



**MERCANTILE
GROUP
PTY LTD**

PO Box 523 SANCTUARY COVE QLD 4212

TEL 1800 097 522 FAX 1300 887 913

WWW.MERCANTILEGROUP.COM.AU

ABN 61 120 774 263 Lic No 3222410

F. A. Q.

Frequently asked questions that may help you.

***Is your real estate agency doing
everything it can to help you save money,
avoid undesirable tenants,
protect yourself, your property, and
maximize your investment property
performance?***



CREDIT OMBUDSMAN SERVICE LIMITED



Has your real estate agent increased the rental of your property by at least 8-10% over the last 12 months?

According to BIS Shrapnel, your rent should have increased around 12% over the last 12 months? That's an extra \$780 - \$1560 in your pocket if your property currently rents for \$300 per week. So if the rent you're receiving hasn't increased over the last 12 months, your property is probably being under rented and you're missing out on hundreds... even thousands of dollars.

Has your real estate agent informed you of the way to avoid risks associated with tenants defaulting on their rent, how to avoid damage to your property, or how to avoid being sued if your tenant injures themselves?

Would you like to know how to eliminate almost all your concerns about owning a rental property: problems like tenants defaulting on their rent or tenants damaging your property?

How about tenants injuring themselves on your property and deciding to sue you? What if you could do all this for just \$255 a year as a result of landlord protection insurance? Be warned not all policies are the same. If you knew which policies to avoid, wouldn't that give you peace of mind and allow you to sleep easy at night? Have you been informed how to minimize your risks using the right landlord protection insurance?

When was the last time your agency conducted a routine inspection on your investment property? And, if so, were you provided with a written copy?



Has your real estate agency informed you whether they give YOUR keys to tenants to look through your property?

Did you know there's some "sales based agencies" that hand out keys to tenants because their property managers can't be bothered showing tenants through vacant properties? What's wrong with this: Firstly, a prospective tenant has unsupervised access to your property, they can easily make copies of the key. A stranger is wandering the streets with a key to your investment – it's a scary thought for both you and your tenant.

There's also the risk of appliances being left on, or the house not being locked after the inspection, exposing you at risk of uninsurable theft. (Yes, if someone steals from a property and you gave them the keys, it is NOT insured).

Do you know if your keys are being handed out to strangers?

Has your real estate agent demonstrated the checks undertaken to ensure you don't end up with an undesirable tenant?

A business mentor taught me that when dealing with staff you should hire slow and fire fast. Taking time to properly evaluate people you are dealing with whether a staff member or a tenant for your property is critical to the success of your relationships. Does your property manager complete due diligence before handing over a lease to a new tenant? For example, do they:

- Check out tenancy information databases (a log of people who have been bad tenants right across Australia)?
- Get pay slips to ensure the tenant can afford the rent (ensuring the rent is not more than 30% of their income)?
- Get a reference from their previous rental manager?
- Collect 100 points of ID?
- Conduct a 30 minute interview with them prior to signing the lease?

Has your real estate agent outlined when to rent out your property in order to maximise your rental returns and find a tenant fast?

Did you know the level of rental enquiry for properties is lower and higher at certain times of the year? For instance, there is a higher demand for rental properties in months such as January / February for several reasons. Firstly, university intake starts early in the year so there's a lot of students looking for accommodation. Corporate transfers also take place at this time because business slows down, furthermore it's the most common time for people to migrate to Brisbane. Added to this, it is the beginning of a new school year, this means people finishing school move, and parents who don't want to interrupt their children's education also prefer to move during the summer holiday break. It makes sense therefore, there is a greater demand at this time of the year and the statistics support this theory.


Has your real estate agent told you that with a little negotiation you can achieve a premium rent by organizing the lease on your property to expire during the busy periods of the year? Do they even know the four different high demand months when you should be looking to lease your property? What about the one low demand month which should be avoided at all costs?

In summary we at Mercantile Group Pty Ltd believe a well managed, well maintained investment property is the cornerstone of investment for Australians, we take pride in the management of these investments and welcome any inquiry in regard to new or existing rental property.

I hope this information is of some help to you and it assists you towards your first step in securing your financial future through residential property investment.

Yours sincerely,
Glen Miller LREA
Dip Fin (Financial Planning)
Dip Fin (Finance/Mortgage Broking Management)





*Your dream
home, apartment
or commercial
property can
be a reality, not
just a passing
fantasy.*

*Call us today so
you can achieve
your dreams.*

EMAIL: glen@needamortgage.net

TEL: 1800 097 522

Fax 1300 887 913

www.needamortgage.net

www.mercantilegroup.com.au

DISCLAIMER

This Information Pack should not be regarded as a substitute for professional, legal, financial or real estate investment advice. Because every investor's needs and financial situations are different, this information pack is intended as a guide only.

achieve your dreams