

A note from Terri

It might be called Landlord Insurance, it may look like Landlord Insurance, but can your Landlords bank on it?

Having visited some of our clients in Sydney, Cairns and Brisbane in recent weeks, it's obvious that Property Managers share a common frustration—Landlords who have purchased so called Landlord Insurance from a bank, or have bought it as a cheap extension to their building insurance.

The problem is, most of these policies have large excesses and also take the bond, then cover is limited and they don't perform like a broad, more specialised Landlord policy.

The added problem is that when the Landlord has inadequate or no insurance at all, it makes your job much harder.

We are developing a new tool to help you educate your Landlords about getting value for their insurance dollar. Should your Landlord go to a dentist with a heart problem? I don't think so! So, stay tuned for our next innovation.

As always, we feel privileged to have you as a member of our valued community of property experts.

Terri

We are happy for you to use any of the information provided to you in scheer tips for your own newsletter. You should however, acknowledge that the information was provided by Terri Scheer Insurance Brokers otherwise you might be at risk of providing advice.

Please contact Carolyn Majda - carolynm@terrischeer.com.au if you need further advice.

Terri Scheer is happy to provide you with this information. However, if you would rather not receive future issues please let us know and we will delete you from our distribution list.

Help protect your Landlords from day one

Gaynor Megaw, Business Relationship Manager, New South Wales

Working in Property Management prior to joining Terri Scheer, I used to think that until a tenant had moved into the premises I couldn't arrange Landlord Insurance. Now I know that with Terri Scheer, the Landlords can have insurance as soon as they sign the Managing Agency Agreement. This is important as they then have cover for Legal Liability and Contents Damage which may arise whilst the property is being shown to prospective tenants or vacant.

An agent recently told me that he had to deal with fire damage in a new kitchen as a prospective tenant had turned on the stovetop to test it during an open inspection (without the knowledge of the agent) and had not completely turned it off again before leaving. The agent was unaware of the event until he had to attend to the fire damage and replace the kitchen. Unfortunately, incidents such as this may occur prior to a tenant moving in and this is just one example. We have heard of this happening where keys are given out for inspections.

It is also important for you, as an agent, to have as many as possible of your Landlords insured. Not only for your Landlord's peace of mind but also for your own risk management. To assist you with this, as a Distributor of Terri Scheer, you are able to arrange insurance on behalf of your Landlords, which can be done from the outset of the agreement, or during a tenancy.

As rents keep increasing, some tenants find themselves with leases they can't afford when their circumstances change. Simultaneously, we note an increase in tenants successfully breaking their lease by applying to the courts or tribunal for a hardship break. It's impossible for you to foresee this, but remember our policy will pay loss of rent for 4 weeks in addition to the bond when this happens. Scheer simplicity!



Are you registered with ASIC?

Kellie Burton, Branch Manager, Victoria

It is possible that you are registered with ASIC where you have entered into an agreement with an insurance provider and agreed to an Authorised Representative Agreement. When you have agreed to be an Authorised Representative (AR), this also requires the insurance provider to register you with ASIC.

These agreements were introduced when the Financial Services Reform Act came in and was an option for Real Estate Agents which allowed them to continue to arrange insurance for their Landlords.

As there are considerable obligations and responsibilities involved in being an AR, we encourage you to ensure that your office is aware of the requirements of your agreement, because being registered as an AR enables ASIC to audit your processes in regards to insurance to ensure they are compliant under legislation. If you are unsure of these requirements, contact the insurance provider.

We remind you that as a Distributor of Terri Scheer products, you are not required to be registered with ASIC.

To check if you are registered with ASIC go to www.asic.gov.au and follow the links.

Information you should know regarding Periodic Leases

There is a common misconception that Landlord insurance doesn't pay out on periodic leases. This may be true for some Landlord insurers but at Terri Scheer our policy does pay for tenants on periodic leases. This is because we recognise it's not always practical to have every tenant on a fixed term lease.

You should be aware that due to the limited obligations for tenants on periodic leases to provide notice to vacate, the policy responds accordingly. This means that the benefit payable for loss of rent commences from the day after the tenant last paid rent up to the date vacancy is apparent and then the notice period according to your state or territory. If the tenant gives you the required notice to leave, rent will be paid to the vacate day only.

For further information on the coverage provided in our policy, please feel welcome to contact your Business Relationship Manager who will be more than happy to explain it to you.

We were there!



Gaynor Megaw, Marion Blackham and Carol Peach represented the NSW team of Terri Scheer Insurance Brokers and joined with 13,000 others on Saturday August 11th at Telstra Stadium, to show support for breast cancer awareness. They are pictured above with Lynn Moore from Axiom Marketing.

The Sydney Swans, the AFL and Telstra Stadium in partnership with Breast Cancer Network Australia (BCNA) staged the first ever Sydney, Field of Women Live, prior to the main game between the Sydney Swans and St Kilda.

There were 13,000 women wearing pink ponchos and 100 men wearing blue ponchos which represented the number of Australians who will be diagnosed with breast cancer in 2007.

The Field of Women brings the statistics of breast cancer to life in a meaningful and visually powerful way, highlighting the impact of breast cancer on our community.

All the money raised on the night went towards BCNA's important work to inform, empower, represent and link together Australians personally affected by breast cancer. It was an empowering and joyous occasion, a chance to celebrate the life we are living. And we were there!

Marion Blackham
State Manager - NSW



We've designed a Landlord Protection Insurance policy specifically for Landlords of holiday and short term rental properties, we've called it "Scheer Short Stay".

Scheer Short Stay has been based around our popular Landlord Preferred Policy and covers Landlords for Loss of Rent, Loss or Damage to Contents, Loss or Damage to Building (Limited Cover), Tax Audit, Workers Compensation (for properties in WA only) and Legal Liability.

For more information on this and all our policies designed specifically for Landlords, visit our website at:

www.terrischeer.com.au

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