

property investor newsletter

Autumn | 2022

Properties Recently Rented

HOUSES

Clarence Park

*Outstanding residence
\$1400 per week*

Lightsview

*Modern 3 bedrooms/2 bathrooms
\$420 per week*

Marino

*Stunning 3 bedroom family home
\$800 per week*

Magill

*Lovely 3 bedroom courtyard home
\$500 per week*

Manningham

*3 bedroom family home
\$450 per week*

Brompton

*Lovely bluestone fronted cottage
\$440 per week*

APARTMENTS / UNITS

Glenelg South

*2 bedroom unit
\$400 per week*

Wayville

*2 bedroom unit
\$500 per week*

Adelaide

*2 bedroom furnished apartment
\$620 per week*

RENTAL VACANCY RATES FALL FURTHER ...

Sydney and Melbourne's rental markets were hit hard when international borders were closed. According to SQM data, Sydney's rental vacancy rate in February 2020 was 2.9%. When the pandemic hit, it jumped to 3.9%. This January, the rental vacancy rate was just 2.1%, the lowest since October 2018.

Not surprising then that the trend in asking rents is continuing to rise this year.

Melbourne's rental market was much slower to recover, likely reflecting its more locked down status, a larger impact from border closures and unit development.

After rising from 1.9% when the pandemic hit, Melbourne's vacancy rate kept rising through 2020, peaking at 4.7% at the end of that year. It's declined since, down to 2.7% by January this year.

Rents now look to be starting to rise again after being flat last year. Even asking rents are growing in annual terms in Melbourne's unit rental market after two years of decline.

Rent rises are adding to already evident other sources of inflation.

Rental markets remain very tight in the other capital cities, from as low as just 0.3% in Hobart to a still-tight 0.9% in Darwin. Brisbane's vacancy rate is 1.1%, Perth's 0.6%, Adelaide's 0.4% and Canberra's 0.7%.

When it comes to renting a home in Australia's major cities, the crowds are heading to idyllic locations that are by the water, have more room to move, and are further from the hustle and bustle. Areas where rents have really taken off are those that boast a high level of natural amenity, such as being on or near the water.

The Mornington Peninsula has been a real hotspot, with an influx of people coming from inner Melbourne. The estimated median rent value for a house in Sorrento is now \$700, which rose \$190 per week in the year to January – the largest dollar value jump in Victoria.

North Bondi in Sydney's eastern suburbs saw strong growth in estimated median house rents - now \$1530, up \$330 per week year-on-year.

As borders continue to open, the country will also see a rise in rents due to more demand for rental properties, and this, in time, will also feed into properties' capital growth.

Simply great property
management from fully
certified property managers



Jo Cullinan



Mick Cullinan



Anna Mignone



Kathy Dodd

LANDLORD REMINDER: HAVE YOU CLEANED OUT YOUR GUTTERS?



NOW IS THE TIME TO DO IT!

It costs an average of \$180 to \$250 to have gutters cleaned (depending on the size of the property). A small price to pay over the expense of possible damage caused by flooding to your property.

Well maintained gutters are an integral part of a property's well-being. They serve to control the flow of rainwater to protect the roof, walls, foundation and landscape.

But when neglected, gutters can turn from a necessity to a nightmare. A gutter clogged with leaves, sticks & other debris can cause a leaky roof or water damage to the interior or exterior of your home. Gutters full of organic matter can also make a nice home for pests, rodents and insect infestations.

We are happy to arrange gutter cleaning for you.

CULLINAN PROPERTY MANAGEMENT ARE PROUD TO BE ASSOCIATED WITH THE FOLLOWING COMPANIES:



FAQs

Frequently Asked Questions



What happens if my tenant fails to pay rent?

A tenant's ability to pay rent is a major factor when deciding on a suitable tenant for your property. We check rental payments on a daily basis to ensure that tenants do not fall behind, a point we make very clear during the tenant sign up. However, changes to a tenant's circumstance can impact their ability to pay rent. We maintain communication with owners when a tenant is behind in their rent, and during this time we follow the appropriate legislative process to ensure that any loss that may be incurred is minimised.

How are maintenance and repairs conducted?

All tenants are requested to report property maintenance to our office. Depending upon owner's instructions we will either seek approval prior to any work taking place, or will proceed with minor maintenance at our discretion should we have already received authority to do so. In the event of an emergency we will do our best to contact landlords, however if required, we will take necessary action to fix any urgent matters to minimise further damage and cost to owners.

Why should I have landlord insurance?

We recommend all landlords protect themselves with landlord insurance, as from time to time things can go wrong. Landlord insurance may cover you when a tenant stops paying the rent, vacates a property early (breaking their lease or abandons a property), malicious damage or severe neglect. Taking out landlord insurance is definitely a wise decision for your investment.

How often are inspections conducted?

Inspections are conducted periodically. That is, three inspections during a 12 month period, upon which owners will receive an inspection report with photos and notes on the condition of the property. These inspections are in addition to the ingoing and outgoing inspections that are conducted at the beginning and end of each tenancy.

How much notice is a tenant required to give to end a tenancy?

The length of notice a tenant needs to provide is dependent on the type of lease they have signed. If a tenant has a **Fixed Term Residential Tenancy Agreement**, they are required to provide 28 days notice in writing prior to the end of the tenancy agreement. If the landlord does not want to renew the lease agreement, 28 days written notice is also required before the end of the fixed term lease. If a tenant has a **Periodic Residential Tenancy Agreement**, they are required to provide 21 days written notice prior to their vacating date. The landlord is required to provide 60 or 90 days notice (depending on the circumstance).

OUR REFERRAL OFFER

We will give you a \$100 gift voucher (OR CASH!) should you refer someone to us and the property is signed for full management.



IMPORTANT: Clients should not act solely on the basis of the material contained in this newsletter. Every effort is made to ensure the content is accurate at the time of publication. Clients should seek their own independent professional advice before making any decision or taking action. We take no responsibility for any subsequent action that may arise from the use of this newsletter.