

PROPERTY INVESTOR

NEWSLETTER

MAR – APR
2017

This newsletter has been written to keep you updated on what is happening within the industry and our real estate agency

DEBT CONSOLIDATION

When you have multiple debts, it can be stressful trying to keep them all under control, and can put pressure on your family and other areas of life. Many of us have personal loans, car loans and credit cards, which we pay off each month, often to different financial institutions. This means you could be paying more than you need to be.

Debt consolidation can be a great option for those who are looking to have all their debt in one place as well as potentially reducing the interest rate and monthly repayments.

Consolidating could potentially give you lower weekly, monthly or fortnightly repayments as well as a lower interest rate.

Having all your repayments rolled into one will allow for better management of your debt.

With only one monthly repayment being made, you will also be able to keep track of the amounts coming from your account and have a clearer vision of where your financial future is heading.

If this is a consideration we suggest that you speak with your bank, accountant, or a financial planner.

THE MYTH OF TWO WEEKS RENT IN ADVANCE...

There is a well-known joke in the property management industry that occurs quite often at the end of a tenancy where a tenant states "What happened to my two weeks rent in advance that I paid when I moved into the property?" It is at this point when we have to take out our calendar and explain that "Yes you did pay two weeks' in advance, but you used up this rent when you paid *two weeks* after moving in".

As mentioned, we refer to this as an ongoing industry joke, but the tenant paying rent on time is no joke to us.

At this time of the month (when owners receive their rental statement) we can also receive telephone calls or emails asking 'why is the tenant not two weeks in advance'? (Or a month in advance if that is the payment terms).

A Tenancy Agreement does outline the terms and conditions of the tenancy and the frequency of rental payments. However, the reality is the tenant does not have to pay their rent 2 weeks or a month in advance. It doesn't even have to be one week in advance, just up-to-date.

As a managing agent when communicating with the tenant we do highlight the terms of payment in accordance with the Agreement, but the tenant is not considered in breach, until they fall behind in the rent, which is when you can issue a breach notice letter and if not remedied, a termination notice to vacate.

Unfortunately, in these economic times and with the lack of affordable housing across the nation we are also finding that some Tribunal Courts are becoming lenient with tenants allowing them to continue residing at the property with a performance order and payment plans for the outstanding rent.

It is our focus and priority to ensure that the tenants' rent is paid on time.

2 x \$500 Sponsorships
Up For Grabs



EARE

Entries close at
12pm June 14th

Youth Sponsorship

Open to all East Arnhem Land
youths aged 10 - 18 years

is back!



Meet the new admin of East Arnhem Real Estate



Sarah Mitchell

Sarah has joined the EARE Team as our Administration Officer. She has worked as an administration professional in organisations throughout Nhulunbuy and will ensure our office maintains it's high customer service standards. Sarah was born and raised in Nhulunbuy and loves the region of East Arnhem Land.

1 IN 3 MARRIAGES END IN DIVORCE

HOW TO DEAL WITH AN INVESTMENT WHEN SEPARATING

This is not a happy topic to write about, but one that is reality.

If you or someone you know has recently divorced or are going through the separation process (and you own property) then you are going to have to determine how to administer or divide your shared property investments, which more often than not will involve lawyers.

We understand that this process can be overwhelming and stressful.

During these times it is also important to note (from previous experience) that for any changes to occur to rental payment bank account details we must have written and signed instructions from all parties, which is part of our standard agency processes.

If you are reading this article and you are the two who are still married, or if you are considering getting married we would encourage you to seek legal advice on a co-purchase or ownership agreement when buying a property with a partner as it can serve to protect both parties. It outlines who pays the bills, who is liable in the event of a relationship breakdown, and how one of the parties can sell their share of the property (if you even want that to be a possibility).

If you invest hundreds of thousands of dollars on a home, even millions, you may want to make sure that you are protected no matter what. You don't want to find out that you don't have any claim to the property after the relationship has broken down and then lose all of the money you put into the investment.

When you decide to purchase property with someone else, be it a significant other, family member or a group of friends, you have the choice between a 'Joint Tenancy' or a 'Tenancy in Common'. In a Joint Tenancy, each investor in the property has equal shares and equal responsibilities, regardless of how much they put towards the home deposit or how much they pay off the mortgage.

In the event of a separation that requires you to sell your investment, both parties receive an equal share of the profits (or are liable for an equal share of the losses). If you are married, this might be the best choice based on your shared finances.

If you have purchased a property through a Tenancy in Common, you may have uneven shares in the home. If you paid 70% of the deposit, you will be paying for 70% of the mortgage and the bills, and you will receive 70% of the profits. Your partner, on the other hand, will only receive 30% of the profits.

If you need to sell or if you find yourself in this situation, our team of experts are here to offer confidential value-added advice on the sale process as well as a free 'no obligation' appraisal (if required) to assist in listing the property for sale to achieve the best possible price.

We also recommend that you seek professional advice from your lawyer and accountant.



TALK TO THE PROPERTY EXPERTS

BUYING, SELLING, RENTALS & PROPERTY MANAGEMENT

Contact us if you are thinking about buying or selling or know of someone who is.

FOR SALE

Keeping you updated on the local market

Hot Property

2 Lobelia Close - \$450 000

Looking for the ultimate home in Nhulunbuy? This is it. This elevated home has a spacious downstairs area, including a bathroom, making it a fantastic entertaining area. It has enough room for a party with friends and to park the boat. The upstairs living space is open plan with beautiful polished hardwood floors. Toilet, bath, and shower are all separate making it the perfect family home, and at the end of the day the wrap around porch is the place to sit down and enjoy our wonderful weather. This elegant home also has a spacious one bedroom unit located behind the downstairs parking space.



10 Pera

5 2 2
\$275,000



4 Matthew Flinders

3 1 1
\$320,000.00



4 Wolsey

3 1 3
\$325,000



14 Sinclair

4 2 1
\$400,000



12 Beagle

3 2 4
\$440,000



13 John Flynn

1 2
\$460,000



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