

scheer tips



terri **scheer**



The New 'Scheer Short Stay' is now available

We are very excited to announce that our popular Scheer Short Stay policy has undergone a summer makeover. As of 1 April 2010, there are now even more reasons for Landlords to protect their investment properties with the introduction of our new and increased benefits.

Ensure your landlords are protected against the real risks that they face with renting out holiday accommodation by providing them with information regarding the Terri Scheer Short Stay Policy.

If you would like to arrange a mail-out to your clients regarding the new policy, please speak to your Business Relationship Manager who can provide you with some new marketing material and mail-out cards.

Comments from Carolyn

April already, all of us at Terri Scheer hope you all had a lovely Easter break, it's great to have those four days to recharge the batteries before heading back into the 'busyness' of business.

April sees the new and improved Scheer Short Stay policy being released—for those agents who manage holiday let properties our Scheer Short Stay policy has now got even more features and benefits for your landlords.

We're moving too into the 'conference season'. Stephen, Belinda and I just returned from Alice Springs where the national L J Hooker PIM Conference was held - what an awesome location for the gala dinner, celebrating the heart of real estate (property management) in the heart of Australia - dinner under the stars on a gorgeously warm, clear night, an experience I'm sure we'll never forget.

Later this month Terri Scheer Insurance will also be sponsoring the annual LPMA Forum, this year being held in Sydney's Darling Harbour. Having been involved with this event since its inception, it is wonderful to see how it's grown and that more and more principals and property managers are recognising the value of continual development and training. Such events can only improve the calibre of property managers and in doing so, raise the profile of property management as a profession. After all, property managers are trusted with the task of managing very valuable assets, that work should be more highly valued. To register or find out more about the LPMA Forum go to www.lpma.com.au and click on the LPMA 2010 Agency Principals and Property Managers Forum link. If you're serious about your development we encourage you to attend property management specific events such as this.

Have a great month.

Carolyn

P.s. Wanna share of \$10,500 and a chance for your landlords to win \$10,000? - Watch this space...

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 otherwise you might be at risk of providing advice. Please contact Belinda Butler belindab@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.

ATTENTION UNIT OWNERS Think You're Covered??

Deeon Aslin, Business Relationship Manager, New South Wales

There are many landlords that are still under the impression that by owning an investment property in a complex or high-rise building with full security means they do not need insurance for their contents or believe that body corporate insurance will cover them. It is not until something does go wrong and they make a claim that they find themselves without cover at all.

Whilst the building and common areas are covered by Strata Building Insurance if something was to happen to the Landlords contents they would not be covered. With a Terri Scheer Landlord Preferred and Scheer Short Stay Policy we cover general household contents for use by your tenants including curtains, carpets, blinds, light fittings and furniture of up to **\$60,000**. These items are covered against loss including:

- Accidental loss or damage
- Malicious damage
- Deliberate damage
- Theft, fire, explosion, storm and water damage, electric motor burnout, lightning, earthquake, impact and glass breakage.

Remember it is not always the tenants fault, accidents can happen so be prepared!

Also be reminded that by having a Terri Scheer Landlord policy the landlord has cover for Loss of Rent, Legal Liability up to \$20,000,000 and Tax Audit cover. If Landlords take out cover online at www.terrisheer.com.au and pay with their credit card they will receive a 5% discount.

Notices – Are they correct?

Katherine Wragg – Claims Assistant

Here in the Terri Scheer claims department, we want to assist you in obtaining the maximum possible claims payout for your clients. In order to do this, we must apply both the terms and conditions of the policy wording and of course the applicable legislation.

Of late we have seen an increase in the amount of claims where there have been violations of the appropriate Tenancy legislation. This is especially apparent in cases where notices should have been issued to defaulting tenants and were not, or were not done so in the correct manner.

For instance, recently we came across a claim where a tenant had defaulted in rental payments, so much so that according to their states legislation a breach notice should have been issued. Instead, an informal written letter was issued to the tenant stating that they were in breach of their contract and immediate payment was necessary. As this form of 'notice' was not recognised as an official notice as provided for by the appropriate legislation, it could not be recognised by us as an appropriate 'breach notice' either.

Unfortunately in this case, the final claim amount had to be reduced as the appropriate documentation was not issued. However, this Landlord was lucky as the claim was only reduced and not declined all together.

From this example you can see how vital it is that the appropriate notices not only be issued within the appropriate time frames but also in the correct format.

QCAT –Queensland Civil and Administrative Tribunal

Andrew Ashurst, Business Relationship Manager, Queensland

As of 1 December 2009, Residential Tenancy disputes in Queensland are governed by QCAT. QCAT now decides a range of residential tenancy disputes between:

- tenants, and landlords or agents related to rents, bonds, holding deposits, service charges, standard of premises, entry onto the premises, locks and keys, re-location of moveable dwellings, moveable dwelling park rules, transfer or sub-letting by tenants, termination of tenancy agreements, compensation, exclusion of persons from moveable dwelling parks, tenancy_databases and other disputes, and
- residents, and providers of, or agents for rooming accommodation agreements, rental bonds, payments, house rule changes, abandoned goods and documents left behind, applications to end agreements and other disputes.

On a weekly basis whilst visiting clients the general feedback from Property Managers and Principals is that they are experiencing excessive time delays in getting a hearing for both urgent and non-urgent disputes (we've heard it can take around 4-6 weeks to receive a hearing for 'urgent' applications!).

So how does this all relate to Landlord Insurance?

For landlords that don't have adequate landlord insurance, these delays can be quite costly. The time from when a tenant stops paying rent up until the date you receive vacant possession could be in excess of 2 months. All that, with no income from the property, and then there's any cleaning and damages the tenants have left for you. Landlords should check their insurance policy to ensure that it covers the rent lost for the time it takes to apply to court and take into account these delays to ensure they are not left with a big debt and a trashed property.

As you are aware, spending time at court hearings is extremely time consuming and the least time spent there the better. The importance of quality tenant selection, issuing breach notices on time as well as presenting well maintained rental properties is imperative in today's market. For your information the Terri Scheer Landlord Preferred Policy only requires the Property Manager to go to court if they are applying for a warrant of possession/possession order.