

Landlords Handbook

Welcome to the Laing+Simmons Family

We would sincerely like to welcome you to our services. We have prepared an extensive guide in plain english to help you understand the main points of looking after your property and the rental process, we hope its of value.

At Laing+Simmons Dee Why, we recognise that effective property management is all about relationships.

The relationships between landlords and tenants, tradespeople, maintenance services, strata management and even between a building's occupants can all shape the success of an investment property.

Laing+Simmons property managers are experts in communication, problem solving and time management. We take a proactive approach to property management. We anticipate and take action to prevent issues from arising. Our ability to build strong, mutually beneficial relationships enables us to do this, setting us apart from the other mass-produced property management services in the market.

The Laing+Simmons boutique service offering means we have the flexibility to tailor individual solutions for every single property we manage. With Laing+Simmons, you won't be subjected to a one-size-fits-all approach.

After all, every property is unique, every landlord has different needs and objectives, and every tenant is different.

Our property management team works seamlessly with our leasing experts, salespeople, marketing team and all other support staff to provide a more holistic, integrated service. This invariably results in the properties we manage being leased in a time efficient manner, remaining leased with the right tenant on board.

For landlords, we make it our business to get to know you so we can understand your needs, objectives and expectations, to maximise the performance of your investment property. We are experts in matching the right property with the right tenant.

Similarly, we ensure our tenants are fully aware of their rights and responsibilities. We recognise that a happy tenant is crucial to the investment property's success. Our ability to cultivate, foster and grow strong relationships means our property management service consistently exceeds expectations.

Marketing The Property

To attract a tenant of a high standard, your property must be marketed correctly and extensively to guarantee widespread exposure. We do this by means of our website as all of our rental properties are advertised on our website, and the two largest and most visited real estate sites in Australia – www.realestate.com.au and www.domain.com.au, as well as all other available portals. In addition, we go beyond and advertise on social media sites such as Instagram, Facebook and Google to reach an even wider audience.

Professional Photography

The majority of the enquiries that we receive are from our websites. Prospective tenants usually only view the images of the properties, so it is the first point of engagement.

For this reason we advertise your property with professional photographs to maximise its potential and captivate prospective tenants at first glance.

Signboards

Signboards are often used with our eye catching signature yellow to attract potential tenants which always results in an array of enquiries.

Property Presentation

First impressions are critical when a prospective tenant inspects your property.

First, decide what sort of tenant you are targeting. There are tenants who want to save money and are happy to live in a property that is not in first class condition. T

here are others, such as professional people, who are happy to pay top rent, but expect the property to present at its absolute best. There is no doubt that well presented properties achieve top rents and usually attract the best quality tenants. That adds up to a higher investment return, together with fewer and shorter vacancy periods.

Selecting the Best Tenant

Verification of information

When an application form is submitted, we verify all of the information. This includes employment, means of income and previous tenancies.

Better Tenants = Less Vacancies

We screen our tenants very thoroughly to ensure that only tenants of a high standard are placed into your property. We have a high occupancy rate that is reflective of our ability to provide you with a commendable return on your investment property.

The Tenant Selection Process

A number of processes take place before a tenant is selected for your property. To ensure that tenants are able to meet tenancy requirements, such as paying the rent and maintaining the property, we conduct comprehensive reference checks. The quality of our tenants is never sacrificed for the sole purpose of leasing out the property quickly.

The best possible tenants means fewer problems

With our expertise we are well placed to recognise rent jumping tenants that don't respect rental properties, and won't let them anywhere near your property. We're proud of our extremely low vacancy rate.

You don't want your property sitting empty - our occupancy rate clearly indicates that we can deliver a reliable return on your investment property. We are careful to avoid leases ending in slower periods of the year for example winter months May – July and festive periods December – January.

Notes

Receiving your Rent

Laing+Simmons give you the option to receive your rent once or twice a month.

At the end of each month (or bi monthly) our property owners receive a statement by email of all the rental incomes and disbursements.

All funds are transferred to your nominated bank account prior to the end of each month.

Online Landlord Portal

At Laing+Simmons Real Estate we are always looking for ways to use modern technology to improve the service we provide to our valued clients; we also know that you want to be able to access your important information when it's convenient for you.

We have recently added an online portal for our landlords to have secure 24 hours, 7 days a week access to view & download the following:

- + Your current & past rental transactions made by your tenants
 - + Monthly statements as well as Yearly Income & Expenditure reports
 - + Invoices
 - + Inspection Reports
 - + Body Corporate minutes & correspondence
 - + All documentation relating to your property including the lease agreement, rent increase letters & termination notices In the coming months you will even be able to view the work orders that have been issued by your Property Manager.
- Our landlord portal also enables you to email your Property Manager directly to change your personal information and to request information. To access this service please visit our website and log in using your secure username name & password. Alternatively you can contact your Property Manager for more information.

Inspections on your property

Property Inspections

We carry out scheduled inspections of your property to reduce the likelihood of any problems arising during the tenancy periods.

The first inspection we conduct is the Residential Premises Condition Report. This report is a legal requirement and is completed prior to the commencement of a tenancy.

Routine Inspections

Are then carried out on your property. Routine Inspections are conducted to observe the condition of your property and how the tenant is maintaining it. In addition, an analysis of the amount of rent being paid is undertaken and if any repairs or maintenance to the property is needed.

The maximum allowance of Routine Inspections is four per year. Tenants must be given seven days notice, in writing, before the inspection can be carried out.

Bonds from tenants

In accordance with legal requirements, the maximum amount that can be requested for a rental bond is four weeks rent. This applies whether or not the property is furnished. If the rent increases, the tenant cannot be asked to top up the bond to match the newly increased rent.

The rental bond is to be paid within ten working days from the date received, to the Renting Services branch of the Department of Fair Trading.

This is a legal requirement.

Tenancy Agreements

In accordance with legal requirements, there must be a written tenancy agreement between landlord and tenant that is provided by the landlord, or the landlord's agent. Legislation provides a standard form of tenancy agreement that must be used that contains two parts.

The first is the terms of the agreement. This is what is agreed upon by the landlord and tenant, and what the landlord and tenant have agreed to do during the tenancy.

The second part is the Residential Premises Condition Report as mentioned above in Property Inspections, which is to set out the state and condition of the property at the beginning of the tenancy.

Additional terms do not need to be added to the agreement, however, they may be added if they expand on one of the standard terms of the agreement or cover a matter under the relevant legislation which is not dealt with in the agreement.

Certain things must be disclosed by the landlord or landlord's agent to the tenant before the lease is signed. A landlord must not knowingly conceal any material facts about the property from the tenant. There is no expectation for a landlord or a landlord's agent to look into the history of a property. The landlord is only required to disclose what they already know about the property.

A material fact is any information about the property that may affect or be relevant to the tenant's decision to live at the premises. Failure to disclose any material facts to the tenant may result in the tenant voiding the lease and may even seek compensation from the landlord.

Examples of material facts that the landlord must not conceal are:

- + Any significant health and safety risks.
- + Serious violent crime within the past five years.
- + Serious flood or bushfire within the past five years.
- + If a Contract for Sale has been prepared for the property.
- + If a Mortgagee has commenced legal action for recovery of the premises.

Late Rental Payments

A tenant cannot be evicted from the premises for non-payment of rent until they are fourteen days in arrears. This is in accordance with the relevant legislation.

A Termination Notice will be served on the tenant if after fourteen days they have failed to pay the outstanding debt. If the tenant fails to comply with the Termination Notice, the next step we take is applying for the matter to be heard at the Consumer, Trader and Tenancy Tribunal.

Rent Increases

Rent cannot be increased during the fixed term unless the agreement sets out the amount of the increase.

Sixty days notice in writing, including four working days postage, must be given to the tenant if the landlord wants to increase the rent. This applies even when the agreement provides for, or permits, a rent increase.

If the tenant believes that the increase in rent is excessive, having regard to the general market levels of rent for similar properties in similar locations, then they can apply to the Consumer, Trader and Tenancy Tribunal within thirty days of receiving the rent increase notice.

Repairs and Maintenance

Repairing and Maintaining Your Property

When repairs and maintenance of your property are needed, your agreement with our agency may allow us to spend a certain amount on your behalf. We consult with you prior to arranging any repairs or maintenance.

However, urgent repairs such as hot water services and burst sewers are acted upon regardless of whether you have been consulted with first, that is if we cannot contact you and a decision needs to be made as there may be danger to the tenant or destructive to the property.

How do we collect the Tenants Rent

In view of recent legislative changes and our ongoing commitment to improving services to our tenants we are pleased to advise that Laing+Simmons Dee Why has initiated a new FREE rental payment method which is facilitated by Macquarie Bank Limited.

Using the Deft Card System tenants can make rental payments by BPAY® - via their financial institution's phone or internet banking service. Both the phone and internet payment options allow them to schedule recurring weekly, fortnightly, monthly or quarterly rental payments in advance. So that they can 'set and forget' their rental payments.

Renewing the lease

There is a continuation clause in the Residential Tenancy Agreement that applies after the fixed term has ended, where a tenant has the option to continue the lease under the same terms, unless they receive notice expressing otherwise.

The notice can be in the form of a rent increase or a notice to vacate.

Breaking of a Fixed Term Lease

A tenant can end their fixed term lease early, and should give notice as soon as they intend to leave.

It is preferable that it is done in writing, outlining the date they intend to leave. If a tenant ends a lease early, a landlord may be able to claim compensation for any loss suffered as a result.

Amongst a few other things, a landlord may be able to claim compensation for paying rent until new tenants move into the premises or until the existing rental agreement concludes.

Breaches of Tenancy

If a party to the rental agreement seriously breaches a term of the agreement, or if the tenant is in arrears of their rent by fourteen days, then a termination notice may be served at any time on the breaching party.

The notice of termination needs to give fourteen days notice in writing.

Pets and Your Property

If you choose to allow pets to be kept on your property, we ensure that tenants follow certain conditions and do not disadvantage the quality of your property.

We instruct our tenants that the property and yard are to remain clean from any animal droppings and that they are to repair any damage caused to the property by the pet.

In addition, we mandate that only the pets that are specified in the Tenancy Agreement are to remain at the premises of your property. A carpet cleaning term may be inserted in the rental agreement if the landlord permits the tenant to have a cat or dog living at the property.

Strata By-Laws

Strata By-Laws are established to aid the administration of strata schemes.

Amongst other things, it allows regulation and organisation for the behaviour of residents, the use of facilities and common property, garbage disposal, parking restrictions and the use of allocated areas.

Smoke Alarms

In New South Wales, the law requires that your property is to be fitted with a smoke alarm. As a landlord, you are responsible for the installation of smoke alarms in the premises that you intend to lease out.

If the smoke alarm installed, or to be installed, is one with a replaceable battery, a landlord must put a new battery in at the commencement of every new tenancy. Once the tenancy has begun, the tenant is responsible for replacing the battery if needed and if they can access it.

We have professional companies that will check, change and certify that the smoke alarm complies which is important in saving lives and not voiding your insurance policy if damage occurs.

Pest Control

The tenant will be responsible for pest control if as a result of their conduct, they have caused an infestation of pests. Otherwise, the landlord would be responsible under the duty to maintain the premises.

Selling or Moving Back into Your Property

To terminate a rental agreement, a landlord must give the tenant written notice.

It is required that the notice contains the address of the premises, the date on which the tenant must vacate, reasons for ending the rental agreement and be signed and dated. If there is a continuing lease agreement, the landlord may end the agreement without a reason.

In this situation, 90 days notice must be given to the tenant. In addition, with a continuing lease agreement, if the property is to be sold, requiring vacant possession, at least 30 days notice, after the contracts for sale have been exchanged, must be given to the tenant.

Holding fee

A landlord or landlord's agent may ask the tenant to pay a holding fee. Once a prospective tenant's tenancy application has been approved, a landlord may request for the tenant to pay a fee of up to one week's rent.

Once this holding fee has been accepted by the landlord, the property must be kept for the tenant for at least seven days. During this time, the property must not be offered to anyone else.

If for any reason the landlord does not commit to entering into a lease with the tenant after they have paid the holding fee, the prospective tenant may apply to have the matter resolved by a Tribunal. If for any reason the tenant does not follow through with the tenancy, the whole amount of the holding fee that they paid will be forfeited.

Rent Payments

The maximum amount of rent that a landlord can request from a tenant is two weeks of rent. However, a tenant may voluntarily pay as much rent in advance as they desire.

A tenant is liable to pay any of the landlord's bank charges if a rent payment is dishonoured.

Repairs and Maintenance

Under relevant legislation, there are certain statutory obligations that must be adhered to regarding to the health and safety of residential premises.

A tenant must receive written authority from the landlord if they desire to make any alterations to the property. The tenant is subject to pay the cost of the work unless the landlord agrees to the contrary.

If the tenant then decides to remove the fixture they must pay for the cost of any damage caused to the property or the cost of any repairs needed as a result. If the landlord installed a fixture at his or her own cost, then it cannot be removed by the tenant.

If a tenant requests to add a fixture or to make a minor change to the property, the landlord must not unreasonably refuse the request. An example of a request that would be unreasonable to refuse is connecting Foxtel services to the television.

Put more simply, a landlord can refuse a tenants request to add a fixture or to make a minor change to the property where the refusal would be reasonable under the circumstances. A landlord may also refuse a tenants request to add a fixture or to make a minor change to the property where the work is structural and also in situations where the work could not be easily rectified, repaired or removed.

Where the work is illegal, or is not consistent with the nature of the property, the landlord may also refuse the tenants request. If the tenant and landlord are in dispute about any repairs or maintenance issues, either party can apply to have the matter resolved by a Tribunal.

Water Usage

If there is no individual water meter on the property, the tenant cannot be charged by the landlord for water usage.

On premises where there is a separate water meter, the landlord can charge the tenant for water usage, provided that water efficiency measures have been installed.

Once a landlord has received a water usage bill, he or she has 3 months to seek payment from the tenant, and the tenant has 21 days from notification of the water usage bill to make the payment to the landlord.

Sub-Letting

A tenant must ask permission from the landlord if they desire to have a new co-tenant or to sub-let the premises.

A request by the tenant to bring in a new co-tenant or to sub-let part of the premises cannot be unreasonably refused by the landlord. However, a landlord has the right to refuse a request from a tenant to sub-let the entire premises.

Under the relevant legislation, there are certain circumstances where it is reasonable for the landlord to refuse such a request from the tenant. Where a request for a new co-tenant or to sub-let the premises would result in overcrowding or if the number of occupants permitted under the lease would be exceeded, then it is reasonable for the landlord to refuse the tenants request.

In addition, if the person being requested has been listed as a bad tenant, then the landlord may also refuse the request. If the tenant is unhappy with the refusal, they can apply to the Tribunal to have the matter resolved.

Rights of Co-Tenants

Co-tenants are tenants where more than one person has signed the rental lease.

All co-tenants share complete responsibility for the tenancy and each have a legal contract with the landlord.

Sale of Rented Premises

If a landlord decides to sell their investment property and it is occupied by a tenant, the tenant must be notified at least 14 days before the first inspection of the property commences.

Two inspection periods of the property each week are permitted. The access day and time of the property is to be negotiated between the landlord's agent and the tenant. If no agreement can be made regarding inspection times, the landlord's agent still has the right to have potential buyers inspect the property without the tenants consent, provided that the tenant is given 48 hours notice.

Rent Arrears Evictions

When a tenant is in arrears with their rent payment, it may allow a landlord to evict the tenant.

The tenant must be given a termination notice that outlines 3 options that the tenant has;

- a/ The option to pay the arrears amount in full,
- b/ To undergo a repayment plan that both parties accept,
- c/ To move out of the premises by the specified termination date.

The landlord must accept rent arrears payments at any time up until the termination notice period ceases, and refusal to accept the payment from the tenant is not permitted. If a tenant is continually late with their rent payments then the landlord can apply to the Tribunal for a termination order. A termination order can be enforced if the landlord can demonstrate that the tenant is repeatedly late with their rent payments, and the order can be enforced even if the tenant pays the rent.

Payments by Landlords

The landlord generally pays the council rates, water rates, strata levies and land taxes.

In addition, the landlord pays the cost of installing meters that measure the supply of gas, electricity and water. The tenant generally pays for the cost of electricity, gas, water usage (if there is an individual water meter), and any excess garbage costs.

The Premises

The landlord must make sure that the premises are vacant on the agreed date that the tenant is to move into the property.

The tenant has a right to quiet enjoyment of the premises. This means that the landlord or agent will not interfere, or cause or permit interference, with the reasonable peace, comfort or privacy of the tenant in using the premises.

The tenant must not use the premises, or cause or permit the premises to be used, for any illegal purpose. The tenant is not to cause or permit a nuisance on the premises, and is not to interfere with the reasonable peace, comfort or privacy of neighbours.

The Landlords Access to the Premises

There are certain circumstances where a landlord may enter the property.

A landlord may enter in an emergency and if the landlord has good reason to believe that the premises has been abandoned.

A landlord may also enter to inspect the premises no more than 4 times a year with the required notice, to carry out repairs with notice, and to show the property to prospective purchasers no more than twice a week, with notice.

Repairs and Damage of the Premises

In the rental agreement, the landlord agrees to ensure that the premises are reasonably clean and fit to live in, and to ensure that the premises are kept in reasonable repair considering the age of, the amount of rent paid and the prospective life of the premises.

The duty of the tenant is to notify the landlord as soon as practicable of any damage to the premises, and to not intentionally or negligently cause or permit any damage to the premises. In addition, the tenant has the duty at the termination of the lease to leave the premises as close to a condition as set out in the condition report, excluding reasonable and fair wear and tear.

During the tenancy, the tenant must clean the premises regularly and carry out other domestic tasks such as replacing light globes, to avoid obstructing sinks or drains, to keep the premises free from rubbish, and to not decorate the premises in terms of painting or marking without the written consent of the landlord.

Furthermore, the tenant must not keep any animals on the premises without consent from the landlord, must notify the landlord immediately if any pests are present, and to ensure that no action is done that may negatively impact any insurance policy or increase a premium payable under an insurance policy on the premises.

Urgent Repairs

Urgent repairs are to be organised to be fixed immediately by the landlord or the landlord's agent.

Examples of urgent repairs are a burst water service, a broken toilet system, a serious roof leak or gas leak, a dangerous electrical fault, serious flood damage or any fault or damage that causes the premises to be unsafe or not secure.

Locks and Security Devices:

The landlord agrees to provide and maintain locks and other security devices necessary to keep the property reasonably safe and secure.

The tenant then agrees to not remove, change or add any other lock or security device without reasonable excuse without the landlords consent.

Actions of Others

The tenant is responsible for any act or omission of any person that the tenant has allowed on to the premises who breaks any of the terms of the agreement.

Upon Termination of Lease

The tenant must, upon termination of the lease, return the keys of the premises and vacate the premises promptly.

The tenant must also inform the landlord or landlord's agent of their forwarding address.

Final Inspection Guide

Listed below are some of the items that need to be attended to before the tenants move in or vacate the property.

Kitchen

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oven and griller is to be cleaned, drip trays to be cleaned of all grease Range hood to be cleaned including filters All cupboards, shelves, drawers and benches to be cleaned inside and out (don't forget the tops of the cupboards) • Sink taps and disposal unit to be cleaned • Walls and tiled areas to be free from grease • All benches and floors to be cleaned and free from grease • The dishwasher is to be left clean, wipe over internal door and remove debris from bottom drainer • Any appliances should be cleaned, switched off at the wall and doors left ajar General: All Rooms • All exhaust fans throughout property to be cleaned, air vents dusted • Venetians to be washed thoroughly • Flyscreens to be removed carefully and hosed or brushed to remove dirt/dust (where possible) • Windows, window tracks and sills to be cleaned thoroughly • Doors and doorframes to be left clean and undamaged • Marks to be removed from walls with sugar soap • Cobwebs to be removed from ceilings, cornices and walls • All lightfittings to be cleaned and free from insects • All floors and skirting boards to be washed • All ceiling fans throughout to be free from dust • Clean all mirrors throughout including wardrobe door mirrors • Curtains to be washed or dry cleaned according to fabrics • All vertical blind strings to be attached and secure • All items on inventory to be accounted for Bathroom • Shower recess to be scrubbed • Grouting to be free of all soap residue or mildew • Shower curtain (if applicable) to be washed and shower screen to be cleaned • All plugholes are to be cleaned (soaps removed from holders) • Mirrors to be wiped over • All drawers and vanities to be cleaned • Toilet to be cleaned thoroughly, including bowl, seat and cistern • Ceiling mould should be removed Laundry • Dryer filter to be cleaned out • Clean under laundry tub and clean plughole • Cupboards to be cleaned thoroughly inside and out • Exhaust vents to be clean and free of lint Pest Control • If pets have been kept on the premises, then property should be professionally pest controlled for fleas inside and out and a receipt produced to our office Carpets • Carpets are to be professionally cleaned and a carpet receipt produced. Outside Areas • Lawns to be mowed and edges trimmed (clippings not to be dumped in garden beds or behind sheds) • Flower beds and gardens to be weeded • No rubbish to be left in the gardens or around the property • All garbage bins to be emptied and cleaned • Driveways, carports, garages and any concrete areas to be free from oil or grease stains • Garage floor to be swept and cobwebs removed • Cobwebs to be removed from outside eaves, awning and ceilings (where applicable) • Pool and spa to be cleaned, vacuumed and at the correct pH factor Damage: Damage that occurs due to the tenant's neglect will be rectified at the tenant's cost. Important Note: Disconnect the power/electricity and gas. Disconnect the telephone. Redirect mail address. Vacating Tenants: 3 Day Turn Around At the time when a tenant is due to vacate there are many risks: • The tenant leaves the property in a poor condition • Work is required to the property to relet, however, it is not discovered until the tenant vacates Therefore it is essential that we have a period of at least 3 working days between tenancies, this allows us to arrange for any additional cleaning that may be required, carpet cleaning, minor repairs such as replacing smoke alarm batteries and light globes as well as allowing us sufficient time to complete our Comprehensive Ingoing Condition Report. Hopefully that little bit of care and attention to detail at the commencement of the tenancy will guarantee that we never have to hear the words: "It's cleaner now than when I moved in! "