property west realestate

PROPERTY INVESTOR NEWS

AUGUST 2022

FOR LEASE: The art of marketing rental property

As a landlord, your main aim is having your property leased promptly for a great weekly rent to a responsible tenant.

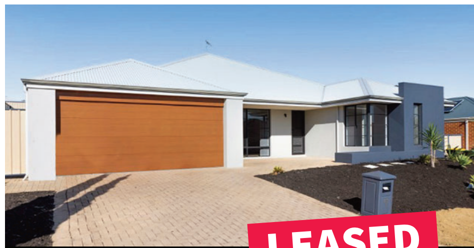
With young people increasingly unable to break into the property market, leasing is becoming a permanent – and popular - lifestyle choice for many. In theory, more prospective tenants should make leasing property a simple and quick affair - but this isn't always the case.

When it comes to marketing rental property, we acknowledge how technology and the internet have fundamentally altered the search process which connects tenants to homes. Potential tenants have easy access to every 'listing' from every agent in their area of focus, and the ability to sort available properties by price, location and features. This 'level playing field' makes marketing your asset to achieve an outstanding rent considerably more strategic a task.

When presenting your rental property to market, we use our local knowledge of current competition (both in terms of price and features) to position your property attractively to the most suitable tenants. A critical element of marketing property for lease is accurate pricing – price your weekly rent too low and you risk losing income, yet price it too high and you risk weeks of vacancy and tenants ignoring your open for inspections. We work intensively with our landlords to establish strategic pricing before focusing on optimising their property's presentation.

The appearance of your property online is key to its leasing success – with poorly presented homes often languishing on the market unleased for weeks. For this reason, investing in professional photography is increasingly popular - by capturing each room accurately and attractively, you engage with premium tenants who are fed up with trawling through competing properties which are often poorly advertised.

Marketing properties for lease: it's an art we've mastered!



LEASED

26 Jubata Turn, Tapping

LEASED

34 Benson Loop, Alkimos

LEASED

10B Matta Way, Pearsall

LEASED

16 Catania Court, Mindarie

Detach yourself from your investment property

Property investment has come a long way from the days when a landlord managed his own property, door knocked for cash rent and did his own repairs.

The key to successful property investment is to treat it as a business. This means emotionally detaching yourself from the property.

This may mean ensuring you do not form a talking relationship or friendship with your tenant. Leave this up to your Property Manager. You never want a tenant using 'but the landlord said' against your Property Manager. If legal steps need to be taken due to rent arrears, you wont be burdened emotionally by the tenant's circumstances.

If you used to live in the property that you now call an investment, then realise that a tenant is never going to look after the property the same way as you would.

The professional property investor treats it like a business and leaves the hard work to their Property Manager. At the end of the day, you're purchasing 'peace of mind' by hiring your Property Manager, so enjoy it!

YOU'D RATHER HAVE A TENANT LOCKED IN QUICKLY RATHER THAN HAVING YOUR PROPERTY SIT VACANT AND LOSING MONEY.

Common Property Investor **Mistakes To Avoid**

There are lots of things to remember when you're a property investor. From interest rate changes to the ups and downs of property prices, it's important you remember a few key things to maximise the value you get from your investment properties. In this article, we share a few of the common mistakes you should avoid when it comes to property investment.

Not prioritising your debt
There are some types of debt you should pay off as quickly as possible, such as credit card debt. Other types of debt may provide you with a tax deduction, such as loans taken out to repair or improve your investment property. It's wise to pay down any debt that won't contribute to a larger tax return quickly. You can then start paying off tax-deductible debt when you can. Make sure you speak to a financial adviser so they can assess your unique situation and help you decide the best order to pay down your debt.

Forgetting to claim depreciation
A common area where property investors fall short at tax time is maximising their depreciation deductions. When done properly, maximising your depreciation claims can add thousands to your tax return. If you don't have one already, make sure you get a depreciation schedule drawn up for your property to maximise your deductions.

Not increasing rents
Many property investors fall into the trap of not increasing the rental price when renewing a tenant's lease. If you do this, you can end up in a situation where you need to increase your rent by at least $50 to catch up on past stagnant rent prices. When your leases come due for renewal, consider increasing the rent by $10 or $20. These small increases are more palatable tenants, and your rent will grow in line with market growth.

Leaving your property vacant due to high rent
Just a week of vacancy can undo any of the gains you might have seen through a lofty increase in your rental prices. Be smart about the prices you set for your rental properties and talk to your property manager for their recommendation. You'd rather have a tenant locked in quickly rather than having your property sit vacant and losing money.

Managing your own property
It can be tempting to think you can manage your investment property yourself. However, there are hundreds of little tasks and processes that go into efficiently managing a rental property. Leave the management of your property with a professional so you can focus on your investment strategy.

With so much to think about as an investor, it can be difficult to see where you may be making some common investing mistakes. Being mindful of the pitfalls above can help you become a better investor and make sure you're always prepared to capitalise on new market opportunities.