

# DUFFY FORSYTH & CO

## ESTATE AGENTS

11th July 2003

Winter Client Newsletter

Icy mornings followed by crisp dry days – that drought is still with us. The effects are just becoming very obvious with the low level of farm export dollars in the balance of payments and the rising cost of vegetables on the supermarket shelves. The early, but excellent snow falls may assist in filling the irrigation dams in spring.

Legislative changes to the Residential Tenancies Act commenced as of 1<sup>st</sup> of July. You will now only have to give 60 days notice of a rent increase but you can only increase the rent every six months. The non specific notice to vacate now requires a 120 day period. Bond claims must be lodged within 10 days of the property becoming vacant. Of extremely important relevance is a new Section. Section 480 – for the first time there is now a penalty that can be applied for parties not complying with a determination of the Tribunal. The fine is 10 penalty units (\$1,000) and accrues at 2 penalty units per day (\$200) until a maximum of \$2,000. This section applies to both monetary and non monetary Orders. Hence if there is an Order to perform works these works must be done within the specified time frame or the fine situation will apply. Although I cannot remember a situation in which this would have applied to any of our clients we will be very strict on all time frames. Works falling within the definition of Urgent Repairs will be undertaken immediately, even if we are unable to contact you. Landlords, estate agents, tenants, body corporate manages, and any other party joined to an action is subject to this situation. In an effort to ensure that all our records are up to date I have attached a return form for all your contact details – please return it to the office as soon as possible.

The Queensland Supreme Court has handed down its decision in Muir v Hume[2003]QSC 191 (26 June 2003), which examined a landlord's duty of care to provide a safe premises for tenants. The tenant claimed compensation for injuries sustained when she tripped on a hole in the carpet in the house. The Court awarded the tenant \$1.2 million in compensation. Please examine your insurance status – if you do not have contents insurance for the inside of your property (this is separate from the Body Corporate Insurance and usually accompanies building insurance) then please immediately contact us and we will initiate the cover. I am enclosing a brochure from Terri Scheer Insurance, which along with EBM provides you cover for malicious damage. The policy will only cover properties under professional management and tenants cannot be in rental arrears at the commencement of the policy. The cost of Landlords insurance is \$211.76 for single property owners and \$201.66 for landlords with multiple of three or more properties. These prices include GST and are tax deductible. Should you elect to use this insurance policy there is a once a year rebate to us of \$17 per policy, but paid only at the June renewal period. Please examine your current insurance policy to ensure that malicious damage is covered. Some of the general insurers do not cover this area, which of course is the most important cover for landlords. The good news is that the New South Wales Court of Appeal examined the landlord's duty of care to a guest of a tenant - the Court held that a landlord does not have an obligation to commission an expert to inspect the premises for latent defects and only has a duty of care in relation to foreseeable risks. The award for compensation to the guest was overturned.



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Whilst every care has been taken in respect of the information contained herein, no warranty is given to the accuracy and prospective clients should rely on their own enquiries. Should your property be exclusively listed with another agent please disregard this communication.

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The sales market proved very active for this office during June with strong prices achieved. The building approval rate across Australia was up 0.9% on the previous month. HIA's chief economist Simon Tennent has predicted that there needs to be 159,000 homes constructed per annum to meet our growing population demands. The evolution of Equity Home Loans will see a new buyer group enter the market and further increase competition. The Commonwealth Bank predicts that the residential market will remain positive due to low employment, no oversupply, low interest rates. However they see "turbulent times" for the inner city markets of Melbourne & Sydney. The Herald Sun asserts that there has been almost a 50% increase in the number of apartments in Melbourne.

Top sales results reflect buyer v seller demand. In winter we see serious buyers being very active, and generally frustrated at the lack of stock available. They are often prepared to pay a premium to purchase and so move out of this market. If your property has good light content it may be the ideal time to go to the market. Although we live in what has been crowned "the auction center of the world" there majority of homes are sold by private treaty without the very structured and concentrated effort required for an auction promotion. Thinking of selling? We would love to assist you with whichever marketing technique you favour.

Attached to this letter is your end of year financial statement. There are four months where you have photocopies of your actual statements. Due to a problem with the hard disc and the back up we cannot retrieve this original data from the computer. Our thanks go to Heidi and Linda who have spent many hours reproducing this data for you. Please do not misplace it. We cannot envisage this happening again and we have now moved to three forms of backup.

For those of you who have forgotten to return the signed privacy statements, we would love to receive them

Heidi has almost completed her studies – only two units to go. Our congratulations go to Amy who has successfully completed her Agents Representative's Certificate.

Thank you for your continued support and please do not hesitate to contact us should you wish to vary the services you receive.

Kind regards  
Anne, Sue, Linda, Amy & Heidi

Enc: Contact update form



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### LANDLORD CONTACT UPDATE SHEET JULY 2003

#### PROPERTY/ IES

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#### LANLORD/S

1) Name ( including preferred salutation) \_\_\_\_\_  
Phone numbers Bus \_\_\_\_\_  
Ah \_\_\_\_\_  
Mobile \_\_\_\_\_  
Fax \_\_\_\_\_  
Email \_\_\_\_\_

2) Name ( including preferred salutation) \_\_\_\_\_  
Phone numbers Bus \_\_\_\_\_  
Ah \_\_\_\_\_  
Mobile \_\_\_\_\_  
Fax \_\_\_\_\_  
Email \_\_\_\_\_

3) Name ( including preferred salutation) \_\_\_\_\_  
Phone numbers Bus \_\_\_\_\_  
Ah \_\_\_\_\_  
Mobile \_\_\_\_\_  
Fax \_\_\_\_\_  
Email \_\_\_\_\_

#### Landlord's Insurance

Do you have landlords insurance cover for your rental properties

If YES

Company \_\_\_\_\_

Policy Number \_\_\_\_\_

If NO

Would you like Duffy Forsyth to initiate insurance cover for you Yes / No

If Yes

Which insurance policy would you like

EMB Ultra, Terri Sheer, REI Insurance Brokers

#### Council Rates

Do you wish Duffy Forsyth & Co to pay your Council Rates

Yes / No

Please complete this form in black biro / ink and fax back to 9592 8686 or post.



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