



NEW SMOKE ALARM LAWS - THE CLOCK IS TICKING

*In less than 14 months - or 290 working days -
New Queensland Smoke Alarm laws will come into effect.
Will YOUR property be ready???*

The Worrying State of Play

New statistics have emerged and authorities are getting worried. Among the over 550,000 investment properties in Queensland, only 25% of all required upgrades have been completed. The experts predict that there will simply not be enough technicians or smoke alarms available to meet this quota by the deadline.

Furthermore, as demand is set to increase in 2021, costs for upgrades are expected to soar.

Why have investors been so slow to act?

I believe it is a combination of the following:

- Lack of education of investors
- Lack of proper processes by the majority of agencies (many have not even begun obtaining quotes to upgrade their clients' properties)
- Procrastination to delay the costs
- The old Aussie adage 'She'll be right - I have plenty of time'.

What happens if a property is NOT compliant by the deadline?

Rental properties that have not been upgraded by 1st January 2022 will not be permitted to enter into new leases. Therefore, if your tenant leaves, your property will be sitting vacant indefinitely until the upgrade has been completed (which may take months depending on availability of smoke alarms).

Even if tenanted, you will not be permitted to renew the lease, allowing it to lapse into a periodic lease and creating uncertainty.

Our Upgrade Program

One year ago, Solutions Property Management embarked on an ambitious plan to have all our managed properties upgraded by the end of this year. Most of our clients have responded well and to date, three-quarters have been upgraded.

Don't follow the Herd

Some of our clients, however, have chosen to delay the upgrade, believing that they still have time. The problem is that hundreds of thousands of other investors are thinking the same, and when demand starts to rise, so will the costs.

Please note that if you defer or decline the upgrade, we will cancel the job and wait for you to advise when you would like to obtain another quote to move forward with the work.

Do it once - do it right

A report by a leading smoke alarm company advised that of the upgrades already completed in Qld, 37% have been done incorrectly.

Therefore, equally important to getting the right price is getting the job done PROPERLY. Our clients can be assured that our compliance contractors offer a superior professional service while keeping prices competitive. But prices will inevitably rise, so please don't delay. Approve the upgrade NOW to protect your tenants, your property, and your rental income.

Laura Valenti, Managing Director
Solutions Property Management

OCTOBER LEASING REPORT

Vacancy Rates at an all-time low

The REIQ Rental Vacancy Report for June-Sept has just been released, showing a tightening in rental vacancies for every major Local Government Area. In some cases, vacancies fell by well over a percentage point from the previous quarter.

This tightening of vacancy rates has been a trend since the beginning of the pandemic in March, and those of us who are working on the ground are noticing a few important trends:

- Supply of rental properties has drastically reduced
- Enquiries and applications on each property have increased
- Percentage of poor quality applicants seems to have increased
- Many tenants are offering more than the advertised rent

All the above adds up to a noticeable increase in rent prices. The forthcoming December Vacancy Rate Report may reveal just how tight Queensland's vacancy rates can get – and possibly how high rents can become.

VACANCY RATE:

NORTHSIDE - 0.42%
SOUTHSIDE - 0.31%

TOTAL OFFICE - 0.38%



IMPORTANT DATES FOR NOVEMBER

DISBURSEMENTS

Wed 4th Nov

Wed 11th Nov

Wed 18th Nov

Wed 25th Nov

STATEMENT

Tue 1st Dec

Marketing Matters!

We have noticed that during these times of high demand for rental properties, we receive a high number of sub-standard applications from tenants with a poor rental history.



In order to ensure your property attracts quality tenants, the marketing needs to be of high quality with clear professional photos.

Recently, one of our properties in Narangba was listed for several weeks and mainly attracting poor quality applicants. The owner agreed to invest in professional photos, and we immediately started receiving good quality applications. New tenants were secured in a week.

For the small price of half a week's rent, we minimied vacancy time and secured a good tenant. A wise investment indeed!