



Is your rental livable?

You can make all the right choices when buying an investment property, but when it comes to luring high quality tenants, if your property doesn't have what they want, then you're going to struggle big time.

With some insight and a little extra effort, you can make it much easier to attract and keep those perfect tenants, so your future as a landlord is prosperous and peaceful.

What A Quality Tenant Wants

Location

One desirable feature that will always rate high on a tenant's radar is location. When seeking out a new place to live, people always choose their location first. They'll also pay substantially more to live in highly desirable areas. That's why the CBD, inner city suburbs and popular lifestyle spots, are always in demand - access to transport, less time travelling and more amenities at their disposal.

Security

Just like you, your tenants want to feel safe and secure. Properties with alarm systems and quality locks in place, have a positive impact and also make it easier for tenants to get insurance. Plus, if a tenant feels safe in their property, they'll more inclined to stay long term - which is exactly what every investor wants.

Bedrooms

The number of bedrooms in a property is literally a make or break decision for tenants. A wise investor will seek out a property that offers the ideal number of bedrooms for the target market so it can compete in the rental arena. For example, a family-friendly area will have a high demand for three or more bedrooms, whereas an inner-city apartment with two bedrooms, could be the hot ticket item for a tenancy in another area.

Parking

Despite the fact of whether they drive to work or not, most tenants own a motor vehicle. That's why off-street or undercover parking helps attract a wider range of tenants. Check out most tenancy applications and security garages, off street parking, and parking spaces are high up on their must-have list.

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How livable is your investment?

Storage

Tenants often get caught out having insufficient storage. They find themselves paying for expensive extra storage or having to sacrifice garage space to store extra items and sporting equipment. If you can offer them a property with an abundance of storage space, then you're onto a winner.

Air conditioning

Installing a reverse-cycle air conditioner won't necessarily increase your home's sale value, but it will definitely make it more appealing to tenants. Often, you'll be able to charge slightly more for a place with air conditioning - and in a climate that is becoming hotter each year, it is a small luxury most tenants will go the extra mile for.

Modern Kitchens & Bathrooms

Both renters and buyers strongly consider the condition of the bathroom and kitchen when assessing a property. Although it may not be the final deciding factor, most renters prefer to live in a modern or updated home. Renovating a bathroom or kitchen doesn't have to cost a fortune, yet can make a dramatic difference in both presentation and value.

Outdoor Areas

We live in a beautiful country with a penchant for outdoor living, so its no surprise tenants adore a property with a wonderful outlook and some entertaining space. A balcony, deck, courtyard or even small garden terrace, can add considerable value to a property, and often be the difference between a high stack of applications or zero interest.

Bond Dispute? No More!

A new product will give tenants the option to pay rental bonds in instalments and protect their money from being mishandled.

BondSure will enable tenants to apply online to have rental bonds up to \$5,000 paid on their behalf by the company, to be repaid over six to 12 months. The service will maximise the chances of renters' bonds being returned, the company said, adding that it is also offering Australia's first optional bond insurance.

The insurance will provide cover up to the bond amount for the most common areas of dispute – accidental damage and additional cleaning charges.

Paying a bond can be an untimely nuisance for tenants, tying up money at the start of the rental period when many people would prefer to spend money on other things. Recouping bonds can also be a real nightmare for some tenants when accidents or disputes over cleaning put the bond in jeopardy.

The product is flexible and tenants can take out insurances without getting their bond through BondSure or they can have their bond paid without also securing insurance. On an average \$1,000 loan over 12 months, BondSure will charge an annual percentage rate of 16 per cent, with additional fees and charges. Bond insurance costs \$18 per month.

The insurance component of the product should lead to less bond disputes between tenants, property managers and landlords. Property managers only need to register once, provide bank details for the bond transfer, and check the rental address on the BondSure website when the lease is signed.

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Go green with your investment!

There are significant advantages for tenants and investors in rental properties, who choose to undertake eco-friendly renovations, it just takes a bit more of a broader view to see the potential value.

Benefits to tenants

It's no secret that as well as being kind to the environment, eco-friendly housing is a lot kinder on the resident's pocket. Property residents can save hundreds if not thousands from:

Reduced water consumption.

Less electricity used for temperature control.

Reduced gas consumption on water heating.

And you don't need to spend lots of money either even small changes can produce big savings, such as:

- Low voltage light bulbs.
- Energy efficient appliances.
- Water filters.
- Block-out blinds.

Keeping tenants happy

Bad tenants who neglect or actively abuse a property, fail to pay rent on time, or simply don't stick around for long can really put a dent in investment returns.

Repairs, additional maintenance, pest control, leasing and advertising costs, plus lost earnings from a vacant property can quickly add up. Plus, a poorly maintained rental property can also have reduced value for use in funding other investments.

As such, happy tenants are a major benefit for investors. They are more likely to look after your property and pay their rent on time, and be eager to stay longer term. And what tenant wouldn't be happy living in a property that saves them big bucks on energy costs.

Return on investment

Some improvements will benefit you directly, think about improved natural ventilation and light reducing or even eliminating the effects of damp. Others may have a less tangible return, however selling an energy efficient property can only boost its appeal among buyers, which in turn could net you a higher return.

However, even before it comes time to sell your investment, your green improvements may actually net you a return through higher rents. Because of the monetary savings your energy efficient home affords your tenants, they may be more willing to splash a bit of that extra cash on higher rental payments.

So before you dismiss the idea of improving the energy efficiency of your investment property, take a broader view of the appeal of these measures among tenants and buyers, then re-evaluate whether it may be in your interest, as well as the environments, to go green.