



firstnational
REAL ESTATE
Broadbeach



Landlord
Newsletter

The five factors landlords fear most

Keeping your rental investment property well maintained and market-competitive is vital in the battle to assure continuity of income, capital value and peace of mind.

As our property managers go about their daily tasks, the five things we're completely focused on are the five things that landlords fear the most.

Time management

Effective property management is all about efficient time management, and this is where landlords who manage their properties themselves can really struggle.

Staying up to date with ever changing legislative and safety requirements can really overwhelm landlords, whereas property managers are well trained and resourced to manage your property in full compliance with government legislation.

To properly protect your investment, your property manager devotes time to building good relations with your tenant, routine inspections, entry and exit condition reports, and managing maintenance.

Unpaid rent

Unpaid rent is one of the greatest challenges Landlords face because, as with most investors, rental income is critical to meeting mortgage repayments.

Property managers quickly identify arrears and bring their experience to the fore to establish the best plan of action. With good tenants, temporary issues may be resolved and repayment plans put in place, but in other circumstances, your property

manager will follow carefully established procedures, issue notices in the correct timeframes, and do everything necessary to assure the debt is recovered.

Maintenance

Responding promptly and correctly to maintenance requests helps assure tenants are kept happy, risk is minimized, and costly vacancy periods or legal claims are avoided.

By using properly licensed and insured tradesmen as well as maintenance tracking systems, our property managers keep your costs to a minimum.

If your property is vacant for even just a few weeks, losses can run quickly into the thousands.

Rowdy tenants

When a tenant violates the terms of their lease, engages in anti-social activities, or doesn't maintain gardens in accord with their lease, property managers are trained to be expert in the art of problem resolution. Early intervention and routine property inspections are key to preventing escalation of problems and potentially costly damage.

Vacancies

If your property is vacant for even just a few weeks, losses can run quickly into the thousands. Although vacancy periods are inevitable, the industry's best property managers minimize them - alerting future tenants via databases and marketing campaigns that incorporate traditional and digital media.

What's the difference between a repair and an improvement?

Deductions for repairs, maintenance and improvements are matters the Australian Taxation Office pay particular attention to on annual tax returns. For this reason it is important that landlords understand the difference.

Repairs

Repairs are considered work completed to fix damage or deterioration of a property, for example replacing part of a damaged fence.

Maintenance

Maintenance is considered work completed to prevent deterioration to a property, for example oiling a deck.

Any costs incurred to repair or maintain a rental property can be claimed as an immediate 100 per cent deduction in the year of the expense.

Capital improvements

A capital improvement occurs when the condition or value of an item is enhanced beyond its original state at the time of purchase.

This must then be classified as either a capital works deduction and depreciated over time, or as plant and equipment depreciation.

An example of a capital works deductions could be replacing the kitchen cupboards. If any plant and equipment items are removed and replaced, for example an air conditioner, this will also be considered a capital improvement.



Investors considering completing any work to their property should contact a specialist Quantity Surveyor for advice before they start work.

To discover what can be claimed for any investment property, simply request a quote online or speak with First National Real Estate's alliance partner team at BMT Tax depreciation on 1300 728 726, or visit www.bmtqs.com.au

End of financial year

With end of financial year approaching, speak to us about obtaining a Tax Depreciation Report for your property.

A Tax Depreciation Report costs only several hundred dollars but can increase your annual yield by potentially thousands of dollars. Ask us for more information.

SOURCE: BMT Tax Depreciation

BMT Tax Depreciation
QUANTITY SURVEYORS

Be Financial Year Ready...

- Action any outstanding maintenance now before you run out of time.
- May and June are some of the busiest months for contractors, so leaving your maintenance till the last minute may result in the work not being completed before the End of the Financial Year.

Contact your Property Manager for more information

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