

APRIL 2024

# PROPERTY MANAGEMENT NEWSLETTER

News, Trends & Developments  
in the World of Real Estate

## A Note From Karlie

From 27 March 2024, the PropertyMe Owner app is being updated and replaced with the new [PropertyMe app](#). This means that from 1 June 2024 you will no longer be able to log in to the older App. Download the new PropertyMe app to stay connected with the latest features and security improvements.

How to access the new app:

1. Download the app from the [App Store](#) or [Google Play](#), PropertyMe for Owners & Tenants.
2. Login with your PropertyMe email address and password
3. If you don't have a PropertyMe account, you will need to [create one](#)

With PropertyMe app, there's so much you can do:

- View all your property and rental information
- Deep dive into your rental income details and expenses
- Keep tabs on the status of jobs and inspections linked to your properties
- Message your Property Manager directly
- View upcoming events like jobs and inspections
- Access all your financial documents
- Download and share all your documents with your financial consultant

If you would like to discuss the new app, please give me a call.

## THIS MONTH'S FEATURED ARTICLES

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[Fair Wear & Tear Explained](#)

[Renovating Rental Properties](#)



# Fair Wear & Tear Explained

In Australia and New Zealand, legislation recognises fair wear and tear, acknowledging that rental properties cannot remain in their initial condition indefinitely. Examples include fading carpets, paint wear, and loose door handles. These are expected results of everyday living and should be accounted for by Landlords when considering maintenance and property updates.

Conversely, damage caused by negligence, carelessness, or intentional acts by the Tenant—such as stained carpets, unauthorised paint jobs, or broken windows—exceeds fair wear and tear and may warrant deductions from the security deposit.

Landlords or their Property Managers should conduct regular inspections, document property conditions at the start and end of tenancies, and communicate maintenance responsibilities clearly to Tenants. This approach ensures both parties have clear expectations and contributes to a straightforward process for addressing wear and tear versus damage. Understanding fair wear and tear is fundamental for Landlords to manage their properties effectively, ensuring both the preservation of their investment and the satisfaction of their Tenants.

Key to our strategy is routine inspections and good communication, so you're not in for any major surprises.

## Renovating Rental Properties

In our competitive rental markets, our Landlords are constantly seeking ways to maximise return on investment (ROI) while minimising vacancy periods. This is where our expertise really comes to the fore.

Strategic renovations can significantly enhance your property's appeal, leading to higher rental yields and reduced time on the market. However, it's crucial to balance the extent of renovations with the potential for increased rent and occupancy rates. This article explores how Landlords can achieve this balance, ensuring their investment delivers the best possible return.

### Understanding the Market

Before embarking on any renovation project, it's essential to understand the local rental market. Research current trends, Tenant preferences, and the average rental rates for renovated versus unrenovated properties in your area. This information will guide your renovation decisions, helping you to prioritise updates that are most likely to increase your property's desirability and value.

### Cost-Effective Renovations

Not all renovations need to be extensive or expensive to create a positive impact. Focus on cost-effective updates that improve the property's aesthetics and functionality. A fresh coat of paint, updated lighting fixtures, and modern window treatments can transform a space without breaking the bank. Similarly, upgrading kitchen appliances or refreshing bathroom fixtures can significantly appeal to potential Tenants.

### Energy Efficiency Improvements

Energy-efficient renovations are increasingly attractive to Tenants conscious of their carbon footprint and utility bills. Installing solar panels, double-glazed windows, or efficient heating and cooling systems can make your property stand out. These improvements not only contribute to a more sustainable environment but also can reduce long-term operating costs, enhancing your ROI.

### Maximising Space and Functionality

In both Australian and New Zealand markets, Tenants value space and functionality. Consider renovations that maximise the use of space, such as open plan living areas, built-in storage, or outdoor living expansions. These modifications can make your property more appealing to a broader range of Tenants, potentially justifying a higher rental price.

### Addressing Wear and Tear

Regular maintenance and addressing wear and tear promptly can prevent minor issues from becoming major problems. This approach keeps the property in good condition, reducing the need for extensive renovations in the long run. Furthermore, well-maintained properties are more likely to attract and retain responsible Tenants, reducing vacancy rates.

### Timing Renovations Wisely

Timing is critical when renovating rental properties. Plan renovations during vacancy periods or between lease agreements to minimise income loss. However, if renovations are likely to significantly increase rental income or property value, a short vacancy period can be a worthwhile investment.

### Communicating with Tenants

If renovations are undertaken with Tenants in place, clear communication is vital. Inform Tenants of the renovation schedule, potential disruptions, and any benefits they may experience. Consider offering temporary rent reductions or other compensations for the inconvenience. Happy Tenants are more likely to stay long-term, contributing to lower vacancy rates.

Talk to us today for advice about how best to manage improvements to your investment property.