

PMHQ Investor Newsletter

RENEWAL OF YOUR LEASE

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We have found that a number of our investor clients are reluctant to renew the Residential Tenancy Agreement on their investment property.

Not only does having your tenant enter into a new fixed term agreement hedge your property against vacancy and a loss of income during a fixed term lease it also ensures a continuation of income during the peaks and troughs of the rental market.

There is an argument that the fact that a tenant is on a fixed term lease prevents the rent from being increased during the term, however any loss of income derived from a rent increase is quickly offset should your tenant elect to vacate whilst not on a fixed term.

When we are negotiating a new lease term, we will factor in whether an increase in rent is due in line with market expectations and will advise you. We will also discuss the nature in which the tenancy is being conducted, the market rental value of the property if it became available today and the date of the last rent increase.

We also point out to our property investors that having a tenant on a fixed term lease actually lessens the wear and tear on a property because tenants are not moving in and out of a property on a regular basis. This is a fact that is often not taken into consideration by property investors and can actually save money and disputes upon changeover of tenancies.

A point that is not lost on tenants is that the security of tenancy offered by a property investor is often a determining factor on whether they initially apply for a property or not.

At PMHQ we feel it is important to factor into consideration the above points when you are discussing the renewal of the tenancy agreement on your investment property.

SOME PROPERTIES RECENTLY LEASED

ABERGLASSLYN	12mth Lease	\$390pw
House 3 bedrooms - 2 bathrooms - 2 cars		
AUGUSTINE HEIGHTS	6mth Lease	\$450pw
House 4 bedrooms - 2 bathrooms - 2 cars		
CAMERON PARK	12mth Lease	\$470pw
House 4 bedrooms - 2 bathrooms - 2 cars		
EAST MAITLAND	12mth Lease	\$420pw
House 4 bedrooms - 2 bathrooms - 2 cars		
KELVIN GROVE	12mth Lease	\$540pw
Apartment 2 bedrooms - 2 bathrooms - 1 car		
MACQUARIE HILLS	9mth Lease	\$490pw
House 4 bedrooms - 2 bathrooms - 2 cars		
RUTHERFORD	6mth Lease	\$390pw
House 4 bedrooms - 2 bathrooms - 2 cars		

For the Month of September 2014

New Leases signed	14
Lease Renewals	7



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