

A note from Terri

What an overwhelming response we have had so far to our 15 4 12 promotion!

By now, you should have received promotion material for distribution to your landlords and we hope you have taken the opportunity to advise them of our promotion. We all know how easy it is to deal with landlords who have quality insurance to rely on should something unforeseen happen at their rental property.

Of course, this offer will apply to landlords who are transferring their policy from another provider to us. All you need to do is provide us with a copy of the offer to renew their existing cover (prior to the renewal date) and we are able to arrange cover to commence from that renewal date with no gaps—scheer simplicity!

Do yourself a favour, make your job easier and remind landlords of the availability of landlord insurance and our bonus offer of 15 months cover 4 the price of 12.

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.

Another horror story

Lisa Rutter, Business Relationship Manager, Queensland

It never seems to amaze us, the amount of horror stories we are told whilst visiting Property Managers.

Stories of investment properties that have been maliciously damaged, tenants doing a runner, accidental damage to contents items, and still landlords don't make the smart decision to take out a landlord protection policy!!



In most cases this is because the landlord doesn't think they need insurance, or if they do take it out, they don't purchase a specialised policy to cover the real risks involved in owning an investment property.

The Property Manager is then left with the headaches of arranging repairs, maintenance, cleaning, loss of rent, and the landlord is left with a hefty repair bill because the bond won't cover all of these costs.

Recently, I heard a story from a Property Manager that particularly stuck in my mind and I'd like to share with you all:

In order to paint a picture for you, this property was leased to a couple who had golden references and the Property Manager had no reason to doubt the sincerity of their application. However, halfway through the lease, at the time of inspections, the Property Manager found out that these tenants weren't the angels they had been perceived as. In fact they were quite the opposite!

Below is a list of damages and circumstances that this particular Property Manager could tell me, just off the top of her head.....

- ◆ Malicious damage to the inside and outside of the property (\$3,000)
- ◆ Every single wall in the property had been smashed with a hammer or similar
- ◆ It took 19 trailers to clear the rubbish from the property
- ◆ 2 weeks of cleaning
- ◆ The front door had 9 hammer holes through it
- ◆ 2/3's of the windows had been smashed
- ◆ Every lock in the house had been tampered with and broken
- ◆ Every fly screen in the property had been removed and never been found
- ◆ 2 burnt out cars were left on the property and car parts left throughout the house
- ◆ The garage was full of the tenants unwanted property – old mattresses, BBQ's etc.
- ◆ Every light was smashed
- ◆ \$1,500 loss of rent for 6 weeks to get the property ready for re-letting
- ◆ 2 pets left at the property – the Property Manager referred this to the RSPCA

This particular landlord did not have insurance, and therefore had to fork out every cent to pay for all of the repairs, minus the tenants \$1,000 bond that went towards cleaning of the property.

Now is one of the best times for landlords to take out a Terri Scheer policy, all policies placed with an effective date between 1 January and 30 June 2008 will receive 15 months cover 4 the price of 12—that's three extra months at no extra cost.

Conference Update

Terri Scheer is proud to be a sponsor of many Property Management and Real Estate Conferences across Australia. This year, we are pleased to be a gold sponsor of the Leading Property Managers of Australia Forum to be held in March.

For the first time in Australia, there will be three related events that uniquely position best practice in property management technology, business processes and business leadership. **The Rockend REST User Conference, Leading Property Managers of Australia Property Managers Forum and Leading Property Managers of Australia Agency Principals Forum.**

We encourage Property Managers and Principals to attend conferences as they can provide practical messages which you can take back to your office to improve business and individual performance. The networking and social opportunities will also assist foster long term associations and trusting relationships. For further information on this conference, visit www.pmbp2008.com

Smoke Alarms & Insurance

Dehran Rendall, Business Relationship Manager, Queensland

Smoke alarm legislation has been updated in many states over recent years. The introduction of this legislation created a heavy workload for Property Managers, not to mention the speculation on the topic and the resulting ramifications of non compliance and litigation.

In regards to claims for loss or damage to any property, the Terri Scheer policies require landlords to comply with all statutory obligations imposed by any public authority*. We would therefore strongly encourage you to ensure that all landlords have smoke alarms properly fitted to their investment property in accordance with legislation. Landlords should be aware that if their negligence in refusing to install smoke alarms contributes in any way to an injury or death of their tenant or other persons, it could result in complications should they try and submit a claim. Landlords have a duty of care to ensure the safety of tenants and their guests.

We understand that Landlords who have not installed and maintained smoke alarms in accordance with the legislation can be prosecuted, as in the situation below:

A Sunshine Coast couple were the first landlords in Queensland to be charged under the new legislation since its introduction in July 2007. The couple were charged with failing to install a smoke alarm in their Mount Isa investment property where a three year old girl died in a house fire. *Source: <http://www.abc.net.au/news/stories/2007/10/31/2076858.htm> Posted Wed Oct 31, 2007 11:00am AEDT*

Further to this, landlords who fail to comply could also find themselves in a civil case with the tenants should the tenant or the tenants guests be injured in a fire.

All of the Terri Scheer Landlord policies provide \$20 million legal liability cover, should the landlord be found legally liable for damage to other people's property or death of bodily injury to other people.

* Please refer to the Product Disclosure Statement for full details.



Express Claim Payments!!

A recent review of our claims processes has allowed us to further improve on our in house claims service.

Our aim is to always process claims as smoothly and quickly as possible. All we ask you to do is provide all supporting documents when the claim is submitted and our claims team will do the rest.

We are pleased that we can now offer you a much speedier claim payment than ever before for any claim where the policy is underwritten by Vero.

Terri Scheer now complete the entire claims process in house, even the processing of cheques. The benefits to you are:

1. You will often have your cheque sent to you within 2 days of your claim being accepted
2. We can also offer an electronic payment option (EFT) whereby we deposit the agreed settlement amount directly in the nominated bank account., making the process even quicker and ensuring your landlord is not left waiting for funds.

The EFT option is extremely exciting and has the potential for your claim to be paid the day after you submit it – how convenient is that? No more cheques, no more paperwork, no worries – another fine example of scheer simplicity at its best!

It's now even more important to pay your Landlords' policies on time

From February 2008, we will be making some minor changes to our credit terms (as below).

For all **new policies**, you have **30 days** to pay from the policy effective date

For all **renewals**, these are **due on the renewal date**. Invoices for renewals are issued around 4 to 6 weeks prior to the actual due date.

Our internal credit control will be run on a daily basis to ensure fair and even credit terms for all. For each unpaid policy, you will receive two reminder notices - the first being an overdue notice and the second a final reminder. A policy will then be lapsed a minimum 12 days after the final reminder has been sent. Should you have extenuating circumstances and payment cannot be made by this time, you can apply for an extension.

Please don't leave your landlords' insurance last in the file to pay—once a policy has been lapsed, it cannot be re-started from its original date, which means your landlord will have a gap in cover which could result in a claim being declined.

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