

RETURN ON INVESTMENT

Rental Results Property Management Newsletter April 2009. Get Real Results from your Property Investments with Rental Results: We Know Property Investment.

WISE WORDS

"Why on earth do we do what we do?"

That question is one posed to me by Karl Baker of Red Hot Business Coaching. Without meaning to our tasks, we are without purpose. Relating that to property investment – what is your end game? If you know that, it is much easier to set your strategy for the way forward. Not all properties are good ones to invest in if they do not assist you with what you want to achieve. Ask us if you want help clarifying your goals – we know experts that can help you.

YOUR SAY

"Jackie and her team at Rental Results have been professional, reliable, organised and friendly, and have gone out of their way to make life easy for me. The tradespeople recommended have been first rate. Property inspections have been regular, and meaningful. The Rental Results team found great tenants, and the property was tenanted in impressive time. They have great knowledge of the industry, and every contact I have needed so far is in their little black book. Payments and statements are all perfect and timely. I have no hesitation recommending Jackie and her team at Rental Results to any landlord who wants their investment, and tenants well looked after."

Rob Wheeler
Property Investor

INVESTING GREEN

Someone I know has a huge barn, and in it they keep bits and pieces that might 'come in handy' when they do up a property. If you have a variety of properties in your portfolio, what no longer suits one property might upgrade another. Any why not get the most you can from what you've got? The old kitchen cupboards can go somewhere to replace older ones – a new bench top, and they look new. Recycle lampshades and many other items. Learn what is worth the effort of moving into another property, and what is really junk. Experience will teach you the difference, or ask for help from someone who knows.

WALKING THE TALK

We've been saying for months that it is a good time to buy investment properties. To put our money where our mouth is, we've done just that. Not just once, but four times. Since the last issue of Return on Investment, we've settled on three properties, and have gone unconditional on the fourth.

In each case, we have been completely satisfied with the outcome of the negotiations. Vendors are indeed keen to see a result, and we have been able to name our price and our conditions, and the vendors have done everything they can to help us fulfil those conditions. It is perhaps the easiest market we've bought property in.

Each property has been purchased under asking price and under RV, significantly so in each case. Two of them were purchased for less than the vendor bought them for.

While it is sad for the vendors they did not make money on these properties, they were happy to see them go, as we solved a problem for them. No one forced them to sell to us at the price we offered – it was completely their choice.

Did we have to search high and low for these properties? No. Who has time for that? For two of them, an afternoon drive around our preferred neighbourhood ringing salespeople when we saw a sign outside a property saw deals being done – one for the property we called about, the other was another listing they had. For the other two, booking some time with a great salesperson to have a look at properties that met our criteria was the key. The salesperson selected knew what we wanted because she listened to us, and had talked about investment properties with us several times.

She knew we were serious about purchasing and knew what we wanted to spend and showed us only listings that piqued our interest. She demonstrated professionalism by organising ahead of time access into the properties and treated the occupants with courtesy and respect, addressing them by name and letting them know what was going on. She allowed enough time to see what we wanted to see at each property.

She presented our offers in a timely manner, and followed up with us each day so we knew what was happening. She dealt with our lawyer and mortgage broker with the same courtesy, and was a pleasure to work with. Her vendors are happy too, and certainly were all smiles when they signed the document (we saw them at the office by chance).

I've heard a number of investors say they have been at open homes, but just have not found anything. I'm not surprised. Show the salesperson you are serious about buying – make some time to see them to discuss what you want, then go see what they have that most closely matches. They may not have exactly what you want – if they did, you are either being too easy, or there are even less buyers out there than I thought. Don't let price get in your way – in this market, that is the most easily adjusted thing. And get great advice from a great team – it makes all the difference. Happy buying!

INVEST IN YOU

Our new property manager, Rich, asked 'how long does it take to become an expert?'. Most would answer that it takes time, and to a greater extent, it does. But more vital is an open mind. Being open to learning is the key to being an expert. Most experts I know realise there is so much more they do not yet know. There is 10 years' experience, or one years' experience ten times over. We participate in as many learning opportunities as we can so we can look after your investment better. Get better advice with Rental Results.

ASK FOR RESULTS

How ethical are the companies you work with? Last week a tenant was in a situation where they could stick to their current contract, or sign a new one effective immediately. We spelt out the pro's and con's of each option, let them know where to get an independent opinion, and encouraged them to make the right choice for them. There was no impact on the landlord regardless of what the tenant did. The result was a happier tenant, and the landlord benefited from improved relationship. Others would have (and did try) to pressure the tenant into the easy solution for them. We won't.