

Welcome to our first newsletter and more importantly welcome to all of you that have embraced my new agency, as it certainly has been wonderfully supported by you and much appreciated by me. After many years with the APF Group, it was sad to leave but as so many people tell me, life is about chapters of a book and as one chapter finishes another commences. So with this in mind Sydneyone Property is now up and running and those of you based in the city or passing by, why not call me and let's have a coffee at the new office. I'd love to see you. *Charlie Mellino MD*

welcome to our **first** newsletter!

In this issue:

- What's new
- New residential tenancy laws
- Coming soon
- Market news: *Residential vacancy rates*



What's new

So what's new at Sydneyone Property... We've introduced a new rent payment system for your tenant which allows them not only to pay via EFT, but also have the option to pay online via our website with their Credit Card. After working with the Bank over the last few months this new facility for your tenant's (and your) convenience is now fully functioning. A sincere thank you goes to the CBA for facilitating this secure site through our website – www.sydneyoneproperty.com.au

New residential tenancy laws

Late last year I discussed briefly some of the changes in the new Residential Tenancy Act 2010 and the proposed changes to the Regulations. The Act and Regulations commenced on 31 January 2011 and I would like to take this opportunity to confirm several changes, and one in particular, which has been widely discussed and in some instances incorrectly reported by some agents.

The draft regulations stated that a landlord's contact details must be provided to the tenant even if they have an agent and be included on the front page of the Residential Tenancy Agreement (lease). During the public consultation period this Regulation caused

www.sydneyoneproperty.com.au
e:charlie@sydneyoneproperty.com.au
p: 02 9231 5111 f: 02 9231 5122

Ground Floor
235 Macquarie Street
Sydney NSW 2000

Newsletter #1 March 2011

sydneyone property

serious concern and the Real Estate Institute of NSW lobbied the Office of Fair Trading to have it removed to protect owners' privacy. The Office of Fair Trading has now removed this requirement from the Regulations and the owners' contact details can now be replaced with the agent's.

Another significant change to the Regulations, which will affect all investment owners at some time, is the change to the notice periods for termination of tenancy. In particular for termination of a tenancy after the fixed period has finished. The no grounds notice period has increased from 60 days to 90 days. Previously, the tenant could be given 60 days notice and they could then reduce this period to 21 days. However, now it is 90 days and the tenant can leave at any time without notice and without paying rent past the vacate date.

This can effectively leave your investment property vacant for a period of time where there is no income and insufficient time to re-let. Although the notice period has been increased to 90 days the tenant's notice period remains at 21 days. This also applies to properties where 30 days notice has been given because of the sale of the property. Some of the other changes include:

- 30 days notice required at any time before the end of the fixed term, increased from 14 days. The tenant's notice period remains at 14 days here.
- A breach of the Agreement remains at 14 days for both parties and for properties which have sold the notice period of 30 days after the end of a fixed term remains.

There are lots of changes in the new Act and Regulations. Ensure you check our website for details of further changes under *Tenant Page* or *Latest News* titled New Residential Tenancy Act 2010. Should you have any questions in relation to this please feel free to contact me anytime.

Coming soon

There will soon be forms on our website for tenants, such as maintenance requests and application for tenancy and other useful hints. We will also shortly be listing our properties for sale which will be linked to Domain, so for those of you looking at property to either invest in or occupy, you will be kept up to date.

Those of you looking at another investment property, please call me as there are other ways to invest in residential property through your SMSF (Self Managed Super Fund) that may surprise you. See our partners regarding SMSF or go to www.investorone.com.au and www.dueo.com.au

Market News

Residential Vacancy Rates:

The housing market took another heavy hit at the end of last year after the Reserve Bank increased rates in November. This was compounded by the major banks further increasing their rates above the official 0.25% rise, which was well publicised to the dismay of the public. The fall-out has been more dramatic in certain aspects of the market place such as first home buyers. This means pressure is rising for rents to increase as supply continues to dry up. I have included the latest vacancy rates which show a clear pattern of today's rental crisis.

In turn this is great news for investors as yields continue to rise. So for those of you that considering investing in property now is great time.

