



# PROPERTY QUARTERS

*Leasing and Management*

## THE 7 BIGGEST LANDLORD MISTAKES

### 1. BELIEVING ALL AGENTS ARE THE SAME

Choosing an agent is arguably the most important decision you need to make. If you are going to entrust your hard earned investment to a property professional, make sure they have the experience and energy to protect you and your property and take care of all the necessary details so you can relax and enjoy the benefits of being a landlord.

### 2. PLANNING & BUDGETING

The number one distress felt by landlords is irregular cash flow. A good tenant is generally very reliable when paying rent, but expenses can fluctuate madly. Every now and then, regular expenses can coincide in the same month. Add unexpected repairs and/or a tenant being less than reliable, and sleepless nights here we come. A simple monthly budget will highlight the danger months and allow you to plan for the unexpected.

### 3. CLEANLINESS & PRESENTATION

This is where many properties fail. A property doesn't have to be freshly painted and carpeted, however if you want to attract a good tenant it has to be super clean. Wear and tear can punish an investment property if left unattended, it will soon make your property look shabby and tired. Regular inspections and maintenance will keep your property looking great. This will also keep your tenant happy and you can keep up with market rentals.

### 4. SCREENING TENANTS

We've all heard the horror stories, so there is no need to explain the impact an inappropriate tenant will have on your life as an investor. Choose carefully and make sure the tenant is screened thoroughly. Taking chances on a tenant for the sake of a higher rent or to minimise vacancy usually backfires.

### 5. ASKING RENT

I believe every investor is entitled to a good market rental, so starting too high is not the problem. The problem is in not adjusting quickly to the market. When your property becomes vacant, there are only a number of potential tenants available. They're the ones you need to work with. Waiting for new prospects that may pay the rent you are asking can sometimes cost more in the long run. Keep in mind that every week the property is vacant you are losing money. Careful research will guide you, both before the start of marketing and whilst looking for a tenant.

### 6. RENT INCREASES

An investment property is a business and needs to be conducted within business principles. Regular rent reviews are not about greed, they're about being practical. Owning an investment property is expensive, apart from the regular expenses there are also renovation costs, repairs and maintenance, capital gains tax, land tax... the list is long. It's important to maintain the rent at an appropriate level. Regular rent reviews are also easier on a tenant than a large catch up.

### 7. INSURANCE

There are many types of landlord insurance, you need to make sure you buy the right one for your needs. The time spent in researching what is the right cover for you is money saved when you need to make a claim. And of course don't even consider owning an investment property without landlord insurance.



PROPERTY  
QUARTERS

02 8866 5000  
[www.propertyquarters.com.au](http://www.propertyquarters.com.au)