

Note to Self

8th August 2011

Dear Owners and Investors,

Before I get into the email, I want to tell you about a property that I just spotted on the internet. This by no stretch is what you could call a bargain, but it is a great long term investment. I spoke to this owner a few weeks ago, and I am sure that the agent has listed it incorrectly. This is a complex of four individual small houses, on the same block but strata titled. There are no joining walls. Two of them have two bedrooms and two bathrooms, whilst the other two have three bedrooms and two bathrooms - lovely cathedral ceilings in the living area, carport to the side and in a lovely quiet spot in Whitfield. They are asking \$230K each. Given that a two bedroom, one bathroom built by the same developer sold at the peak of the market for \$265K, I think long term these are a great investment. The link for the property is <http://www.realestate.com.au/property-unit-qld-whitfield-107585061>

When you consider they are essentially a small house in Whitfield, and you can't buy many houses in this area for under \$270K - the long term potential is huge. The fact there are two bathrooms as well is an even bigger bonus as most three bedroom homes only have the one bathroom.

Now, onto the email. Did I mention that I love my tenants and the laughter they bring into my life? Sometimes even they wonder how on earth I know things as fast as I do. The other day I was on the phone to Bart who was at City Park doing some maintenance. He was telling me that someone was trying to rip the screen door off its hinges - thankfully not at our unit. The Police then arrived and she scuttered off. I then got onto the phone to the property manager and asked her to give her tenant a call. The property manager didn't believe me - but was even more surprised as the tenant answered whilst talking to the Police!

We have a new set of tenants at Sheridan Street. They are lovely young girls in the party mode of live - ohhhh if I knew then what I know now, boy it could have been a dangerous world!! Ramon had done all the inspections and I had only met one of the girls. We pulled up in to the car park to see a girl with bright green hair hanging out the washing - Ramon didn't recognise her as she didn't have green hair when she moved in. I had to get both of them to sign some papers, so I asked if her flat mate was home. She said to come over in 10 minutes and she would get her up - it was not 1pm in the afternoon - girl after my own heart and doesn't start the day early.

I knocked on the door and the flat mate opened the door - I didn't know where to look. I really didn't think they made bikinis that small! I was there for about 20 minutes and between the green hair and itsy, bitsy bikini I was flustered. The smoke alarm battery needed replacing - there was no way I was going to get Ramon to change it, as he would probably fall off the chair!

I had a new tenant move into a unit - yes the one with the kettle that shorts the power out. He moved out, but didn't throw the kettle out, guess who gets a call to say the power is out yet again! I talked her through it on the phone, and then got her to walk the kettle to the bin whilst I was on the phone!

The question I have to ask is why does the gas always run out to the cooker at night, and why does something always have to go wrong after hours?

I got a call from a tenant at Holden Close to say that she came home and there was no power to her unit. It was late on Saturday night, but fortunately we were still in the city. I went through the entire process and there was definitely no power to the unit. Ramon went over to check that it was correct before we call the OSE (Old School Electrician as the Modern Day Electrician was out of range). It has happened to us once before, it wasn't a fault at our end, it was actually an Ergon Energy fault. Two hours later one happy tenant - and Ramon and I even happier as it was our unit and we didn't have to pay for the call out fee - it got sent to Ergon!

I have to tell you I am at a loss with the rental market of Cairns at the moment. I manage to rent the units, but it is a hard task and the quality I have to choose from makes me shake my head. Worse still I have to take some of them and hope that they will be alright - refer to Rocky Horror tenant for this. I am fortunate that I have a lot of past tenants coming back to take some of these units, and generally the vacancies have been limited. The bedsits seem to be one of the hardest to rent. How can a fully furnished unit, within 150 metres of a shopping centre and 4km to the city at \$145 per week be difficult to rent?

I got a call from a tenant at a house that we manage in Edge Hill. It is a beautiful home with five bedrooms, two bathrooms and a pool in a fantastic location. The tenant needs to break their lease, and at \$480 per week I honestly thought it would take a few weeks at least to get the right person. I loaded up the advert on realestate.com.au on Sunday afternoon about 4pm. By 2pm today - yes, less than 24 hours later I had 3 inspections lined up for today. All three are fantastic tenants and want to apply for the property. Go figure!

My newsletter isn't too far away, and should be in your inbox soon. Even if you don't have a Facebook account (like me personally) you can still follow Property Ladder Realty through this link

<http://www.facebook.com/profile.php?id=1008683702#!/profile.php?id=100001606963256>

I have uploaded lots of photos of renovations, news that is relevant to Cairns and links to lots of sites that may be of interest.

I will end by telling you we drove up Kenny Street, and I have never been so excited to see construction things happening!!! This is going to be a huge site and will employ lots of people. It certainly looks like it is going to start. When it is finished, hopefully we will have a Fantastic Furniture store - give Amart a run for its money.

I hope you are all happy and well.

Linda Tuck