



AM Property Central

# Rental Pocket Guide





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## Your Investment on Show

Prior to selecting a Tenant to occupy your property it is important to attend to any minor improvements or maintenance that may be required. The better the property is presented, the easier it will be to rent and the more likely you are able to attract better quality Tenants.

The property must also be clean and in reasonable condition for its age and asking rent.

At AM Property Central we ensure that all appliances provided with the property are in good working order and that we are aware of any material facts about the property. It is the responsibility of the Lessor/Agent to ensure that the property is reasonably secure and maintained, including **all locks** and provide the Tenant with **keys**.

## Before entering into an Agreement the Agent must ensure we abide by the Legislation confirming Ownership:

- Confirm the Clients identity using 100 checkpoints
- Council rates notice or other Government approved identity records, Certificate of Title
- Validate the Clients name and contact details
- Clients signature

## Marketing the Property for Lease

Most Tenant enquiry is generated by the following listed below. The weekly rental amount, the type of property and it's availability must be available prior to the Tenant either viewing or making an application to rent the property.

## How AM Property Central markets your property for lease:

- Internet
- Signs
- Newspaper advertising (at cost)
- Professional photography
- Letterbox drop
- Open for inspections

Tenant enquiries are made via the Internet, in person, at 'open for inspection' and via telephone. Details of the enquirer are recorded on the Agency database and forwarded for follow up. The data is used for several purposes:

- The advertising is reaching the desired market
- To give the Client feedback
- The advertised price is within current market levels

We discuss with prospective Tenants their needs and requirements to assist the Tenant in finding the most appropriate property. Asking simple questions will help us to match a suitable property to their needs.

## Inspection of Property with Tenants

Arrival at the property would see the Agent check the premises before allowing an inspection to take place. We ensure we have a pen, paper and other marketing material to assist us in the process. During the inspection the Agent is available to answer any questions and promote the features of the property to secure a Tenant.

At the end of the viewing we ask for feedback and ask if the prospects would like to make an Application for rent. The Agent will either direct the Tenant to our website or provide a copy of the Tenancy Application Form while at the inspection.

Before leaving the property we will ensure the property is secured. A business card is left for the current occupants if they are not present during the inspection to notify them that an Agent has visited the property.

All keys are returned back to the office and checked back in as per office policy of AM Property Central.

## Tenancy Application Form and Verifying the Information Supplied

After the Tenant has forwarded their Application Form we will need to confirm that all the necessary questions have been completed and the required 100 ID checkpoint documentation is attached, some Applications may be submitted online. The Agent is responsible for selecting the most appropriate Tenant(s) for the property. This is done by checking the information provided on the Tenancy Application Form with the supporting documentation.

Identity is confirmed and past properly checked by using the details listed on the following documentation, particular attention is given to the name and address and the date of issue.

- Drivers Licence
- Passport/Visa





- Birth Certificate
- Current Motor Vehicle Registration
- Medicare/Private Health card
- Copy of Telstra/Electricity/Gas
- Bank Statements
- Centrelink letters or statements

We will also need to contact the Employer, previous Agent/Landlord and Referees to verify the information supplied by the Tenant, this can be done by phone or email AM Property Central has a duty of care to the Owner to ensure the applicants:

- Can afford the rent
- Can demonstrate through past rental history that they would be suitable Tenants
- Can follow the rules and Regulations of the Legislation
- Are not habitual defaulters

## Tenancy Database

In any investment there is a risk and fear factor. In the property market defaulting Tenants are something that every Landlord fears.

This Agency is a member of T.I.C.A. (Tenancy Information Centre of Australia) which is a defaulting Tenant database covering Australia and New Zealand. Lodgements of these registers are mainly the result of Property Managers and some private Owners who have suffered loss. They are utilised by Agencies throughout Australia, however, they should not be used as the primary reason to rejecting or accepting a Tenant for the following reasons:

- The Tenant can only be listed after the Tenancy has ended and unless the Tenant has breached
- Agents must notify a Tenant before they list them on a database

A Tenant can only be listed on a data base at the end of Tenancy if:

- The amount of money owed by the Tenant is more than the Bond, including rent arrears, the Notice to Remedy Breach (Form 11) was given for this rent
- Abandonment of a property
- Money owed after an Agreement has been reached through RTA conciliation

A QCAT order that has been paid if the Tenancy has been terminated by QCAT because of:

- Repeated breaches of a Conciliation Agreement by the Tenant
- Objectionable behaviour by the Tenant



## Starting a Tenancy

After selecting the most suitable Tenant, the Agent must complete all Queensland Tenancy documentation.

- General Tenancy Agreement (Form 18a)
- Entry Condition Report (Form 1a)
- Bond Lodgement (Form 2)
- Pocket guide for tenants houses and units (Form 17a)
- A copy of any Body Corporate Rules/By-laws (if applicable)

The Tenants have now been approved and advised that they will need to visit the office to review the documentation in readiness for them to enter into a Tenancy Agreement. A written Agreement must always be used when renting, even if the person renting is a family member or friend.

It is the Lessor/Agents responsibility to organise the Tenancy Agreement and give a copy to the Tenant before they pay any money or make a commitment.

## Supply of Locks and Keys

Along with all access keys the Landlord must supply, one full set of keys to all locks that are part of the premises, to at least one Tenant residing at the premises, For example:

- Key to window if a lock is present
- Key for a bedroom door if a lock is present
- Garage door key or remote
- Mailbox key

If there is more than one (1) Tenant named on the Tenancy Agreement the Agent is only obliged to supply each other Tenant with:

- A key that secures entry to the premises
- A key that secures a road or any other place that is usually used to gain access or leave the area or building in which the premises are used

## Rent

(Sections 83-97)

Rent can be paid to the Agency in the following approved ways

- BPay, Tenants may pay their rent by Phone, Internet or at the Post Office Bank Cheque or Money Order
- Deposit into a financial institution account nominated by the Agent
- Credit card
- Deduction from pay, a Pension or a Benefit payable to the Tenant
- Another way agreed by the Agent and the Tenant

The way rent will be paid must be stated in the Tenancy Agreement. The Tenant must be told about any extra costs involved with a particular method of payment that is not part of the rent.



## Arrears

Arrears are the amounts of rental money that is overdue. This is one of the most common Breaches of a Tenancy Agreement and must be actioned as soon as possible. The policy of AM Property Central is:

- Reminder SMS every day from three (3) days in arrears
- Email four (4) day letter rent arrears
- Phone calls requesting payment from four (4) days in arrears

If the Tenant falls more than seven (7) days behind in the rent the Landlord/Agent can give them a Notice to Remedy Breach (Form 11) seven (7) days to pay the outstanding amount. If the Tenant pays the rent within the time frame their Tenancy will continue.

If the Tenant does not pay the rent, the Landlord/Agent can give them a Notice to Leave (Form 12) giving them at least seven (7) days to move out.

The Tenant needs to move out within the time frame, or pay the rent and ask if they can stay (in writing). The Landlord/Agent will inform the Tenants if they can stay. If they agreed to let the Tenant stay, this Agreement will be given in writing.

If the Tenant doesn't move out the Landlord/Agent can lodge an urgent application directly with the Tribunal for an order to make them leave called a Warrant of Possession.

N.B. The monitoring and management of arrears is a very important part of the Agencies daily task.

## Maximum Bond Amounts

In a General Tenancy the maximum Bond the Agent can charge is equivalent to four (4) weeks rent, if the Bond is \$700 a week or less. If the rent is more than \$700 a week there is no limit on the Bond. The maximum amount applies to the total of all Bonds, no matter what they are called (e.g. Pet bond, security deposit and key deposit) or how many Bonds are taken.

## Periodic/Routine Inspections

This is done once every three (3) months up to a maximum of four (4) inspections per year. The Agent must check the property for maintenance and repairs. It is not a chance to criticise the way the Tenant is living or take photos of dishes in the sink.

The Agent can instruct the Tenant to remove or clean an item if it is causing damage to the property or to remove a pet that is not approved.

At AM Property Central we use a maintenance checklist of items to insure we check everything, it will list anything that requires maintenance or is broken or not working satisfactory.

- The Agent will need to determine who is responsible for the repairs or maintenance
- The Landlord/Agent is responsible for keeping the property in good working condition and fit for Tenant to reside in
- The Tenant is responsible for looking after the property keeping it clean and free of damage



AM Property Central has a responsibility to recognise and report any repairs or maintenance needed to the Landlord and is not responsible in determining building needs for example your inspection for building and pest.



## Repairs and Maintenance

If the Agent identifies or is advised of a repair or maintenance issue, the Agent provides clear instructions to the party responsible. This notice will need to identify what is required and when it needs to be addressed.

AM Property Central can arrange a suitable tradesperson on behalf of the party after receiving written instructions. We check the tradesperson is fully licensed and qualified to complete the repairs before issuing them with the work order. The work order instructs them to arrange a suitable time with the occupant to conduct the written work only and to advise the Agency when the work is being completed. Only after the work has been completed can the Agent arrange a follow-up inspection of the premises. After the Agent has conducted an inspection of the property all parties are advised in writing of the outcome. The Agent must confirm completion of the repairs before entering the invoice onto the computer system for payment at the end of the month.

Licensed contractors are used to ensure repairs and maintenance is completed safely and compliantly. Electricians must hold a current license registered to work in Queensland and have Public Liability Insurance. When engaging any tradesperson on behalf of the Tenant or the Landlord we check the credentials of contractors and maintain a copy in our office records. AM Property Central ask each contractor to complete a Contractor Agreement and supply the required evidence to support their credentials.

## Landlord Insurance

There are a number of policies under the heading of "Landlord Insurance." Most will have the option to cover building, contents, loss of rent, damage by Tenant and theft. As with all Financial Products, insurance is the responsibility of the individual wanting the cover. The Agent cannot initiate the cover as they are not or qualified to discuss insurance. The Agency can make payment of premiums on behalf of the Owners if instructed in writing.



## Lease Renewals and Rent Reviews

AM Property Central monitors the dates of Tenancies to ensure that they are renewed in line with current end date. We appraise the property to make sure if any rent increases are necessary and if the Tenants will be staying or vacating.

Before offering existing Tenants a new lease, we assess if it would be in the Landlords benefit to offer the Tenants a new term:

- Have the Tenants been in the arrears, rent paid up to date
- Has a general breach been issued, objectionable behaviour or noise
- Have inspections been acceptable, no damage to the property
- Have all Tenant invoices been paid, water consumption charges

When preparing for the lease renewal and after confirming with the Landlord that the property is to be relet, provided that the Tenant agrees, the Agent renews the Tenancy as per the new agreement.



## Disbursements

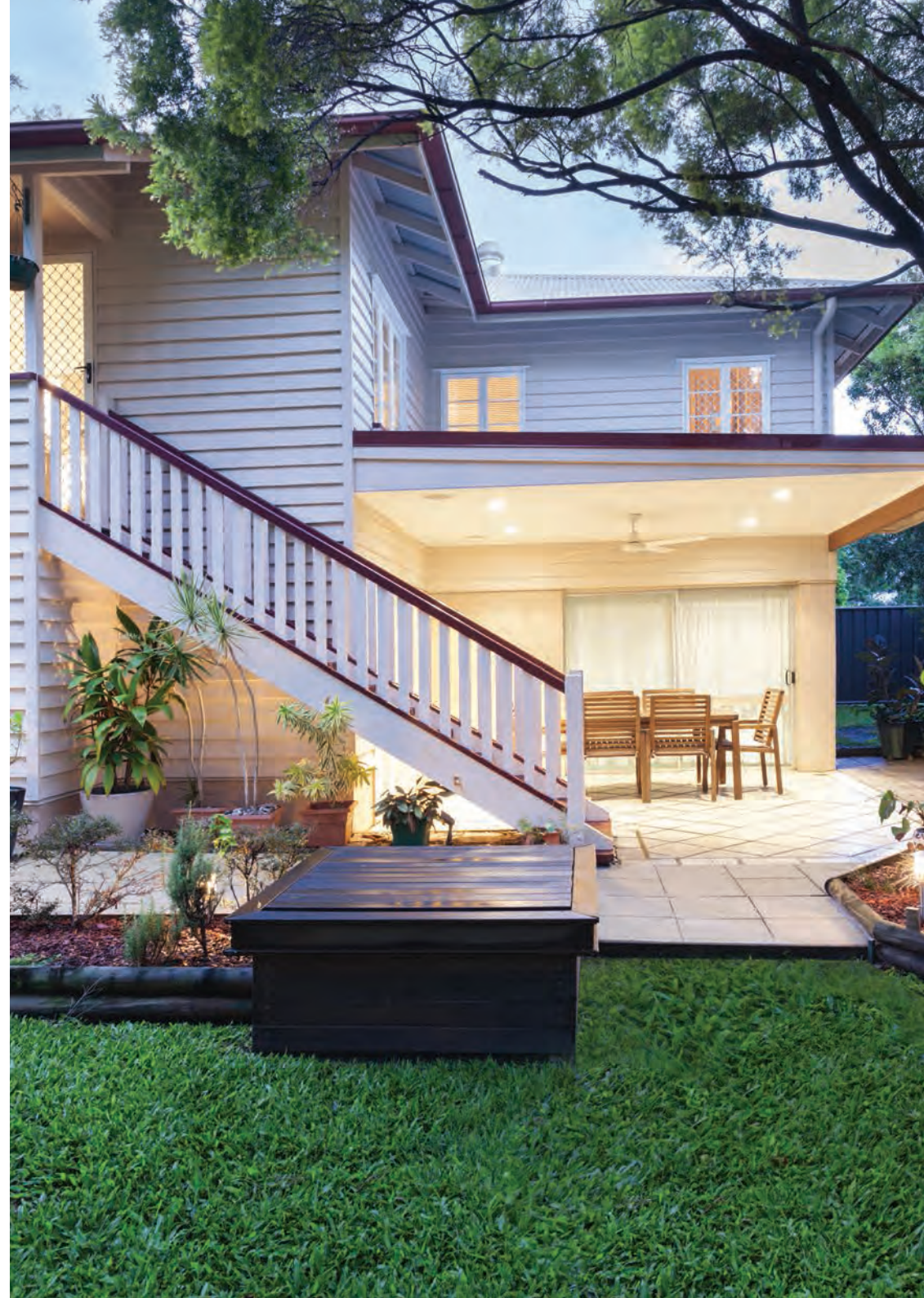
AM Property Central collects and banks all monies received from Tenants for rent and Bond in a Trust Account. This money will be retained in the Trust Account until the end of the month at which time the Agency can deduct authorised amounts as listed on the Appointment to Act Property Occupations (Form 6).

At no other times is the Agency permitted to use these funds for any other purpose other than those authorised in the (Form 6) relating to fees and commissions.

Written authorisation by the Client must be received by the Agency if the amounts exceed those listed on the original (Form 6). AM Property Central is not permitted to use these funds for any other purpose other than those authorised on the (Form 6) unless all parties have provided written and signed authorisation.

We generate a statement of accounts for all money transactions and forward this to the Client either via email or post as per the Clients instructions noted in the Property Occupations (Form 6) which outlines the Appointment and the services provided by the Agent.

The Appointment also details the arrangement between the two (2) parties and includes fees and services that will be provided. This may also include payments for invoices or expenses incurred during the management of the property that the Principal Agent is authorised to pay on the Clients behalf.







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