



# Newsletter

Publisher: Josey Comerford

October 2017

## Calendar of Events

15 November 2017	Mid Month Accounting
1 December 2017	End of Month Accounting
15 December 2017	Mid Month Accounting
22-26 December 2017	Office Closed – Christmas Period
30 Dec 17 – 1 Jan 18	Office Closed – New Year Period
2 January 2018	End of Month Accounting

## **SOME THINGS YOU DON'T NEED TO KNOW**

The microwave was invented after a researcher walked by a radar tube and a chocolate bar melted in his pocket.

## RENTAL MARKET UPDATE

The vacancy rate remains low, it is fluctuating in the 2% to 3% range. We are now beginning to receive multiple applications for advertised properties and there is certainly more interest with multiple inspections being conducted. This is particularly the case for mid-range priced houses. Rents for the most part continue to increase and this should continue, providing the infrastructure and development scheduled to commence in Mackay, Bowen and Galilee Basins go ahead as planned. Should you have any queries, please do not hesitate to contact Josey on 07 4957 7373 or [josey@hughreilly.com.au](mailto:josey@hughreilly.com.au).

## REFERRALS ARE REWARDING

Do you have other investment properties we can manage for you? Consolidate them all under our management for consistency as well as other benefits. Or perhaps you know someone with investment Property? If so, please contact Josey on 07 4957 7373 or [josey@hughreilly.com.au](mailto:josey@hughreilly.com.au). We'd be delighted to help and appreciate your referrals!

## WHEN TO INCREASE THE RENT & WHEN NOT TO

Everyone wants a good return on their investment. Getting the optimum price for a rental property is the goal of every Property Manager and Landlord alike. Many Landlords opt for shorter Lease periods to give them the flexibility to increase rents, but this can be counter productive dependent on the market and the supply of rental properties.

If you are in a market of short supply – then by all means – opt for short Leases and/or regularly review the rent to keep up with market rates. However – if the rental market is not in short supply then increasing the rent to good Tenants could mean that you are left with a vacant property for a number of weeks, or in some cases, months. If you have a \$500 a week rental and you are looking to increase that to \$520 per week and the Tenants decide to vacate because they can get an equitable property for \$480 given that the market is in their favour – you will end up with a vacant property. If the property is vacant for 2 weeks it would mean that you lose \$1000 – an amount that will take you 50 weeks to make up if you are lucky enough to rent it at the new rate with the rent increase. Is it worth it? And it's not only the lost rent – think about the added expense of advertising and maintaining the gardens and cleanliness of the property while it is not being rented.

What is the value of a good Tenant? Peace of mind, a well-maintained property and garden, easy relationships between Tenant/Agency and you as the Landlord. If you have such a Tenant – wouldn't you rather keep them? Rent increases are justified and do not necessarily mean a Tenant is going to leave, but whenever this scenario is put to a Tenant, it raises the question of whether they could find something better, cheaper or more convenient elsewhere. It can "force their hand" and springboard a decision to leave where they might not have considered it before.

*Cont'd*



## PROPERTY OF THE MONTH

### **279 Slade Point Road, Slade Point** **\$199,000**



Located at Slade Point and only a short drive to the Mackay CBD this is an ideal opportunity for any buyer to start in the market. There are two good size bedrooms plus an office, neat and tidy bathroom with solar hot water, and the whole house has been recently painted. The property is fenced on a 809 sqm allotment with a double bay Colorbond shed to accommodate the cars or the tools. Be quick to inspect this neat and tidy home located only a few minutes drive to the beautiful Lamberts Beach, Seabreeze Hotel and the Lamberts Beach Lookout.

**Contact Catharine Harrington**  
**0402 319 444**

**RENTAL APPRAISAL:** A full rental appraisal is available on request.



Before making any decision to hold or increase the rent on your property – speak to your Property Manager and get them to give you a market appraisal of comparable rentals in the immediate and close locations. It is also worth looking at council building approvals. If you have a rental property in a block of units in a suburb where there is a lot of building activity, then you will need to factor in the impact of these rentals when they come onto the market. In some circumstances, it is worth offering Tenants longer term leases (12 to 18 months) to tide you over this period.

Conversely – if you have a problematic Tenant who is frequently late or behind with their rent and not keeping the property in the condition that you expect – then increasing the rent can be a way to compensate this inconvenience or get them to look elsewhere. Rent increases can be challenged in the Tribunal and must always reflect fairness and market value/trends.

Keep abreast of market values by talking to your Agent on a regular basis and keep yourself informed by checking online ads for rent for comparable properties. However – you also need to note the length of time properties stay on the market for and understand that just because a property is advertised at \$550 does not mean that it actually rents at that amount!

*Source – Real Estate Dynamics*

### **MACKAY REGIONAL COUNCIL – WATER NOTICES**

Mackay Regional Council will be sending out the Water Rates during November. If reimbursement from the tenant is applicable, please ensure that you forward a complete copy (front & back) of the notice to our office as soon as possible to enable the tenant to be invoiced. Please forward your water notice to our office via fax 4953 1550, post, over the counter or email [trust@hughreilly.com.au](mailto:trust@hughreilly.com.au). Please ensure you have paid this direct to Mackay Regional Council by the Due Date.

### **ATTENTION LANDLORDS!!**

The email address – [service@hughreilly.com.au](mailto:service@hughreilly.com.au) has been created to allow us to deal with landlord queries more efficiently. This address will be monitored by the business partners, so that the job can be allocated to the appropriate officer for immediate attention. This address is also available for any feedback on our level of service. Your satisfaction is important to us.