



Who makes a good tenant?

The short answer to this question is "Not always the person you think!" Good Tenants cannot be judged on outward appearances alone- there have been plenty of well dressed, schmick Tenant/s who do a runner without paying rent and damage very exclusive properties. The key to selecting a good Tenant is to have your Property Manager go through all the rental history and reference checks with you. The idea is to pick the person who:

- Has the capacity to afford the rent
- Will pay the rent
- Will look after and maintain the property well
- Will have good business relationships with the Agency
- There are laws protecting Tenants from bias on discriminatory bases and these are for good reason. It is impossible to lump all people of a certain gender, age or nationality in the same basket. Each person needs to be evaluated on their own merit.
 - The best indicator of future behaviour is in past behaviour. It is highly unlikely that a person with a stellar rental history will suddenly become a bad Tenant. So – reference checks are all important. Your Property Manager seeks references as part of the Tenancy Application process and will undertake these on your behalf. Don't be afraid to question your Property Manager on the feedback on those references and if necessary to go back and find out more information or seek other references if there is something that doesn't seem right.
- Employment history is another good indicator – a person who maintains solid employment will generally have the capacity to pay their rent but it also shows that they are somewhat reliable, competent and worthy of employing on an on-going basis.
- Personal appearances are a less accurate gauge of whether someone will make a good Tenant, but if they are very unkempt and dirty, this will ring alarm bells about their standards of cleanliness and tidiness that may impact on how they maintain the property. An exception to this could be a tradesperson coming straight from a job site to view a property.
- Applications with pets are often discounted by Landlords if they have nominated a 'no pet' policy. BUT – it is more difficult for these people to secure long-term rentals and they are less likely to be transient meaning that they could be a better option if you are looking for a long-term Tenant.
- Looks can be deceiving – a flash car, expensive clothes and loads of jewellery could just mean a lot of debt and not a lot of substance! Rely on references and the expertise of your Property Management team to help guide your decision-making process.

Jokes of the Day:



Should you invest in new developments?

For investors looking to buy real estate, there's two options; buying new or established. And for one leading property advisor, the answer about which is best is simple.

Michael Yardney says for the majority of investors, established property is a far better option than investing in a new development. This is because capital growth potential is greater with established, he says.

Yardney says those buying a home to live in can be forgiven for being dazzled by "shiny-new" properties, but "in the real estate game, new is definitely a no-no if you're looking for the ideal investment." The only exception is if an investor can afford to be a developer, Yardney says. "If you can build a new project at cost, by all means go for it!"

When buying a new property, buyers don't just pay for the actual house, they also hand over a heap of cash straight to the developer, Yardney explains.

"This is because to make a profit, they build not only their margins into the price, but their marketing costs. Therefore, you end up paying a premium," he says. By "buying well" – either at or below the property's intrinsic value – in the established market, investors can pay below replacement cost and make a capital gain almost instantly, Yardney says. When buying established, buyers can negotiate a great deal and pay a fair price, as well as enjoying immediate capital growth in most instances, he says.

"Additionally, buying an established property that needs some TLC can mean paying substantially less than it might be worth if you have the ability to look past the cosmetic flaws and see the potential.



"Often you will have less competition for tired or messy buildings because most people just see too much hard work," Yardney says. Investors can then value-add with smart renovations and cosmetic upgrades, something that's hard to do in a new development, where everything is done.

It's possible to turn a \$40,000 refurbishment into an extra \$60,000-plus in capital gains and increase rental yield at the same time, he says. "That's something that is simply not possible to achieve with new property." Location also plays a big role, he says. If a new property is in a relatively immature area, like a housing estate, it's harder to research potential value.

"With this type of property, you have less historical data at your disposal to make an informed decision when it comes to pricing and less comparable property sales."

In a slowing market, established property holds its value better than new too, he adds. He says established property will generally outperform the averages over the long term and "boast excellent capital appreciation, without taking too savage a beating during lulls in the market."

SOURCE: realestate.com.au

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In property management, it seems everybody is always making claims about customer service.

It's not surprising, considering we operate in a service industry. So, with nearly 100,000 agents claiming to offer the best service in Australia, First National Real Estate is delighted to be ranked number one for “overall satisfaction” by Canstar Blue, for the second consecutive year!

To find out which real estate agents are rated highest across Australia, Canstar Blue surveyed Australian adults who had employed an agent in their area over the last three years, whether it related to the buying or selling of a property, lease management or renting.

It found 'First National Real Estate has been impressing more than any other firm, taking out five-star reviews from consumers in almost every single category, including communication and advice, problem resolution and value for money. In fact, no other real estate agent achieved top marks in any area'.

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As the first network in Australia to introduce a Quality Assurance system, First National set its sights on operational consistency many years ago. Now, the results are clear for all to see. Of the six biggest real estate brands in Australia, First National Real Estate was the only brand ranked 5-star in every category.

Communication & Advice – 5 Stars
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Moving Services – 5 Stars

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It's Melbourne Cup time! Well nearly 🐾

The race that stops the nation....Melbourne Cup is an Australian tradition and one that is responsible for halting work at least for the duration of the race throughout the whole of Australia.

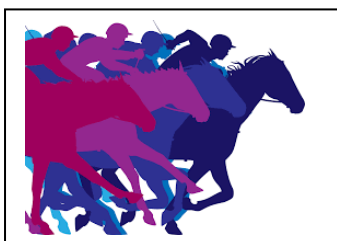
Australians love a punt on the races – and Melbourne Cup is a lure for even those of us who hardly ever put on a bet. In 2012 a record \$500 million dollars was bet on the Melbourne Cup race at the TAB alone. It is the richest 2 mile handicap race in the world.

Melbourne Cup is held on the first Tuesday in November at Flemington Racecourse in Melbourne and is always the 7th race of the 10 races scheduled on the day. Initially it was run on a Thursday, but this was changed to Tuesdays in 1875 and has remained that way ever since. The first race was held in 1861 but it wasn't until 1877 that it became a public holiday. It was the only sporting event that was not halted during WW1 and WW2.

A bit of Melbourne Cup Trivia:

- The youngest ever winning jockey was only 13 years old – Peter St. Albans in 1876
- The first horse to win the coveted Melbourne Cup trophy was Archer. Who incidentally walked all the way from Terara in NSW to Melbourne to make the race! - A distance of over 500 miles.
- No horse has ever won from Barrier 18 – so perhaps factor this in when placing your bet!
- Michelle Payne is the only female jockey to have won the Melbourne Cup and she did this in 2015.
- 35 out of 150 Favourites have won the Melbourne Cup – 23%. 41% of Favourites have placed.
- The smallest field of Melbourne Cup runners was in 1863 when just 7 horses competed.
- The largest field of runners was in 1890 when a whopping 39 horses vied for the title.
- Eleven horses have won the double of Caulfield Cup/Melbourne Cup
- The first woman trainer to win the Melbourne Cup was Sheila Laxon from New Zealand with Ethereal in 2001.
- Initially the race was run over 2 miles, but was converted to 3200m when Australia converted to the Metric system.
- The most successful Melbourne Cup winner is still Makybe Diva with 3 consecutive wins – 2003,2004 and 2005.
- Only 5 horses have won the Cup more than once – Makybe Diva; Peter Pan; Archer; Rain Lover and Think Big.
- And – if you pick your horse based on the colour of the Jockey's silks – be aware that 17 winning jockeys have been wearing black.

Melbourne Cup is more than just about racing though – it is the jewel in the crown of the Spring Carnival of racing and is one of the premier social events attracting international celebrities, a wonderful array of fashion and always a smattering of gossip, rumour and scandal.



Wherever you plan to be at 3pm on November the 5th this year – if you are in Australia – no matter where, you will not be able to escape the sounds of the Race that stops the Nation!

Melbourne Cup 2017