

Note to Self

23<sup>rd</sup> May 2012

Dear Owners and Investors,

As you all know, insurance is an issue here in Far North Queensland. It initially was just strata titled insurance, but this is now spreading through all insurances. This week I had a client who had their insurance for a duplex increase from \$941 to over \$4000. I am hoping we have found another alternative that is around \$2000 but even this is a doubling of insurance premiums.

The other area that has cropped up is land lords insurance for those in strata titled units. On average you should be able to get coverage for under \$300. When you consider that the building is already covered by the body corporate insurance and all we really are after is contents of about \$15,000 and public liability you would expect this to be reasonable. I have had two clients this week call to say they have received their renewals and the costs are now closer to \$700!

I am doing some home work on this for you all as this is important to have. If an accident occurs in your unit where someone is hurt, you could be liable - so you have to have public liability. I am working on this and may have a few solutions that are under the \$300 per annum mark. As soon as I have the details I will write to you.

Attached for you is the speech made by Warren Entsch last night in Parliament. We scored a mention in there - and we will continue to pass on information to Warren's office so he can put pressure on the Government for us all. This is a really important issue that needs to be resolved. Until it is, buyers are staying away from buying in body corporate as they are uncertain of where the costs will go to next.

Now for the fun stuff. Yesterday I had a plan - Ramon was going to go to Grafton Street and finish off the renovations and I would stay at home all day. I would have the place to myself and I would plough through the forest of papers on my desk sending lots of emails and crossing lots of things off my list. YEAH RIGHT! My first phone call to the Police was around mid day, the fourth phone call to the police was at 9.30pm. After the third one I was thinking it must be a full moon.

We have a lot of our units all in the same complexes, and from a management point of view it is so much easier to manage. I actively encourage the tenants to do it, and I know the system is working when by the end of the night I have been told the same story and what is happening by not one but six of the tenants!

I did feel very sorry for the young man, he has been with us since October 2010 and to be honest we haven't heard a peep out of him in all that time. He is a nice, quiet young man that is actually quite shy. It seems he has himself a girlfriend and she went on a bender and caused all sorts of bother. He called me this morning and is very embarrassed by everything that happened yesterday. She is moving on, and he will go if I ask him to. At this stage so long as she moves on and it doesn't happen again, I am happy for him to stay.

I have a bit of a sad story with one of my "I collect old people". I have Ms P who we have moved not once, not twice but actually four different times. When I say move, I mean quite literally move her and all her belongings. She is a lovely old dear, bit fruity but wouldn't hurt a fly. I thought she was starting to get a bit of dementia, but she wouldn't accept any help.

Our health system says if she won't agree to help then we can't force her. Last week I got a phone call from the Ambulance Service asking about her. It seems one of the neighbours called the Police as they hadn't seen her for some days. The Police went over and they could see a light on in the bathroom but couldn't get a response. All the doors and windows were closed and they couldn't see in. They managed to get something in through the kitchen window to pull the curtain back and could see her sitting on the end of the bed - fortunately alive. They called out but she wouldn't respond so they had to break in.

Ms P was very confused and they had no choice but to take her to hospital. The next day I called to try and find out what was happening. Almost a day later she was still in the Emergency Department - they hadn't put her into a ward as yet. Worse still they had misspelt her surname so no one could find her. They put me through to the nurse and in frustration I said "surely you haven't lost a 74 year old lady with dementia - she is definitely there somewhere."

Ms P had only one living family member - and it seems that they weren't close by any stretch of the imagination. Ms P never married and never had children. I have been working with the social worker to see what we can do. They can't send her home until she has been assessed and it looks like she won't be coming home. Today the social worker called to ask if I knew who her doctor was as they can't find any medical history on her. I offered to go to her unit and snoop.

Now this isn't meant to be funny, and I do not mean to offend anyone here but my goodness there were some strange things and I hope that when I get old I don't get funny. She had not one, not two, but FIVE clocks next to her bed all ticking. I would go mad with that amount of noise next to my bed. She had a four drawer cabinet totally full of brand new bin liners! I looked through the entire unit looking for clues of who her doctor would be. There was not a single bottle, not a single cream in the entire unit of a prescription nature. In fact the only medicine I found was a small box of panadol and two bottles of coffee mixture. I couldn't find a note book, any personal items or even a personal phone book. The only number in the entire place I found was her home number and my mobile. By the time I left I felt very sad that this lady would not be missed by a single person.

On a brighter "I collect old people" note, Ron is loving his Meals on Wheels. I am actually thinking of doubling the order as each time we arrive at Sheridan Street he is sitting there eating his lunch. Today he had fish with veg and passionfruit cheese cake. Originally he would only take meals three days a week. I asked about increasing it but he wasn't having it - not until he had their roast. Monday was roast pork and he has caved meeting me half way at four days a week. It is good to see him eating - the other days when he doesn't get meals worry me. The other night he ate a box of Chocolate biscuits.

To finish this email off I will finish it with a story about another property management company. When the cleaner left and we found the 74 year old Iranian lady (yes another to my I collect old people collection) to take over the lease. This change over happened in late March. She gave notice to her previous property manager - last week Clinton stumbled across the advert and realised it was her old place and it is still vacant. I can't believe it could possibly still be vacant as we have none at the moment.

The rental market really has changed, and we are about to put it to the test. Ramon and I have a block of five, two bedroom villas in Whitfield that we personally own. Prior to the GFC we could rent them out for \$250 per week and have our choice of tenant - all good quality. As the economic times got worse, we really did scrap the bottom of the barrel and chose the best that would could but the rents dropped down to \$200 per week.

We gave out rental increases so they were all up to \$230. Out of all the increases we gave out a few weeks ago through Property Ladder, the only one that has had a tenant move on so far is one of our personal ones. The lass gave notice this week for one of these villas and I put it on [www.realestate.com.au](http://www.realestate.com.au) this afternoon at \$250 per week. I have had one phone call and one email so far. The unit doesn't become available until the 7th June. Let me tell you if we do manage to rent it out at \$250 per week you will probably hear Ramon and I singing and dancing from where you live.

I have a lot of stuff that is bouncing around in my head so you will be getting a few emails over the next week from me.

I hope you are happy and well in your world.

Linda