

# Property Investor Report



## Lease Renewals

### ***IMPORTANT—How the New Tenancy Laws affect YOU!!***

Now that we have had a couple of months to work out the practicalities of these new laws, there are some facts you as property owner need to know in order to get the best out of your investment.

When it comes time to renew a tenant's lease we will be contacting you **3 MONTHS** before the lease end date. This is because we now need to give them **2 MONTHS** notice to leave at the end of their lease. If you are happy to re-sign the existing tenants, we will offer them a new lease and post it to them.

**HOWEVER.....** it is likely that the tenants won't have made their plans yet for 3 months' time. (The new laws state that tenants only need to give us **2 WEEKS** notice to leave at the end of their lease).

So it is very likely that your tenants will 'sit' on their lease and not sign it until their plans are more concrete.

Now, most of the time the tenants do not mean to stall, and it is likely that the signed lease will be returned before the lease end.

**HOWEVER,** what if the new lease is not signed and the end of the lease approaches?

Let's illustrate with an example. The end of the lease is next week and the tenant has not signed a new lease. So we send a Notice to Leave, and advertise for a new tenant with an available date for 2 months' time. We find and sign up a tenant who is ready to move in in 2 months' time.

In the meantime, the current tenant finds a new rental property to move to, and in turn gives us the required 2 weeks notice to leave at the end of the lease (which is a very possible scenario).

This now leaves the property vacant for over one month between tenancies.

One more issue worth considering in the above scenario is the fact that for the final 2 months the lease has lapsed into a **PERIODIC** agreement.

This is not an issue in itself, because the original lease agreement terms still stand for a periodic lease.

The issue lies with your insurer. Many landlord insurance providers will **NOT** pay out on a policy if the tenant is on a periodic agreement.

So as you can see, these new laws do not favour owners at all, and it is up to us as property managers to try to minimise your risk.

Bearing the above in mind, we have changed our procedure to include a Notice to Leave to tenants along with the lease renewal. This Notice will state that the owner is happy to have them sign the lease, but in the event that they do not send back their signed lease, the Notice will stand for the lease end date.

This will effectively provide us with a safety net. It means that the lease will not lapse into a periodic lease, and we can begin advertising for new tenants.

On a final note, you can see that lease renewals are not an ideal time for property owners so our suggestion is to try for 12 month leases instead of 6-month leases.

So... when I contact you with regards to renewing your tenant's lease please bear the above in mind, and know that as always we work with your best interests in mind.

*Norma Fleming  
Senior Property Manager  
Solutions Property Management*

## Leased in August



ADDRESS	DETAILS	RENT
Buchanan Rd, Morayfield	4-bed, carport	\$280 (new)
Joyce St, Burpengary	3-bed townhouse, ensuite, a/c, SLUG	\$290 (new)
Spinnaker Dve, Sandstone Pt	2-bed townhouse, SLUG	\$300 (new)
Breeze Ct, Caboolture	4-bed, SLUG	\$300 (same)
Riverwood Dve, Bellmere	4-bed, ensuite, DLUG	\$310 (same)
Jeita Ct, Caboolture	NEW 4-bed ensuite, a/c, DLUG	\$320 (new)
Graham Rd, Morayfield	3-bed, large block, DB shed	\$330 (new)
Tuohy Ct, Rothwell	4-bed, ensuite	\$370 (new)

### “What are Rent Prices doing???”

Many landlords are enquiring about current rental prices in the area.

An excellent resource is the Residential Tenancies Authority (RTA) Website, as they publish quarterly statistics on rental prices based on bonds lodged.

Just log onto our website—[www.solutionsproperty.com.au](http://www.solutionsproperty.com.au)— click onto "Landlords", scroll down to Legislative Information and click onto the Residential Tenancies Authority link.

Once in here, click the tab "Median Rents" then "June Quarter 2009" and you will be able to access the latest information on rents throughout Queensland.

### Calendar Dates for September



#### Disbursements

Mid Month-  
Mon 14th Sept

End of Month-  
Wed 30th Sept

#### Office Holidays

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## Valuations – an important message for our Landlords

We are receiving quite a few calls from Valuers and banks who are requesting to arrange valuations on behalf of our Landlords.



So that we may assist the Valuers effectively, we have in place an office procedure to handle these requests.

Carla Banks (our Letting Officer) is responsible for arranging the visits.

Carla's contact details are:

Email: [admin@solutionsproperty.com.au](mailto:admin@solutionsproperty.com.au)  
Phone: (07) 3888 0098  
Fax: (07) 3888 0097

We ask that you assist us by following these simple steps:

1. Please advise **Carla** (preferably via email or fax) so that she can expect to be contacted by the Valuer—for privacy reasons.
2. Please then ask your Valuer to contact **Carla** as she will be the one to organise the inspection with the tenant. Please be aware that we need at least 3 working days to give the appropriate notice to your tenants.

Please do NOT instruct the Valuer to call me on my mobile as I personally will not be able to assist them any quicker. I appreciate your assistance.

Laura Valenti  
Managing Director  
Solutions Property Management