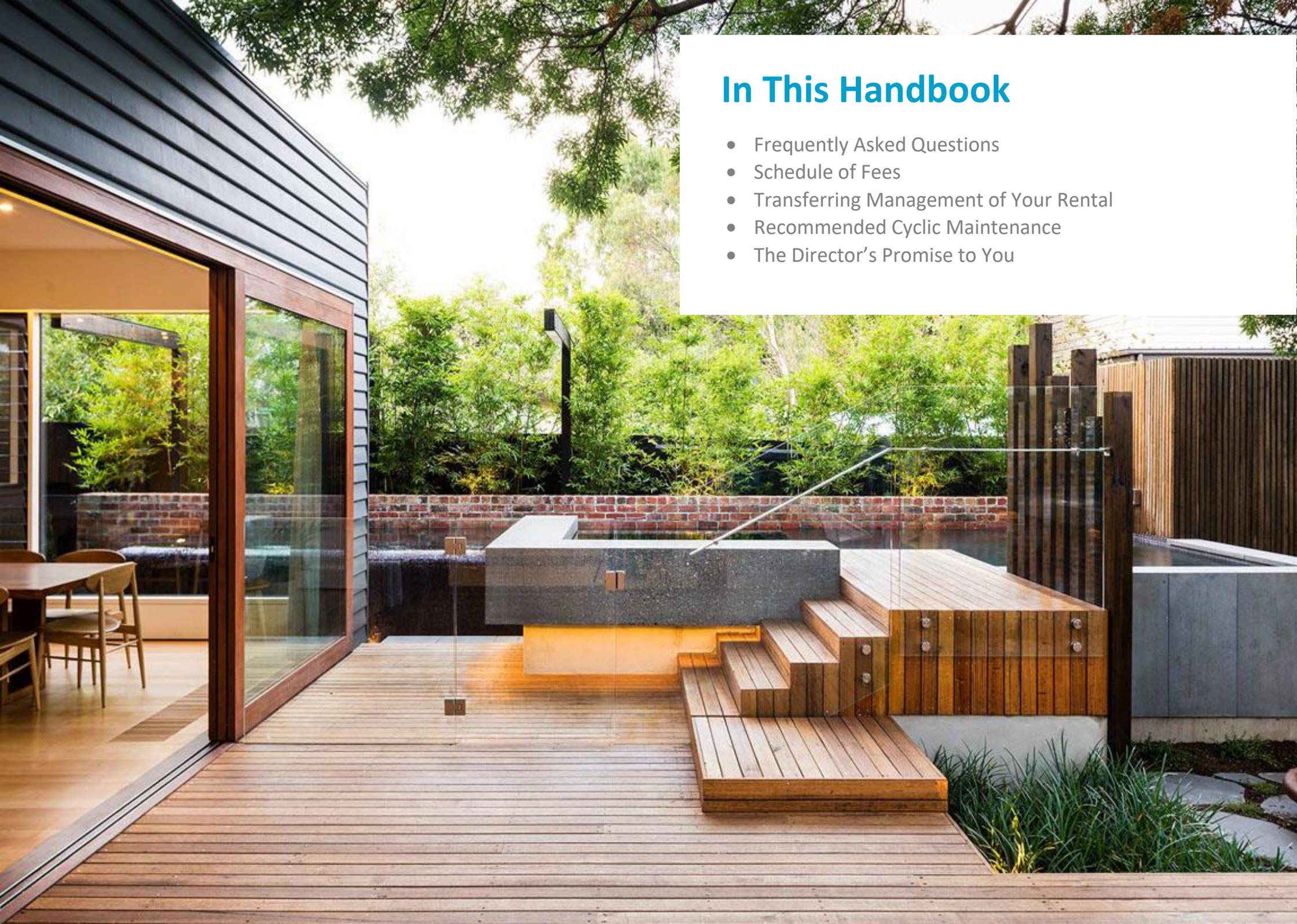


Launceston Property Rentals

*managing your property with the care
and attention it deserves*

Owner's Handbook

A photograph of a modern outdoor deck. The deck is made of light-colored wood and features a hot tub with a glass railing. The hot tub is built into a concrete structure with a wooden deck on top. The deck is adjacent to a building with large glass windows and doors. The background is filled with lush green trees and a brick wall.

In This Handbook

- Frequently Asked Questions
- Schedule of Fees
- Transferring Management of Your Rental
- Recommended Cyclic Maintenance
- The Director's Promise to You

Launceston Property Rentals is a bespoke property management business with the sole focus to provide owners, tenants and their homes with the care and attention they deserve.

Created by experienced property manager Kristy Arnold, Launceston Property Rentals offers a personalised property management experience to an exclusive number of property owners.

'I only work for an exclusive number of property owners so that I can remain focused on their investments. Commencing my career in property management in 2007, I've continuously valued quality over quantity.'

Kristy Arnold, Director

'I want my property owners to feel at ease, knowing their property and tenants are being cared for.'



Frequently Asked Questions

How do you determine the best rent for my property?

Achieving the highest rent possible for your property is important; however, several factors affect what rent will be appropriate for your property.

- Supply of / demand for available rentals
- Similar properties that have rented recently
- Property location and features

How do I maximise the rental return from my property?

Depreciation Schedule

If your property is less than 40 years old, Launceston Property Rentals can arrange a quantity surveyor to complete a depreciation report for your property.

Loan review

With a tenant in place, it may be a good time to review your interest rate and the structure of your loan.

Launceston Property Rentals recommends you seek financial advice to understand how you can maximise the return on your property.

How does someone apply for my property?

All prospective tenants are required to fill in an application form that are available online and in hard copy. In addition to this, prospective tenants provide identification and a credit file to further assist with this process.

How do you check applications?

Launceston Property Rentals has a very thorough application checking process. Applicant's payment and tenancy history is confirmed by calling their current and/or previous owner/agent as well as confirming their employment.

How do you select an applicant?

Once applications are processed, Launceston Property Rentals provides you with the information and gives a recommendation on the suitability of the applicants, but at the end of the day, it is your choice.

Do you guarantee the tenant?

A tenant can never be guaranteed. Launceston Property Rentals can only endeavour to collect information on their past history and confirm their income arrangements.

What type of statements do I receive?

You will receive both regular and yearly financial statements that account for money that has been handled and disbursed on your behalf. Along with your regular statement, you will receive copies of any tax invoices from tradespeople or other disbursements paid on your behalf. Your end of year statement provides a summary of all income and expenses making it easier to complete tax returns.

What happens if my tenant does not pay the rent?

Launceston Property Rentals has a zero tolerance approach to rent arrears. The rent arrears policy consists of the following actions:

Day 1 (SMS and email): A friendly reminder will be sent letting them know it is due and to forward a copy of the rent receipt. The tenant will also be advised to move the date of their transfer forward to ensure it will be received on time in future.

Day 2 (phone call and email): The tenant will be advised that rent has not been received, reminding them to pay immediately to avoid receiving a notice to vacate.

Day 3 (14 day written Notice to Vacate): This is a formal notification that the tenant is breaching their tenancy obligations. This form will be issued regardless of circumstance or excuse as Launceston Property Rentals has professional obligations to you and your insurance company.

If the tenant pays arrears within the notice period the notice ceases to take effect. When a third Notice to Vacate is issued within a twelve month period you have an option to require that the tenant vacate the property even if they pay the arrears. If the tenant fails to pay rent to up to date and does not vacate the property after receiving the notice, Launceston Property Rentals will pursue vacant possession through the court.

We will contact you prior to issuing a Notice to Vacate for your authorisation. In some situations it can take around 60 days until possession is given, it is therefore important these notices are issued without delay to enable you to comply with Landlord Protection Insurance policies and avoid further losses.

When do I receive my rent and statements?

You can choose to receive your net rental payments and statements fortnightly or monthly. Monthly payment occurs on the first working day of every month, and the end of year statement will come to you shortly after 30 June.

What insurance do I need and why?

There are several types of insurance that you should consider when renting out your property.

Landlord Insurance

Even a good tenancy can turn bad. If the tenant's circumstances change sometimes the tenancy will become unstable. Landlord insurance is in some ways the most important insurance for owners. Landlord insurance covers an owner of a rental property from financial losses such as rent, it also covers the owner for damage caused by tenants. There are many landlord policies on the market with varying conditions, we strongly recommend you investigate and compare the policy conditions. Launceston Property Rentals is happy to provide contact information from preferred insurers who can offer a no obligation comparison.

Building Insurance

Building insurance covers the home as well as other structures on your property such as garages, sheds, fences and in-ground pools. Not all building insurance is the same so read the terms of the policy fully to know what you are covered for. It is also important you let the insurer know the property is being rented.

Contents Insurance

Contents insurance covers the cost of repairing or replacing your household possessions and furnishings, such as curtains, carpet and furniture (if the property is furnished). Most building insurance policies have a minimum contents incorporated. Your policy does not cover the tenant's personal belongings, they will be advised to take out their own cover.

Public Liability Insurance

Public Liability insurance is usually incorporated in the building policy. It protects against claims of personal injury that a third party suffers. For example if a tenant or someone visiting or working at the property was injured due to a fault of the property you may be liable for any injuries or suffering caused, the liability insurance can protect you in such cases.

When do you inspect my property?

Condition Report

Prior to a tenant collecting keys for your property, a written condition report is prepared. This includes a description of each room/area and any marks, scratches or damage. Photographs accompany this report and to give an indication of detail, an average three bedroom home would include approximately 150 photos.

Routine Inspections

Launceston Property Rentals conducts a routine inspection approximately eight weeks after a commencing tenancy and then every three months after that. This includes checking room-by-room that the tenant is keeping the property damage-free and reasonably clean. It's also an opportunity to identify any maintenance and repair issues. A report is emailed to you which includes photos of the outside of the property and inside where possible whilst being mindful of the tenant's privacy.

Bond Inspection

Once the tenant has fully vacated, we compare the property to the ingoing property condition report completed when the tenant moved into the property. We carefully check through the report item-by-item, ensuring it has been left in the same condition as when they moved in, taking into account reasonable wear and tear for the period of time they have been in the property.



Who is responsible for repairing my property?

Under legislation it is the responsibility of the owner to maintain and repair the property.

What is the tenant responsible for?

Your tenant needs to care for the property during their tenancy. If your tenant has caused damage to an item that is not the result of normal break down or fair wear and tear, you as the owner may be entitled to claim damages to the cost of the repair or loss.

Can I choose if I accept pets at the property?

Yes you can, besides a bad application, pets and smoking are the only two things you can say no to. Part of the application process is assessing the type of pets, age and how many. A pet reference is also collected.

If you agree to allow the pet/s and something happens to the animal during the tenancy the tenants must ask permission before getting a new pet. Tenants also sign a special pet clause.

Who is responsible for maintaining the lawns and gardens?

Your tenant is responsible for maintaining the lawns and gardens to the standard they were in at the start of the tenancy. Keeping gutters clear and pruning of large trees and bushes is generally considered as maintenance and is therefore the owner's responsibility. Contractors can be arranged to attend to this on your behalf.

Who pays council rates and water rates?

Both of these costs are the responsibility of the owner and cannot be passed on to the tenant. Launceston Property Rentals can arrange payment of any regular expenses relating to your property. This makes tax time a lot easier and you receive your statement with all expenses and income itemised.

Who pays for water usage charges?

Where the water is metered it is the responsibility of the tenant. Some owners may offer to pay a portion of the usage on the basis that the tenant takes extra care of the gardens in the hotter months. The water usage account remains in the name of the owner with the owner being ultimately responsible for payment. For this reason we recommend we receive these accounts direct from Tas Water so we can invoice the tenants as soon as possible.

Where can I find more information about my obligations as the owner of a rental property?

You can simply ask Launceston Property Rentals. More information about your rights and obligations as an owner can also be found in *The Rental Guide: A guide for property owners, property managers, tenants, and tenant advocates* is a FREE download from the Consumer Affairs and Fair Trading website.





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Schedule of Fees

Management Fee

10% of rent plus gst

Letting Fee

\$700 plus gst

A Letting fee will be charged for your first new tenancy under management by Launceston Property Rentals. No letting fee is charged for new tenancies following this, however an advertising fee of \$140 including gst will apply.

Lease renewal / rent review

no charge

Statement / disbursement fees

no charge

Change Your Management to Launceston Property Rentals

In Tasmania there is no exclusive period beyond 30 days for on-going management for a residential property.

You don't need to wait until you have a vacant property to change agency. All you need to do to transfer your management is contact Launceston Property Rentals.

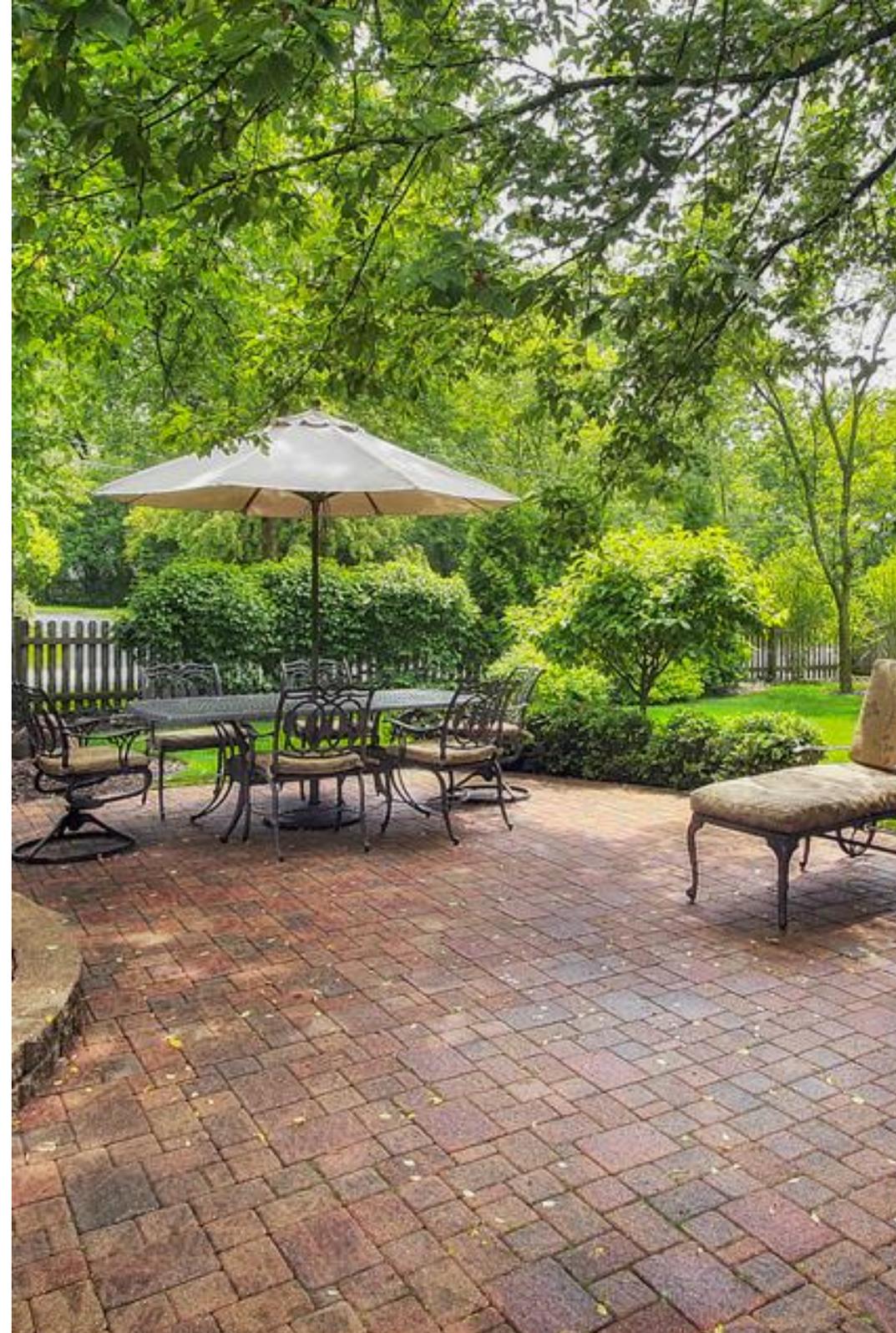
We provide a notice for you to send to your current property manager and then we handle everything from there which includes:

- Collecting all relevant documents
- Contacting and meeting your tenants
- Providing a comprehensive report to you

Recommended Cyclic Maintenance

Regular services and general maintenance of some items can assist with their longevity and lower maintenance costs in general. The main items that come under this category are:

- Air conditioners - servicing once a year
- Hot water system - service every couple of years
- Garage automatic doors - service once a year
- Cleaning of gutters - how regular this is required will depend on the surrounds and location of the home regularly.



My Promise To You

I am committed to providing a high level of service that will leave you feeling at ease, knowing your property and tenants are being cared for, eliminating as much risk as possible.

I will communicate with you regularly, keeping you fully informed, and according to your instructions, on all important matters relating to the leasing and management of your property.

I will regularly assess market rental values and carry out regular reviews to provide recommendations to ensure your rental income is maximised.

I promise to manage your property with care and respect, using the latest in systems and software available to provide you with up to date information and recommendations on all aspects of managing residential rental properties.

Kristy Arnold, Director and Property Manager





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