager based in your region.

Our Policies and Procedures are constantly updated and our agency is well equipped with the latest technology. We strive for a harmonious relationship between our agency – landlord – tenant, to ensure your property is managed with Professionalism, Excellency and Experience. We consistently undertake courses to improve our Professional Development and keep up with the constant changes in Legislation.

A specialised field requires a specialised professional.

A team focussed totally on ensuring that your investment is working for you.

Experience the difference by coming onboard.

Did you know?

- > In times when the market is high, we are very conscious of rental price increases and property improvements where value for money is easy to see. When the market is slower, we need to be more sure of the security of tenancies, not just financial gain.
- > The old days of tenants coming to the office to pay rent are long gone and the only real time we see them at our office is to sign leases at the commencement of their rental. 80% of tenants pay rent via direct debit or internet transfers direct into the Agency Trust account.
- > *Landlords who use the services of a Property Manager are 15% more likely to earn positive rental returns compared to those who try to self manage.*
BDRC Research Consultancy Group.
Why? Because a Property Manager offers a Landlord services that are of a much higher standard than they could possibly provide themselves and so they will achieve a much higher return.
- > 90% of our enquiries come from the internet. It is important for a home to be presented to a high standard and be excellent condition at time of photos and tenancy inspections.
- > Bellarine Property have a Register of Potential Tenants and this database is updated frequently. All new listings are emailed to suitable tenants on the database.
- > Our Property Managers have extensive formal qualifications and many years of experience between them. It is no wonder why they are trusted to manage portfolios worth millions.
- > Some private Landlords misappropriate tenancy bonds because they deposit these bonds in their personal accounts and do not lodge the bonds with the Residential Tenancies Bond Authority. This is a breach of legislations and restitution follows.
- > A good Property Manager focuses on the needs of their landlord, but giving tenants some extra attention bonds the relationship between Tenants > Property Manager > Investors.
- > Renters quite often become Owners and Investors.

What Others Are Saying About Us

"Laura has worked tirelessly managing what was once described as an 'unmanageable' rental property by her competitors!"

A. M. (Landlord)

"Hi Laura, I will and have been recommending your services to other people. You have done an excellent job in finding good tenants and keeping me up to date over the years on the condition of the property. Cheers!"

R. L. (Landlord)

"To Laura, Carolyn and Bev, thank you for all your help and support in the past few months. I look forward to working with you again in 2015."

M. H.

"Linda and I wish to express our gratitude and great satisfaction with you and your team regards the Property Management services at Bellarine Property. This is as landlord at Baytown Close and tenants at Barnett Close. You're a gem, Laura!"

A. & L. (Landlord and Tenant)

"Laura, just wanted to reiterate what a wonderful agent you have been. In over a decade of being a tenant, you have been head and shoulders above all other experiences. Normally tenants are treated as an irritating hassle, so it is has been refreshing to always receive such prompt and professional help. So, thank you!"

J. T. (Tenant)

"Just a note to thank you and your team, for the help and assistance you gave me in with the letting of our house in Barwon Heads. Any requests were promptly answered and any problems were dealt with quickly. All the tenants were great and we never had any worries about the house. Best wishes to you and your team."

J. M. (Landlord)

"Many thanks again for your wonderful attention and service. We are very happy with the unit."

H & C (Tenant)

"I thought it was important to send you a email in regards to your fabulous girls that look after your rental side of your business. Since becoming a tenant 2 years ago I have nothing but high praise for the way my partner and I have been treated. Laura, Bev and Carolyn have gone above and beyond to ensure we have had our every need attended to. The company is lucky to have such professional and dedicated staff that put your business first. Once again I thank your company and your staff."

L.M. & C.E. (Tenants)

"Thanks Laura, you have been a very efficient and helpful real estate agent, and I would recommend you if someone was looking for help - cheers!"

M. & I. B.

"Thanks Laura for all your excellent work in looking after our property in Barwon Heads. All the best."

S.P. & R.B.