



firstnational
REAL ESTATE



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Landlord
Newsletter

Do You Know What Your Rental Property Is Worth?

Do you have an investment property that you're managing yourself in the hope of making more money? If so, you'll need to make sure you are achieving its full market value.

There's no better way to manage your investment dollars than by putting them into real estate. Unlike buying certain types of shares, with property you're almost certain to see your assets appreciate in value over time. What's more, collecting rent is a great way to bring in additional income, allowing you to make money on your properties without selling them.

But do you know how much you should be receiving in rental payments? Especially if you're relatively new to being a landlord, you might not have a good handle on this. To optimise the process and bring in the most income possible, you'll want to know how much your rental property is worth, while keeping it competitive. This is sometimes tough to figure out.

Evaluating the right factors

When you first choose to buy a home with the intent to put it up for rent, it's wise to be thinking from the very beginning about what factors might determine its value. According to *Your Investment Property Magazine*, the most important ones are location and accessibility. Is the property in a desirable city where a lot of people want to live, and is it accessible from major transportation centres and popular cultural areas? These are the key questions.

In addition, you should look at opportunities for future value, not just what the place is worth today. Is there potential for you to improve your property

by renovating it? If so, you may want to calculate the value of the upgrades you can make and consider those figures as part of your overall business strategy.

Especially if you're relatively new at being a landlord, you might not have a good handle on your property's value.

How a property manager can help

When offering up houses or apartments for rent, some decide that "going it alone" is not the best strategy, and they'd prefer to have property managers on hand who can help with mapping out rental strategies and figuring out finances.

Having a property manager on your side is often a valuable resource because you can get advice on everything from rental values to insurance policies and rental property repairs. A property manager also helps you decide which applicants are more likely to pay the rent on time, and which ones might have a doubtful history.

One way to get a highly capable, professional management team on your side is to reach out today to First National Real Estate. We have a solid group of experts on real estate in Australia, who would be happy to assist you and we manage more than 85,000 properties from coast to coast.

When you contact us, we'll be ready to start you off with a free appraisal of your rental properties and any recommendations that would increase your yield. Once you have a full appreciation of what they're worth, you'll probably be ready to adopt a new strategy, with a property manager looking after your real estate, and making easy money each month.

Should You Have Landlord's Insurance?

What should you look for in a landlord insurance policy and why might you need one?

Most tenants are good people who pay their rent on time each month and look after your property as if it were their own, but there is always a risk that a problem tenant could move in and stop paying rent, be careless with informing your property manager of maintenance needs, or worse, wilfully damage your property.

You need a special insurance policy to cover you for the sorts of things that can go wrong when you own an investment property.

Landlord Insurance covers you for things like:

- Loss of rental payments due to your tenant's default
- Loss of rental payments during a vacancy period while malicious damage inflicted by your tenant is repaired
- Burglary or theft of fixtures by your tenant or their guests
- Legal costs associated with the eviction of an unacceptable tenant

How would you manage your mortgage repayments if your property were so badly damaged that it took 3 months to complete repairs? For many investors, such an event would



lead to significant impacts on their cash flow as well as their ability to meet other financial obligations.

A good quality Landlord Insurance policy protects you against the sorts of eventualities that general home and contents policies do not.

Obviously price is important but, as with most things, you get what you pay for with insurance. Canstar Blue says that its 2016 star ratings found that Landlords renting in Sydney were generally only paying 1.5 per cent of their rental income on insurance.

Let us know if you need information about the types of Landlord's Insurance policies out there. We can talk you through the sorts of inclusions and exclusions that are important, so you come to an informed decision more quickly.

Feature Property



479 George St, South Windsor

\$620,000.00 - \$660,000.00

Located within metres of Windsor Station this property is prime location, close to shops, schools and all amenities. Plenty to offer for those looking for separate living spaces, a big garage and workshop, granny flat conversion, second dwelling or professional rooms (STCA).

- Corner block with 3 Road frontages
- New paint and carpet
- Ducted air conditioning
- Neat kitchen with meals area
- Formal lounge
- Huge family room
- sunroom or extra living area/office-Huge double lock up garage with workshop space (remote doors)
- Carport/ undercover entertaining area
- 2 toilets
- Alarm and NBN
- Currently tenanted for \$440 per week