



DECEMBER 2009 | INSIDE THIS ISSUE

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Quote: "Fear less, hope more; eat less, chew more; whine less, breathe more; talk less, say more; love more, and all the good things will be yours."

Swedish proverb

Office / Local News

Hi Everyone!

It's December again & time to wish everyone a very Merry Christmas & a Happy New Year!

It has indeed been a trying year, particularly for those of you being affected by both falling rental incomes & values of property in Cairns. Our real estate market has always been vulnerable to shifts in varying extreme conditions. Due to our relatively low population base & the resulting lack of services, industry & infrastructure, the Cairns market does struggle for consistency that is evident in the Capital Cities. However, we do live in paradise and as more & more people discover that fact, Cairns will become more resilient.... And what a beautiful place to come to for a tax deductible holiday if you are a southerner!

Thank you all for your continuing support and from the entire team at Ray White On Mulgrave, may we wish you and your families all the very best for the festive season!

From the Ray White On Mulgrave Property Management Team



Can A Fixed Agreement Term Be Broken?

A tenancy agreement is a binding legal contract. The party wishing to break the lease (tenant or lessor/agent) must get the other party's permission to be released from the agreement early. It is advisable to get the approval in writing if there's agreement to end the contract early.

The lessor/agent may claim compensation for the reasonable costs incurred because the tenant leaves early. This may include loss of rent if they can not find a replacement tenant, but the lessor/agent has an obligation to reduce or minimise losses that result from the tenant breaking the agreement.

In some circumstances, a tenancy agreement can be ended if the lessor or tenant is experiencing excessive hardship, such as financial or personal difficulties. They will need to make an urgent application to the Tribunal for an order terminating the agreement on the grounds of excessive hardship. A compensation order may also be given by the Tribunal.

Tenancy agreements can only be ended in accordance with the *Residential Tenancies and Rooming Accommodation Act 2008*. There are processes that must be followed to correctly end an agreement, including using the approved form and allowing the right amount of time for the notice period.

Some ways a tenancy agreement can be ended:

- the lessor/agent and tenant both agree, in writing, for the agreement to end
- the lessor/agent gives the tenant a Notice to Leave (Form 12) or Abandonment Termination Notice (Form 15) to the tenant
- the tenant gives the lessor/agent a Notice of Intention to Leave (Form 13)
- the tenant is given a Notice to Vacate from Mortgagee to Tenant (Form 19) from a

mortgagee (e.g. a bank) who is entitled to take possession of the premises

- the sole tenant has died and the tenancy must be ended
- the Tribunal makes an order.

Even fixed term agreements must be formally ended by giving a written notice, otherwise they continue as a periodic agreement.

Government Insulation-Get Into It!

Did you know that the Federal Government is looking to insulate 2 million Australian homes over the next year or so? Many of our Landlords have already taken advantage of this government funding in Cairns.

Last month this rebate was reduced from \$1600 to \$1200 and some suggest that this scheme might end altogether shortly.

The \$1200 grant will cover a great deal of the cost of insulation for your investment property, almost all of the cost if it is owner-occupied, and will save you big dollars (up to 45% on your heating and cooling costs)

If you want to know whether the \$1200 will cover the cost of your home (so you pay nothing) visit www.insulationprices.com.au. Their Insulation Calculator will take around 60 seconds and will provide an instant estimate by SMS.

With so much to save, visit www.insulationprices.com.au now and see if you qualify.

Time is of the essence, as it could end any day.

Wet Season Maintenance

Just a little reminder that the wet season in Cairns is truly upon us with nearly 12 inches of rain dropped in the past 10 days. As a consequence, our lawns & gardens are growing very quickly. If your property is in between tenants, please take the opportunity to trim gardens back if your Property Manager suggests this plan of action. Over time, plants tend to creep out over lawns & pathways, causing mouldy concrete & killing off precious green lawns. Down come the rains & you have yourself not only a mess, but in the end, a much higher gardening contractors bill. Remember that, under RTA ruling, tenants are not obligated to trim back plants. They must mow & water, but we cannot force them to do more than that unfortunately!

We also have a contractor who will clean out your gutters for only \$70 per property. This is a critical problem in torrential, tropical downpours with downpipes backing up & water collapsing ceilings inside. You do not want that phone call! Don't forget to update insurances too. Your Property Manager can advise you on all of these matters.

We all buy property to create long term capital growth. It's the old adage, you must spend money to make money. Help us to help you maintain a premium value on your investment property.

Office Activity This Month

Our overall current Occupancy Rate is 96.65%

Address	Property Description	Days Vacant	Rent Change
HOUSES	LEASED THIS MONTH		
Clifton Beach	4 bed, 2 bath, \$370 p/w	2	↑ \$20
Manoora	3bed, 1 bath, \$300 p/w	31	↔ Same
Brinsmead	4 bed, 2 bath, \$370 p/w	12	New
Manunda	4 bed, 2 bath, \$320 p/w	62	↓ \$30
Gordonvale	3 bed, 1 bath, \$325 p/w	42	↓ \$15
UNITS	PROPERTY DESCRIPTION LEASED THIS MONTH	Days Vacant	Rent Change
Manunda	2 bed, 1 bath, \$175 p/w	15	↔ Same
Manoora	2 bed, 1 bath, \$260 p/w	1	↔ Same
Bungalow	2 bed, 1 bath, \$160 p/w	21	↔ Same
Edmonton	2 bed, 1 bath, \$220 p/w	8	↔ Same
Cairns	2 bed, 1 bath, \$190 p/w	12	↔ Same

Referrals are Rewarding!

Do you have other investment properties we can manage for you? Consolidate them all under our management for consistency as well as other benefits. Perhaps you know someone with an investment Property? If so, please contact:

Ray White On Mulgrave on 07 40514595 or rentals.onmulgrave.qld@raywhite.com

Don't forget our "Thank you for your Referring" bonus gifts! A \$100 Gift Voucher from Bunnings Warehouse or a \$100 Money Order will be sent to you for every management that you refer and is subsequently signed up.

Calendar of Events- December 2009

15 December Mid Month Accounting
30 December End of Month Accounting

Our Property Management office will be open to manage your properties over Christmas /New Year excluding the statutory holidays.

