

Leasing with Flemings



PREPARED BY

Flemings

Flemings specialise in the sale and management of real estate assets for property owners and investors.

Our team at Flemings are focused on delivering excellent service in an honest, reliable, genuine and efficient manner.

We have knowledge and expertise to deliver great results for our clients.



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WHY CHOOSE FLEMINGS?

At Flemings, your property will be managed by a team of Property Managers who will ensure your investment performs to its full potential. Our Property Management team are highly specialised, with a combined 45 years industry experience. All Flemings staff are highly trained and dedicated to providing you with honest, reliable and efficient service.

We value open and good communication so you will have direct access to your Property Manager to discuss any matter relating to your investment property. You can entrust Flemings to manage your investment property as if it were our own.

GUARANTEED SERVICE

At Flemings, we promise to deliver in accordance with our Client Service Guarantee.

Communication

1. Flemings have offices in four locations: Boorowa, Harden, Cootamundra and Young where we welcome you to speak with us in person.
2. Flemings will respond to all email, phone, fax and postal communications within 12 business hours.

Marketing your property For Lease

3. Upon appointment we will advertise your property via a tailored marketing campaign
4. We will install a For Lease signboard at your property with your approval.

Leasing

5. Conduct inspections accompanied by an agent until the property is leased.
6. Provide feedback following each inspection.
7. Receive, review and recommend applications and verify supporting documents
8. Refer all successfully processed applications to you for your review.

Rent payments

9. Uphold a 'zero tolerance' for rent arrears.
10. Contact you when a tenant fails to pay their rent for more than 7 days and seek your instructions regarding possible termination of the tenancy.

Repairs and Maintenance

11. Notify you of non-urgent repairs advised by the tenant within 12 hours and arrange repairs upon approval.
12. Notify you of all urgent repairs immediately.

REGIONAL PROPERTY INVESTMENT - THE BENEFITS & THE REALITIES

Residential property investment is a good idea and you only have to look at the list of the financially successful people in Australia to see that four out of the top ten have made their wealth in property.

There are many reasons why all of us at Flemings are firm believers that investing in property is a worthwhile method of accumulating wealth.

Regular income:

Property investment returns money to you on a regular basis from day one. As opposed to shares, where you are at the mercy of the volatile market or waiting on dividends to be paid out.

Increasing demand:

Population growth in Australia is inevitable as our cities and larger regional centres continue to grow, it puts more and more pressure on the amount of housing available. This increased pressure is making it more difficult for new property investors to enter the market and tenants to find accommodation. Therefore, investors and tenants alike are looking at alternate, more affordable options - one of them being a move to regional towns and country areas. As these areas become more popular with new buyers and tenants, housing demand is up and quality rental accommodation is becoming harder to find! We believe this trend will continue.

Capital growth:

Traditionally, capital growth in regional areas has lagged behind the major cities. However over the past 18 months, regional areas have seen an incredible amount of growth. Prices have increased across the Hilltops and Riverina in excess of 20% over this time.

Safe option:

Everyone needs a roof over their head, in good economic times and bad. Returns may fluctuate but they will remain. (In the last 10 years across this region residential rental returns have only increased).

It is important to remember that whilst residential property investment is a safe and financially rewarding investment method, it does come with realities. There are costs associated with maintaining rental properties; there are times (not often) when the property may be vacant; and, tenants generally will not care for the property as well as you will.

This is not an attempt to discourage or worry you, but rather ensure you are completely aware.

We invite you to chat to us, so we can make a plan and a budget and make sure that the benefits outweigh the realities. With good planning and good management, residential

FEES & CHARGES

Management Fee	8.8% inc. GST
Advertising Fee*	\$0.00
Letting Fee* (includes marketing, tenant selection, lease preparation and lodgement)	One weeks rent + GST
Reletting Fee*	Half weeks rent + GST
Condition Report preparation	NIL
Administration Fee	\$10.00 per month + GST
Annual Income and Expenditure Summary	NIL
Smoke Alarm Compliance	\$99.00 per year exc. GST (third party charge)
Tribunal Application and Preparation (if necessary)	\$50.00 exc. GST (third party charge)
Tribunal appearance (if necessary)	NIL

*these are one-off fees payable at the commencement of a tenancy lease

MANAGEMENT

Your Management Fee covers;

- Rent collection
- Rent arrears management
- Rent reviews
- Routine inspections - twice yearly (including digital report and photos)
- Arrangement of repairs and maintenance
- Inspection of major maintenance works
- Service of notices (including but not limited to, breach of lease, rent arrears, intention to sell, rental increase)
- Bond disbursements
- Representation at NCAT (New South Wales Civil and Administrative Tribunal)

Our marketing includes;

- Advertising in print in local papers and newsletters
- Advertising on social media (Facebook & Instagram)
- Curb side signage (at your discretion)

Your Letting/Reletting Fee covers;

- Appraisal of your investment property
- Advertising online and in print
- Inspection of property by prospective tenants
- Application processing
- Screening/interviewing tenants
- Referencing of tenancy history with TICA (National Tenancy Database)
- Preparation of Tenant Induction package
- Ingoing Condition Report and photos
- Remittance of bond to NSW Fair Trading Bonds Online
- Lease sign-up including meeting with tenants

Your Administration Fee covers;

- Preparation of monthly statement
- Monthly disbursement of rent via electronic transfer
- Payment of accounts (ie. council rates and maintenance) and creditors

Additional third party fees that may occur during the management of your investment property:

Smoke Alarm Compliance

Due to the nature of the legislation of the Environment Planning and Assessment ACT 1979 Section 146A, Flemings are not qualified to attend to this service or ensure compliance of smoke alarms. Flemings will arrange for a certified entity to complete an annual smoke alarm audit, install and change smoke alarm batteries, and provide a compliance certificate for an annual fee of \$99.00. This is a tax deductible fee.

NCAT Application

On occasion the need may arise for a tenant to be taken to the tribunal for non-payment of rent, breach of lease or dispute with the final inspection. Should this occur, Flemings will prepare all documentation and represent you at the hearing. There is a compulsory application and preparation fee of \$50.00 to have the matter heard.

ADDITIONAL SERVICE

Council & Water Rates

Upon signing up with Flemings to manage your investment property, you will be required to complete an authorisation form from the relevant Council authorising Flemings to receive your Council Water Usage charges on your behalf. We will arrange for these to be paid by the due date and where the tenant is responsible for payment, to reimburse you these costs within 21 days. We believe that this is a value added service that removes the burden from our owners.

Ownership Funds & Statement

Flemings will process your monthly rent on the first business day of the month. All money owed to you from the previous month will be electronically transferred into your nominated bank account. Electronic statements and copies of invoices will be issued at the same time. You will receive your Income and Expenditure summary at the end of the financial year.

The Realities of Renting - Tribunal Action

Investing in property helps to build wealth and is a valuable tool to diversify your assets. However, like any investment, it is not foolproof and there are realities and risks that come with property investment.

As mentioned earlier on page 5, situations may arise where we have to take further action against tenants who are in breach of their Residential Tenancy Agreement. Should this occur, Flemings will apply to the NSW Civil & Administrative Tribunal (NCAT) to appear on your behalf in proceedings against the tenant.

All of our staff are well trained in Tribunal procedure and have a thorough understanding of the legislation. As a result, our success rate in these proceedings is incredibly high.

TENANCY CHECKS & SELECTION

When an application is received from a prospective tenant Flemings will undertake a vigorous screening process, including referencing tenancy history, a search on TICA, proof of employment or Centrelink payments, collection and verification of 100 points of ID and reference checks. All applications will be referred to you for your selection. Flemings will not select a tenant on your behalf.

Condition Report & Routine Inspections

Flemings will complete a detailed electronic report with accompanying photos to record the condition of your property prior to the commencement of the lease. When a tenant vacates a property this report is used to compare the condition of the property at the end of tenancy to that at the commencement. In accordance with legislation the tenant is required to "leave the residential premises as near as possible in the same condition, fair wear and tear excepted, as at the commencement of the tenancy" (clause 17.2 of the Residential Tenancies Act 2010).

We do not recommend leaving any furniture or white goods at your investment property. Any items left in the home must be maintained in working order or replaced like for like. Where goods are left for the tenants use, the Landlord is responsible for compiling the inventory of such goods.

Upon each new tenancy a new report will be completed to ensure the condition of the property is accurately reflected, including any additions or changes to the property.

Routine Inspections are carried out twice yearly and an electronic report with accompanying photos will be sent to you. Routine inspections are used to ensure that the tenant is maintaining the property in appropriate condition, adhering to the terms of their lease and to record any repairs or maintenance that are necessary. In addition to this, we will conduct a 6 weekly routine inspection at the commencement of the lease. Under the legislation landlords are entitled to view the property up to four times in a year. The additional inspections may be used to inspect repairs and maintenance or for a suspected breach of lease.

MARKETING

Effectively marketing your investment property online will generate higher levels of interest, widen the selection of eligible tenants and result in the best applications being received. Flemings advertise investment properties on several websites.

At your discretion, Flemings will use prominent curb side street signage to increase interest in your investment property. Flemings Sales and Rentals brochures are produced weekly and available in our office along with prominent advertisements in our front window.

In addition to the more traditional marketing methods, Flemings will utilise our in-house Social Media expert to ensure that your property reaches the largest possible audience. We have a strong following across various social media platforms and have often found that prospective clients or tenants introduced through this method are very well qualified.



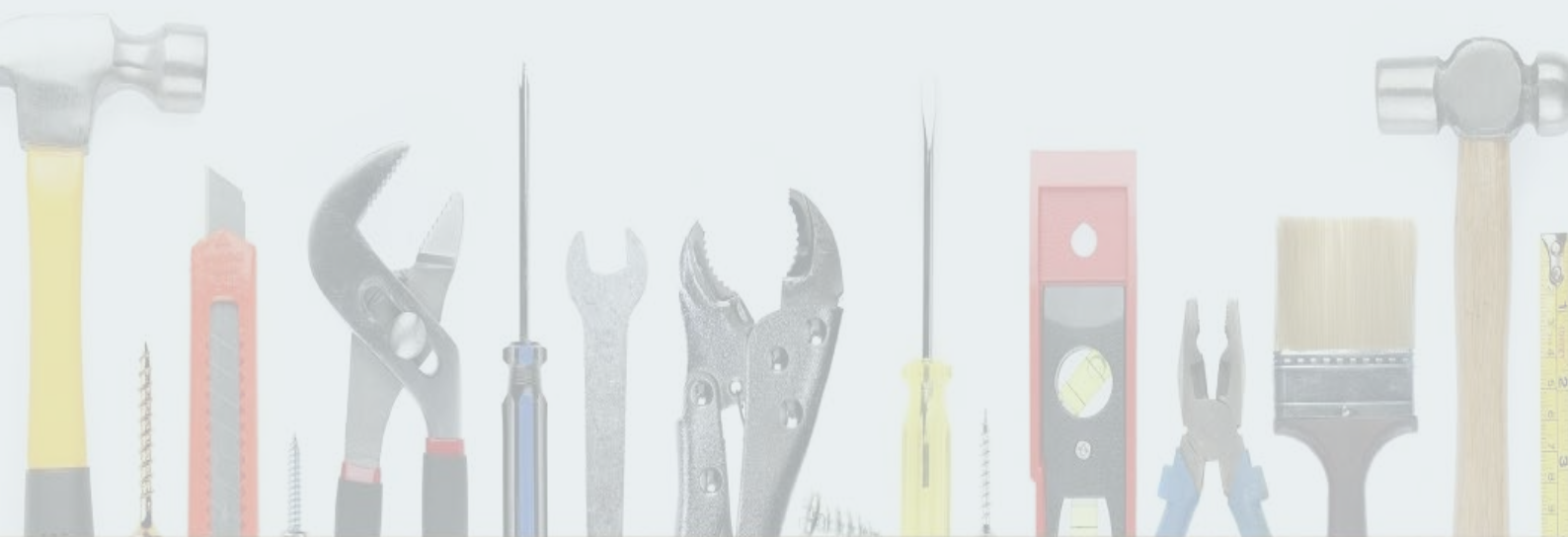
REPAIRS & MAINTENANCE

Flemings know that to maintain the asset value of your investment property, repairs and maintenance must be quickly and professionally attended to. Any repairs and maintenance reported by the tenants or Property Manager are verified & we will ensure that any repairs to your investment property are competitively priced, quality assured and guaranteed.

Flemings are authorised to approve maintenance at your property not exceeding the value of \$250.00 (Property, Stock and Business Agents Regulation 2014 (NSW)). However we, will always attempt to contact you via phone and written communication before any action is taken.

We work closely with several tradespeople whose work is of the highest quality. Should you have preferred tradespeople, we are more than happy to use them provided they are fully licensed and insured.

All tradespeople engaged by Flemings must provide a copy of their licence and appropriate government issued work cards, as well as evidence of their public liability insurance before carrying out any work on your property. We also require an ABN and Workers Compensation details.



ADDITIONAL INFORMATION

Landlord Insurance

Flemings encourage all landlords to have appropriate Landlord Insurance to protect your rental income along with your investment property. While we work hard to minimise the risk to owners, from time to time unforeseen events do occur. Having Landlord Insurance with Public Liability included, provides peace of mind and security. We have recently undertaken a review of the major Landlord insurers and have found Terri Scheer to be the most suitable insurer.

Tax Deductions

Depending on your circumstances you may be entitled to claim deductions through the Australian Taxation Office in relation to your investment property.

A tax depreciation schedule assists your accountant to identify the exact amount of depreciation that can be claimed maximising the benefits of having an investment property.

Flemings recommends seeking advice from a suitably qualified accountant for more information about depreciation and deductions of your investment property.

Technology for Today

Flemings uses industry leading technology in the management of your investment property. We believe this supplies you with prompt and easy to digest information about your investment property.

- You will receive your payments electronically into your chosen account at the commencement of each month.
- Your monthly statements will be emailed directly to you from our property management software at the time your account is processed.
- Your End of Financial Year Income and Expenditure summary is emailed to you within the week following the End of Financial Year.
- All inspections are completed using an iPad, with the report including photos emailed directly to you.
- The maintenance process is managed online for both yourself and the tradespersons, allowing a clear lodgement and approval process to be followed.
- Creditor invoices are processed twice a month using our online system. You will receive a copy of the invoices paid in your monthly statement.

THANK YOU FOR CHOOSING FLEMINGS

We are genuinely looking forward to the opportunity to work with you on the management of your investment property. As our client, our focus will be on ensuring we deliver excellent service in the honest, reliable & efficient manner we pride ourselves in.





flemingspropertyservices.com