





#### Welcome

Our highly trained, experienced and award winning team at Prowealth® is ready to assist you with all of your Investment Property Management needs.

Listening to you and your needs is very important to us. Years of research have shown there are usually a number of main objectives people are looking to achieve when selecting a managing agent. Here's a few talking points...

- 1. How will tenants be found?
- 2. What happens when a prospective tenant applies for a property?
- 3. How do you know if the property is being looked after?
- 4. How will the property be marketed (and at what cost)?
- 5. How often do you process rent disbursements?
- 6. Are you locked into the agency even if you're unhappy?
- 7. How long does it take to get your property leased?
- 8. How much will the agency charge for their services?
- 9. How many Property Management staff does the agency have and how many properties are managed?
- 10. Are there any hidden costs?

This guide will provide an outline of many of these talking points.

#### Key Advantages of Prowealth Property Management

Our property management department has extensive knowledge and experience in tenancy management which is paramount to our success. Our high level of communication and customer service helps ease all the stress of managing an investment property, and we pride ourselves on professionalism, compliance and risk management. Some key advantages include -

# • 100% Property Management

As a dedicated investment property business, we exist purely for investors. Unlike traditional franchise real estate



agencies, we have a property investment focused business rather than a sales business with property management as an afterthought. Our systems and procedures were designed with property investors in mind and draws on 25 years of operation.

# • A staff specialist in each area.

Regular property management teams use a 'jack of all trades' approach meaning your property manager is juggling repairs, leasing, processing applications and performing inspections - this results in each stage taking far longer to complete and we know time is money! Our property management team is task based, meaning each part of the process is assigned to a specialist in the team who monitors that task until completion. We have dedicated maintenance, leasing and renewals staff who handle these tasks whilst being held accountable by our Senior Property Manager.

#### • Up to twice weekly payment disbursements to owners.

Why do some agencies hold onto your rental proceeds for up to a month before paying you? It's simple, they use outdated software systems meaning there's more work to do it more frequently. By using the latest technology, we can pay our landlords twice weekly. That means if the tenant pays us today, you get the money this week (allowing for bank clearance days if applicable). The money is better off in your account than ours and might even save you interest on your property loan!

# • Digital photo enhancement options.

Many prospective tenants now use the internet as their first approach to renting a property. It is therefore essential to attract their eye when scanning properties. We can professionally photograph and now also digitally remove or insert furniture for a better online experience for perspective tenants. These photos can then be re-used next time a vacancy arises. (See examples in this guide).

#### • Routine Inspection Reports

We have a dedicated staff remember to conduct inspections.

This ensures consistency in our reports from one inspection to the next and provides for total transparency to you. (See example in this guide).

## • Online Owners Portal and easy to read Statements

View current tenant information and past payments at anytime. (See examples in this guide)

Our Property Management team will explain these and many more benefits to you in more detail when you are ready.

#### **Getting Started**

Whether you have an existing property manager and are looking to change, or have recently purchased a new investment property, changing to Prowealth® is easy.

- We will send you an electronic agreement to complete and a letter to terminate any previous agency. We can of course meet you in person if you are located in Brisbane.
- We then collect keys and documents from you or the previous agent and upload everything to our systems.
- We arrange photos and marketing and ingoing inspection reports as necessary. (See examples later in this guide).
- We locate prospective tenants for screening and your approval or inform the current tenants of how to pay rent into our trust account.
- You receive access to our Online Owners Portal to monitor your investment on an ongoing basis.

Our Senior Property Manager and Business Development Managers will talk you through the whole process, but in essence, we take care of everything!

Thank you for the opportunity to manage your investment.



Daniel Goodwin Principal

# A guide to your obligations as a Lessor.

# What are the Lessor obligations for an investment property?

Basically,

- The property must be clean;
- Fit for a tenant to live in;
- In good repair; and
- Comply with all relevant health and safety requirements set out in legislation.

#### Disclosure

Legislation requires that tenants be advised of any matters that may be relevant to their tenancy. An example of disclosure would be non-exclusive or exclusive access to a particular area of the premises i.e. public pathway or body corporate/ common areas. If in any doubt about disclosure, please contact our office for further information.

#### Smoke alarms & window cords

It is a legal requirement for landlords to have smoke alarms at their rental property. We have contractors who can assist in the legislative obligations to ensure compliance, safety and sound risk management. Smoke alarms must be compliant prior to the tenancy commencement and again at lease renewal. We can advise you on these costs.

#### Safety switches

It is a legal requirement for landlords to have safety switches installed at their rental property. We recommend that the safety switch should be tested regularly to ensure safety and risk management.

#### Keys, locks and security

The Residential Tenancies and Rooming Accommodation Act 2008 requires that tenants be provided with a key to every lockable door or device at the property. The requirement is for one full set of keys to be given to the tenant plus entry keys to any other named tenant to allow independent access. Our agency will also require a full set of keys to be held in the office.

#### Pool safety laws

It is a legal requirement for landlords to have a pool safety certificate for their property if there is a pool or spa. The building act of Queensland is the relevant legislation for swimming pool laws. Rental properties with swimming pools cannot be let or re-let without a pool safety certificate. Our agency can provide you with more information if required.

#### Water

If your investment property does not have an individual water meter, water charges cannot be passed on to the tenant. If your property has an individual water meter, water charges can be charged to the tenant. We highly recommend water compliance and our agency will provide you with more information in this regard.

#### Pets in property

As the lessor, you have the right to accept or refuse pets at your investment property. If your property has suitable

fencing, it is recommended that consideration be given to allow a pet at the property, as this type of property may attract prospective tenants with pets therefore broadening your options in the market place and making your property more appealing to many. Please note that if there is a body corporate, there may be additional by-laws that apply. A pet annexure that forms part of the General Tenancy Agreement is included if pets are approved.

#### Body corporate by laws

It is a requirement under the RTA Act that by-laws (if applicable) be provided to tenants upon signing the rental agreement. We require a copy of by-laws upon listing your property for rent with our agency.

#### Landlord protection insurance

Landlord Protection Insurance is strongly recommended by our agency. Whilst every action is taken to secure suitable tenants for your investment; life changes such as job loss and marriage breakdown can sometimes lead to people acting outside their usual character. To protect your investment, and for a relatively low cost that may be a tax deduction; landlord protection insurance is a must for today's investor.

# Public liability insurance

It is a contractual requirement under the management agreement that our landlords hold and maintain a Public Liability Insurance Policy of no less than \$10 million dollars. We cannot begin managing the property on your behalf until the information about the insurance is provided. Public Liability Insurance is important to protect you and your investment.

#### **Building insurance**

It is strongly recommended that appropriate insurance is sought in relation to adequate building and contents insurance coverage as well. Please note that some items in your property may fall under contents insurance therefore both building and contents insurance are recommended.

#### Contracting outside the act

An example of contracting outside the act is the owner adding a clause to the tenancy agreement to state that an inclusion of the premises will not be maintained or replaced if it breaks down i.e. Dishwashers, Air Conditioning.

# Entry

The Residential Tenancies and Rooming Accommodation Act 2008 sets out reasons for entry to the rental property and the time frames required. A RTA Form 9 Entry Notice must also be used to provide notice of entry. The Lessor or their agent cannot visit the property unless the correct form, required times frame and reason for entry is valid. If an agent or lessor does inspect without the above requirements, the tenants could issue the lessor/agent with a breach notice for breaching the legislation.

# A guide to tenants and leases.

#### What is a Tenancy agreement?

The Tenancy Agreement/Lease is a legal binding contract between you as the lessor and the tenant. We act on your behalf and complete and sign all necessary paperwork. There are two types of tenancy agreements in Queensland

- A fixed term agreement
- A periodic agreement

A fixed term agreement is a contract which has a definite start date and a definite end date. The tenancy can be renewed to another fixed term agreement at the end of the existing agreement however the agreement does not automatically end on the end date; required notices and time frames or other action must be taken to end the tenancy lawfully.

A periodic agreement has a definite start date but not a definite end date.

The Tenancy Agreement mentioned above has 44 standard terms which are the law and non-negotiable and must form part of every tenancy agreement in Queensland. Special terms are terms that are not standard terms however are added to the agreement if they are lawful and do not contract outside legislation.

#### Tenant selection

When assessing tenant's suitability upon applying for a property, two factors are taken into account and forwarded to you for your approval.

- tenants ability to care for the property
- tenants ability to pay the rent

We have a full time leasing consultant as part of our property management team that keeps both you and the applicants advised at all times during the process.

# Tenants' rights and obligations

Tenants have obligations during the tenancy such as keeping the premises clean during the tenancy having regard to how they found it as per the entry condition report, ensure that they do not cause damage to the property, do not use the property for illegal purposes, do not disturb the neighbourhood and to pay their rent accordingly. If the tenant fails in any of these statutory obligations, breach notices of the agreement can be issued to them.

# Breaches of tenancy agreements

If a tenant breaches the agreement such as having unapproved pets, unapproved occupants or not keeping the premises clean during the tenancy, we will always act in your best interests. In some cases we may negotiate with the tenant to have the concern attended to promptly; in more serious cases we will issue a RTA Form 11 Notice to Remedy Breach to the tenant providing the allowed remedy period (which is commonly 7 days) to rectify the matter. We will advise you of the action taken and keep you informed with

the matter until resolved and there is an outcome.

#### Rent arrears

Under the Residential Tenancies and Rooming Accommodation Act 2008, action can only be taken against a tenant when they are seven clear days behind in their rent payments. Section 280 of the Act allows our agency on your behalf to serve a breach notice to the tenant on the 8th day. Under legislation the tenant is then given the allowed remedy period (which is seven days) to pay the rent owing (plus in most cases, an additional two days for postage if the notice is posted). We shall advise you promptly if rent defaults occur and keep you informed of the developments until there is an outcome. Tenants are reminded via SMS from Day 2 of the arrears happening and are followed up every two days to work with them to minimise the need to serve a breach notice on Day 8. We take the arrears very seriously and have a dedicated team member with exceptional customer service skills to minimise this outcome.

#### Termination of tenancies

There are seven ways a tenancy agreement can be terminated in Queensland. In brief the seven ways under the RTA Act are:

- By mutual agreement by all parties
- By RTA Form 13 Notice of intention to leave from the tenant lawfully
- By RTA Form 12 Notice to leave from lessor/agent
- Abandonment
- Mortgagee in possession
- Death of a sole tenant
- An order of a Tribunal

# General routine inspection

(See Example in this guide)

On your behalf, we will conduct regular property inspections on your investment. This service is included in our management fees. Inspections are carried out -

- Once during the term of a 6 month lease
- Twice during the term of a 12 month lease.

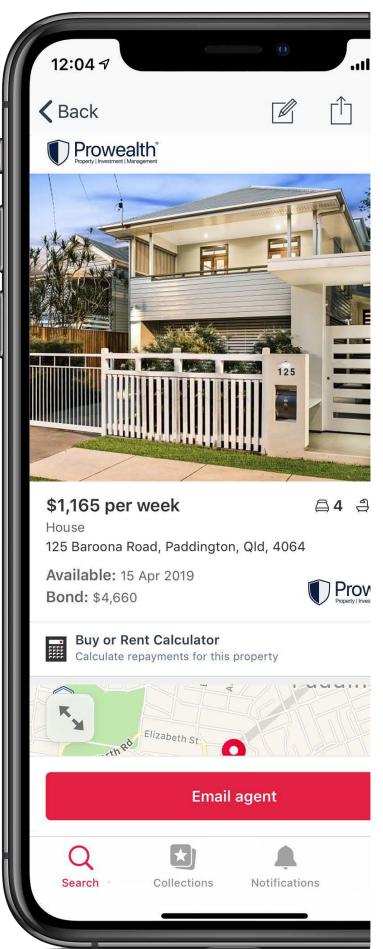
We also carry out entry and exit inspections as required.

We use an independent third party to conduct inspections to ensure consistency and non-bias in our reports and an example of the report is located in this guide. The inspection report will advise any obvious or reported defects, maintenance plus provide information as to how the tenant is maintaining the property. If any action is required, we will request your written instruction or act according to the management agreement instructions. Please note that our property management team are not builders, engineers, architects or any other type or profession (other than a Property Agent). We cannot provide any other service during these inspections other than visual best practice advice.

#### Maintenance

The Residential Tenancies and Rooming Accommodation

# Tenants and Leases continued...



Act 2008 sets out the legislative definition of what is an emergency repair and what is a routine repair. Please refer to standard term 30 of the general tenancy agreement provided for the definition. Section 185 requires that lessors maintain their properties and inclusions; emergency repairs must be dealt with immediately and routine repairs within a reasonable time frame.

In relation to an emergency repair it must be dealt with urgently. We will contact you and advise you of the emergency and provide advice. In the absence of your instructions (such as we cannot reach you via phone), we shall act in your best interests and attend to the repair; particularly in matters of possible high risk such as safety. The tenant has a right under The Residential Tenancies and Rooming Accommodation Act 2008 to spend up to two weeks rent in an emergency repair situation but also if they have been unable to contact the lessor/agent OR the lessor has not responded to attending to the emergency repair within a reasonable timeframe.

We have a dedicated staff member that coordinates between all parties to get any maintenance issues dealt with in a reasonable time frame and an after hours emergency number.

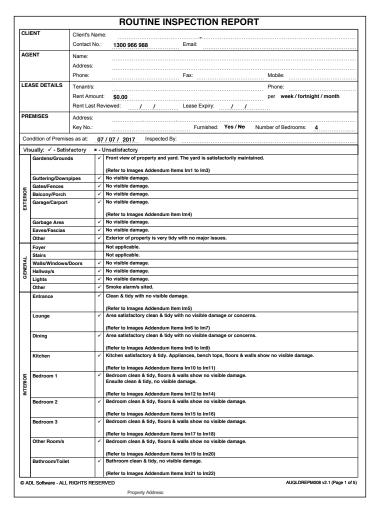
#### Tenancy disputes

QCAT (Queensland Civil and Administrative Tribunal) is the jurisdiction that hears tenancy disputes (and many other civil matters). If a tenancy dispute cannot be resolved via dispute resolution through the RTA (a free voluntary service which is legally required in some circumstances) or self-resolution attempts within our agency are unsuccessful, a tenancy dispute can be taken to Tribunal for a legal resolution. Costs vary depending on each situation.

#### Garden and tree maintenance

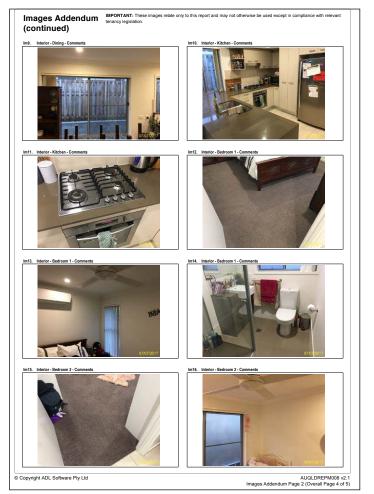
Lessors generally are deemed responsible for maintenance of trees and high shrubs. If you require the tenant to maintain any particular matter of the garden a certain way, please provide a special term of your requirements into the agreement. Regrettably tenants may not look after your garden the way you would if you were living there. It is recommended that high maintenance gardens be given consideration by the landlord in relation to future maintenance and water.

# **Example - Typical Routine Inspection Report**

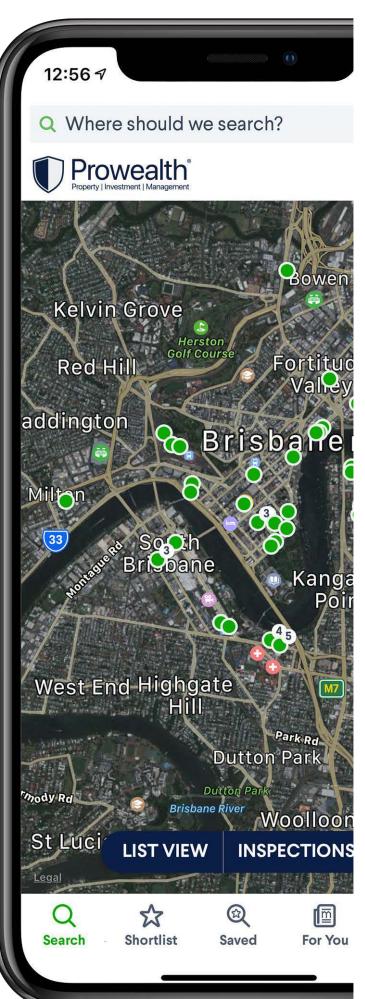








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#### **Letting Strategy**

Your Letting Strategy is one of the most important aspects of property management – making sure the best possible tenant is selected to occupy your investment property, at the highest possible price and in the shortest possible time.

# Making sure your property looks its best

The better your property looks, the more attractive it will be to prospective quality tenants and the more rent it can command.

We can advise on how to present your property both in real life and online to generate tenant interest and maximize the potential for a better return on your investment.

See further in this document for specific details of how your property will be marketed.

# Our dedicated & proactive leasing team will -

- Arrange photos and a range of marketing options for your property.
- Prepare the advertisement & list your property on Realestate.com, Domain.com, and many more.
- Run a tenant match with our database of active tenant enquiries & directly
- Advertise & conduct open homes every Saturday, conduct open homes during the week & meet people at the property as they enquire.
- Provide feedback at the end of every inspection.
- Provide a weekly summary of all Leasing Activity at your property.
- Give feedback on your online campaign performance.

When a suitable tenant has been located, the application will be discussed with you for your approval and the final decision.

# Who will be looking after me?

Our Senior Property Manager leads a highly experienced, stable team with a culture of integrity and respect for all property investors, tenants and creditors.

At the start of our relationship you will be introduced to a Senior Property Investment Manager whose role is to oversee every aspect of looking after your property.

They have a dedicated assistant who is your tenant's main point of contact and takes care of administrative tasks and dedicated staff in other areas such as leasing, maintenance and renewals.

# Management Process (in detail)

#### **Property Listing**

- Management agreement received and signed
- Owners Banking details entered into system
- Confirm compliance items:
- Smoke alarms Insurance Pools Windows/blinds
- Safety switches Asbestos Emergency repairs
- Free from health and safety hazards

# **Property Marketing**

- For lease sign installed.
- Photos taken and copy written.
- Photos digitally edited if requested
- Property is listed across multiple online and offline mediums (see further in this document for marketing)
- Private viewing and/ or open inspections arranged.
- Weekly report sent to investor until property is leased.
- Phone updates weekly.

#### On the market for Lease

- Qualify rental enquiries
- Screen tenancy applications
- Reference checks conducted can the tenant:
  - i. Pay the rent?
  - ii. Maintain the property?
- Suitable applicants are put forward to investor
- Property Manager may be involved in negotiations between investor and tenant.
- Upon selection of tenant, a tenancy agreement is prepared and signed with agreed rental amount within two working days.
- Bond and rent payment requested upon approval.
- Prowealth® Assist contacts new tenant

#### **Tenant Selection**

- After screening all applications, Property Manager recommends tenant(s) to investor.
- Tenancy application outcome and decision communicated with both investor and successful tenant within one working day of receipt of application.
- Confirm lease terms in writing to all parties
- Rent
- Commencement date
- Special terms
- Bond
- Rent in advance

#### Start of the tenancy

- Complete required tenancy documents to commence the tenancy on your behalf (General Tenancy Agreement & Bond Lodgement)
- Bond payment and rent payment is requested at signing
- Detailed entry condition report prepared
- Prepare required paperwork and lodge rental bonds to the Residential Tenancies Authority (RTA) on your behalf.
- Both tenant and investor receive copies of the signed lease (Property Manager scans and files agency copy).

#### **During tenancy**

- Process rent on time ensuring immediate communication around rent arrears.
- Funds are disbursed to investor.
- Owner Statements emailed at end of month or available anytime on online portal.
- Maintenance negotiation confirmation of instructions, organising a suitable contractor and arranging entry to the property; communication with the tenant; following up as required; payment of invoices, accounting back to you.
- Repairs and maintenance completed by licensed and insured tradespeople with invoices issued to investor.
- Invoices paid on investor's behalf (e.g. Strata, insurance, council rates and water).
- Carrying out general routine inspections during the tenancy & providing comprehensive reports with photos and feedback to bring your attention to any immediate maintenance needs or to inform you of any preventative maintenance or refurbishment that may be beneficial.
- Review of lease agreement and rent conducted 90 days prior to expiration and communicated between investor and tenant.

# End of the tenancy

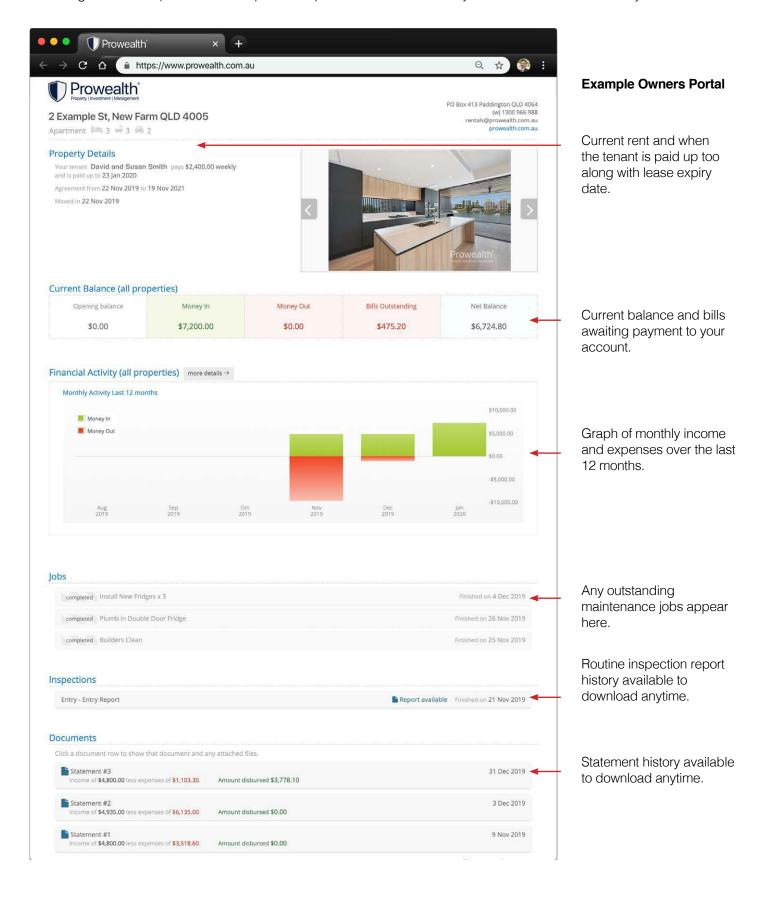
- Review of lease agreement and rent conducted 90 days prior to expiration and communicated between investor and tenant.
- Tenant will either terminate lease agreement or continue/ extend
- Review potential rent increases / decreases in line with market.
- Ingoing/outgoing inspection completed at change of tenancy.
- Negotiating any outstanding items; for example cleaning, to ensure the property is handed back in accordance with the entry condition report

 Negotiating and coordinating the bond refund with the tenant(s) with your instruction.



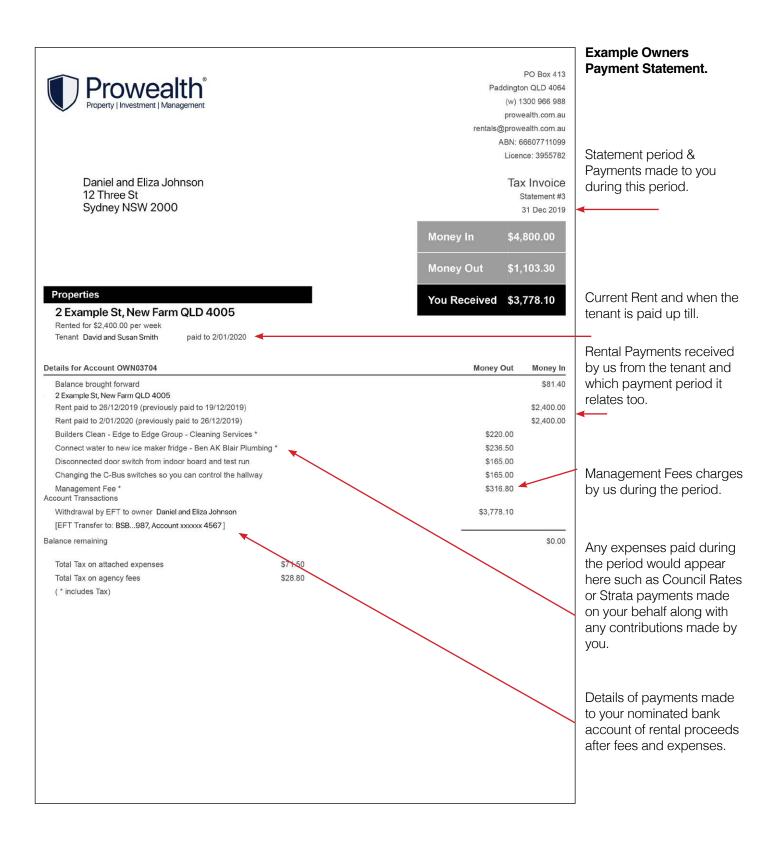
# **Example - Typical Owners Online Portal**

Every owner has access to our live Owners Portal. This allows you to check the status of your property from any device, anywhere in the world via a web browser. Details such as the current rent paid through date, past statements, outstanding work orders, and routine inspection reports are all available for you to view and download anytime.



# **Example - Typical Owners Monthly Statement**

Our statements are formatted to be easier to understand and give you a clear picture of what rent you have received and what expenses have been paid. Statements are emailed every disbursement and are always available on the Owners Portal.



# First impressions count

## Photography

If a picture is worth a thousand words, then a superior quality photograph speaks volumes in terms of attracting potential tenants for your property. We understand the importance of using high quality pictorial images in the marketing of your property.

Many prospective tenants now use the internet as their first approach to buying property. It is therefore essential to attract their eye when scanning properties. Standard photography is included in our fees, whilst professional photography can be arranged for a small one time additional fee.

#### **Image Enhancement**

Some properties need a little more when it comes to presentation so in addition to our standard or professional photography options, our team of experienced graphic designers can further enhance your property. With advanced skills in photo manipulation, we can now completely transform a photo from a computer. This could include -

- Turning a daytime shot into a dusk shot,
- Enhancing the colour and features in a photo,
- Improving colour depth to enhance features, or
- Turning an empty space into a fully furnished one

This is especially useful for vacant properties, those with a little too much clutter, if your property is currently tenanted, or if you don't have the budget to hire furnishings for professional property staging.

Our team can create a bespoke image design especially for your property, complimenting and enhancing your properties existing features and decor. These images can then be saved and re-used next time you have a vacancy.

#### **Before**



#### After



**Before** - Home without professional photography or editing. **After** - Professional photography and editing to create a warm evening image with replaced dusk sky, warm light to windows and doors and better colour detail.





**Before** - A raw unprocessed photo direct from a photographer. **After** - Digitally altered image to include better light balancing, enhanced greenery and colour detail and blue water in the fountain.





**Before** - A somewhat untidy tenanted property main bedroom shot.

After - Digitally altered image to remove current furniture and replace it with a modern, neat and tidy appearance.

# **Before**



After



**Before** - A vacant property. **After** - Digitally altered image to include furniture for a more inviting appearance.





**Before** - A vacant property. **After** - Digitally altered image to include furniture for a more inviting appearance.

# **Property Marketing**

We offer a comprehensive marketing package and offer a number of upgraded marketing options that may help you achieve more prospective applicants, lower vacancy periods and ultimately a greater return on your investment.

Current pricing for our marketing packages can be found on our management fee guide flyer.

Items such as professional photography, floorplans and digital furnishing of images can be kept on file and re-used at each vacancy, saving you time and money and are generally tax deductible\* for your investment property.

Standard Listings on Australia's most popular portals are all included in our standard marketing package. This includes sites such as Realestate.com.au and Domain.com.au along with rent.com.au and over 2 dozen affiliate sites.

We also include For Lease signage and open homes up to 3 times per week.

Upgraded internet listings (such as top of search results) are also available as an optional extra.





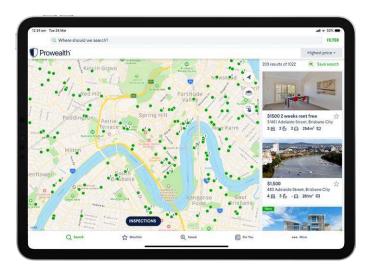














# Contacting our offices

Our office hours are Monday to Friday 9am – 4pm (AEST) Saturday by appointment (AEST)

The best form of contact with our Property Management team is via email at - rentals@prowealth.com.au or via telephone on 1300 966 988.

