

Note to Self

3rd May 2012

Dear Owners and Investors,

It has been a great week for Cairns. On Saturday our local council elections were held and Bob Manning was resoundingly elected. He is a business man with a proven track record and if anyone is going to get our town back on its feet - it will be Bob. This on top of a new State Government and things are starting to turn in the right direction.

The rentals continue to go up, and the demand is getting better. I really cannot tell you the reason, as there isn't a single reason it is just a mixture of all good things happening at once. They aren't big things, but together for whatever reason there is definitely a change in the air. This hasn't made the transition across to the sales side as yet, but if the rentals continue to go up it will.

We have rented another two bedroom unit in Edge Hill for \$220 per week. The last tenant was only paying \$200 and we have to do very little at change over - better still the new tenants move in pretty much as soon as the old one moves out. Pretty happy with that result.

You all have heard how I have gone from a meek, mild and non confrontational secretary stomping down St Georges Terrace with the big hair, big shoulder pads and high heels - to a cranky, tell them how it is property manager. Amazing what 12 years of property management can do to a person. If you scratch beneath the hard exterior, sadly there is still a push over in there. Today, I am going to tell you about the soft, caring and sappy side that doesn't get out very often.

Cairns has been through an exceptionally difficult time over the past five years, and there are people that have just dug a hole and kept on digging. Some I can help, and others I can't and I am slowly learning which is which. Now that we are starting to get into a better economic time, and rents are going up and finally vacancy rates are coming down - I can go through the list of tenants that cause me issues. I have been nursing many of them along for months and in some cases years just to keep the rent coming in. The time has finally arrived and I can start to move some of them on, knowing that I will be able to fill the property without having it vacant for a long time. The others that are worth trying to save, I am going to give one last push to get them back on track.

I have one couple in a house that have been there for about 18 months, and I am telling you since the first lot of rent they have been a problem for me. They are constantly behind but because the house is a bit run down, and not flash looking I have worked with them. He is a tree lopper come labourer, and although he does well in the dry season, each time it comes to the wet season the work is slow and they start to fall behind in the rent. I have been working with OzCare for some time now, and when a tenant is close to being evicted but they may be able to turn it around with some help I send them down to the great team at OzCare. The husband is a very proud, but stupidly stubborn man. He believes he should be the provider and although he has no work he refuses to get help via the Government. They have kids and were down to rice for food.

Billy from OzCare has helped them with their budgeting, and now has them set up with Centrelink for when they don't earn any money. Today I got a call from the wife to say that the first payment came into her bank and she has put in one weeks rent, plus \$50.

She will do this each and every week until they have caught up. When the work picks up they will put in more to catch up quicker. They also have a payment plan in place for the power and phone. It was such a nice phone call to get, and the change in her voice was lovely to hear. I called Billy from OzCare to give him the good news and he was even more pleased than me! We don't win every single one of them, but it is so nice when we do have a win occasionally.

OzCare also has a program that helps people get back into society when they have lost their way. We have an agreement that they will only refer people that won't cause us a problem and ready to make the transition back into society. They also help to get the money side of things set up, with their payments coming directly out of their Centrelink payments. This is one of the biggest hurdles, people understanding budgeting. The team at OzCare also monitor them over the next few months to make sure they are settling in fine, and if they get into trouble I just have to call out and OzCare help to resolve the issue.

Many of our bedsit and one bedroom units are idea as a starting point. They are clean, affordable and centrally located. At \$150 for a fully furnished unit, it is a perfect start. We have Mr J who is a huge tower of a man. He is from Torres Strait and was an alcoholic. He has been in a program and has been sober now for just over 4 months. He moved into one of our personal units that we just had repainted and put new curtains and a few new pieces of furniture. The place looks fantastic. He had only seen it when it was still being renovated and in a really bad way with mouldy ceilings. I was supposed to move him in on Friday but I ran out of time and by the time I called the office was closed. I arranged to meet them at the unit on Monday afternoon. He was so excited and told me that he hadn't slept a wink the night before as he was so excited to get out of the shelter. When he walked in and saw his new home, he was really emotional and excited at the same time. The gruff property manager appeared for a few minutes to lay down the law and tell him that there are rules and I will find out if he plays up. I can only give him a chance to get his life back, what he does with that chance is up to him.

I have another tenant from this same program, but he has received a brain injury after an accident. He is just lovely and I can see that I will have absolutely no issue with him. The unit is spotlessly clean, but he is telling me how he is going to clean it again. He is also paranoid about being in front with his rent so he wants to give me an extra weeks rent on top of the two he has already given me. Got to love this! Won't hear me complaining about a clean unit and a tenant in front with their rent.

Today I was in the office doing the dreaded paperwork. There was a knock on the door and I opened it to two ladies - one of them knew me and as I racked my brain I had no idea on which tenant it was. It was one from Viewmont who is a bit on the loopy side. Her and I have an interesting relationship as she has pushed my buttons on more than one occasion. When I did the banking on Monday, she was behind in her rent which was really unusual. I sent her a text so she knew where she was with her rent. She brought her friend in as back up - now I was a bit worried.

She started to explain that her Centrelink had been cut off and wouldn't be back on as she did some work - now I am thinking if you missed out on benefits because you earned money, they why wasn't the rent paid? The payments would resume next week and she would then be two weeks behind. I knew exactly where this was heading, and well you can't get blood out of a stone so you have to do the best you can. Before she went any further I said, if you pay your normal two weeks rent, can you afford to pay an extra \$100 per fortnight? She said yes, so I told her to do that over the next four lots of fortnights and then she would be back in front. I thought she was going to burst into tears at one point with relief. The owner doesn't want to renovate the unit just yet, so this way he still gets the rent until he is ready. Everyone wins.

I must have a thing with tenants and jail - yes I remember the letter from one saying I was the most awesome landlady ever - too bad he didn't pay me when he got out. This time I have the tenant that went to jail and his girlfriend stayed on - but thought paying the rent was optional. She left and as he was still the lease holder I had to chase him for the balance. We tracked him down to Rockhampton jail. He called me to apologise profusely for the problems she had caused. He wrote to his Uncle here in Cairns to see if he could help him by paying the arrears. I told them I don't mind how long it takes so long as it is paid. Today when looking at the bank account - there was \$10 from the Uncle. See if you believe in people sometimes it pays off.

Ah, but the best one I have saved for last. I could write a whole book on the things we do for Ron. He came with the block of units we bought on Sheridan Street. We didn't have the heart to evict him, so he is now part of the collection of Old People. He is now 74 and has no family or friends. We are the next of kin on the forms at the hospital. He looks after our dogs during the day, and when we go away and that for us is worth all his complaining. He was born with a lazy eye, and a long time ago when put an ockie strap on it came loose and took out his good eye. He can't see well, deaf as a post and cranky and smokes like a chimney. For years now I have been pestering him about Meals on Wheels. To be honest I had given up and forgotten about it.

We came back from our Anzac Day trip on Friday. There on the floor was a bone for the dogs. We didn't make it into Sheridan Street on Monday, and when I walked in on Tuesday to find that same bone in the bowl for the dogs you can imagine it wasn't pleasant. Oh, he also can't smell obviously as he didn't notice it was there. As I am walking outside to dispose of the bone, I notice lots of wriggling - very difficult not to throw up as I am running to the bin. I came back and soaked it in the sink in boiling hot soapy water.

I went off to do what had to be done in the world of property management and returned about 8pm. I went over to wash the dish and noticed that there were no other new dishes in the sink since this morning. I asked Ron what he had for dinner, as he obviously hadn't cooked anything. He told me he didn't feel like cooking so he had a bar of chocolate. I rolled my eyes up and scolded him "That wasn't very healthy now was it". I went back to scrubbing the dish when he said "Alright, you can make the call". I was a bit lost when he said he would have Meals on Wheels. They start delivering three times a week from Wednesday next week, I will try to get him up to five days a week as man cannot live on chocolate and cigarettes alone.

I do have to tell you about bumping into one of the tenants at the supermarket last week. When Ramon and I first started out, pretty much each day we would do everything I do now AND renovate our units. This means that my wardrobe consisted of shorts, track pants, t-shirts and trainers. The thought of make-up was laughable, and most days I would not only look like a grub but be covered in paint. The end result on the wall is great - but I am such a messy painter that I am covered in it.

For the past 10 years if a tenant ever saw me, it would be in this state. Now that we have taken a slightly different direction, I have gone into the girlie girl phase and each day I get to do my hair, make-up, dress nicely and where my huge stiletto high heels - and of course the bling. Finding that Events Clothing sells on line was a big mistake as far as Ramon is concerned. I was at Woolies picking out the fruit and vege when one of the tenants walked in. I don't get to see Bob very often, but I recognised him immediately. He looked a bit puzzled so I told him who I was and asked the standard questions when I bump into a tenant - everything alright, need any maintenance and are the neighbours behaving. As he walked off, he turned and said you look... he couldn't find the words and then said "you look taller". I couldn't stop laughing, he didn't want to say that I don't look like a paint covered grub anymore!

I know that Ramon and I work incredibly hard, with very long hours. Some days you shake your head and go why do we do this? Last week when we flew down to Brisbane to spend the day with Bob, Gwen and Nina for Anzac Day it puts it all into perspective.

We work hard and sacrifice to be able to have the money to do the things we want, when we want. We should have had the photo taken before watching the service - I blubbed more than usual this year.

I hope you are all happy and well in your world.

Linda