

# ESPRESSO

Your shot of  
property management  
news for February 2012



CITY BEACH  
PROPERTIES

## Maximising returns on your investment property and attracting the ideal tenant in the process!

*Whether you're looking to add to your property portfolio or maximise what you've already got there are a number of elements that are critical to success: expanding your property portfolio, it is essential to develop your own investment strategy - what works for someone else may not work for you!*



### ASSESSING RENTAL YIELDS

Use reference sites like Pricfinder.com, RPData.com.au, Property Data Services and RealEstate.com.au to get information about suburb yield and capital growth. Your Property Manager can provide you with demographic information of the suburbs they cover and what type of properties are the most popular. Get to know your local Council and find out what plans they have in your area.

Renovating your local park, fixing up the nearby beachfront or renovating the local shopping precinct area will have a major impact in the future capital value and rental yield of your property.

*Also be aware that the older the property, the higher the maintenance costs will be so adjust your budget accordingly.*



### Add Bells & Whistles

Last but not least, you need to understand what attracts those so called 'perfect' tenants. Here are a few bells and whistles that can improve your prospects.

Aesthetics always rate highly with full time workers, and they are often prepared to pay more for the things listed below.

While a view isn't always possible, you can make the window attractive with modern blinds or curtains - easy to find and cheap at Target or Freedom.

A balcony or outside space and a pool and gym will appeal to hard working (and often high earning) tenants who want everything at their fingertips

Lighting can also provide the differentiating point for a property, moving it from average to spectacular. Dimmers and wall sconces create a warm, modern atmosphere, and a trip to Bunning's and a couple of hours with an electrician will do wonders, both for the property and for the end rental price.

*Finally, if you are thinking of expanding your portfolio it is well worth sharing your objectives with your current Property Manager - they might just have the perfect opportunity!*

### BRAIN TEASER

What has roots that nobody sees, and is taller than trees? Up, up it goes, and yet it never grows. What is it?

ANSWER ON NEXT PAGE



**For Sale \$505,000**  
**10/12 Bank St, Wollongong**

### Executive poolside terrace

This large terrace apartment overlooks the lush gardens and onsite lap pool in The Fairways. Featuring three large bedrooms with BIWs | Ensuite to main | Three balconies | Sunny courtyard | Spacious living and dining areas | Stylish polyurethane kitchen with stainless steel appliances including dishwasher | Internal laundry | Single car space | Restricted access building | Short walk to beach, Golf course, entertainment centre and CBD.

*A fantastic home or investment*  
 Phone 4228 8400 to organise your inspection.



[www.citybeachproperties.com](http://www.citybeachproperties.com)



**Answer: A Mountain.**



**DID YOU KNOW?**

The popular Australian brand Farmers Union Iced Coffee outsells Coca-Cola in South Australia making it the only place in the world where a milk drink outsells a cola product!

## EMILY ASKS

THIS MONTH WE TALKED TO INVESTOR, NICKI, ABOUT HOW SHE FUNDED HER RECENT MINOR UPGRADE TO HER INVESTMENT PROPERTY AND WHY SHE DECIDED TO GO DOWN THIS TRACK TO START WITH.

*Nicki, you have recently spent just under \$7,000 on improvements to your two bedroom rental home. Can you tell us what work you did and why?*

I've owned this property for about twelve years and I've always found it difficult to lease.

So this time I asked the property manager, what do we have to do to the house to make this attractive for tenants to lease?

The response listed all of the negative things about the property. No built in robes in the bedrooms and no storage anywhere. The property was all electric and with no heating or cooling and there was no bath or laundry area.

I was very keen to do the work but it meant spending some money, so next stop was to speak to my accountant. We looked at how much money I needed to spend for this property to be at it's best financial performance and that became the budget.

Once I understood the numbers and the benefit I was going to get, I was happy to investment what felt like more money into the property.



Further, I didn't just do the paint and blinds top up, I looked to overcome some issues with the property.

In the end we created a laundry with storage, installed a garden shed, added a bath and tiled all the walls in the bathroom, installed built in robes to the bedrooms and we connected gas to the property. We installed one gas bayonet and changed the hot water service. Next year, I'll look to update the kitchen with a view to gas cooking and more cupboard space. Air conditioning is on the 'to do' list now as well.

A small increase of \$10 per week in rent was achieved as well as limited days on marketing with the leasing campaign.



*If you travel a lot and stay in hotels don't take the toiletries from your room; these are mainly plastics that will go to landfill. Instead, fill small bottles with your own shampoo from home.*

**eco tip**