

A note from Terri

Scheer Indulgence winner

Our scheer indulgence promotion ended on 30 June 2007. We'd like to thank everyone for their support of the promotion, unfortunately there could only be one winner.

We are very pleased to announce that the lucky winner of the \$20,000 scheer indulgence promotion was Landlord, Mark Mathews. Mark's Property Manager, Rental Express—Northside in Brisbane also won a \$10,000 cash prize, being the referring managing agent.

From the team at Terri Scheer, we hope Mark and the staff at Rental Express enjoy their prizes and we wish you both happy spending!!

If your office has any of the scheer indulgence DL flyers left, please ensure you dispose of them as they are no longer able to be distributed.

Terri

Telstra South Australian Business Woman of the Year 2006

Guidelines for an abandoned property and left possessions!



Scenario: A property manager from ABC Realty has been informed by neighbours that one of their managed properties has been abandoned. After visiting the property, it appears that the tenants have absconded. The property manager can also see that the tenant has left some of their belongings behind. The tenant was also two weeks in arrears and has recently been issued a termination notice for rent arrears. The tenancy agreement in place is a fixed term lease and has 2 months until expiry.

Steps to resolve the situation and make a claim under a Terri Scheer Landlord Policy:

As soon as you become aware that the tenant has left goods or possessions behind, you should follow the relevant guidelines set out in the Residential Tenancies Act in your State or Territory. Many of these Acts will allow for some goods to be immediately disposed of, or if they are of significant value, the requirement may be to have them stored for a period of time before selling them.

Clearing the goods, cleaning the property and advertising to re-tenant as quickly as possible will not only minimise the loss for your landlord but will also ensure they get the best outcome from their claim. The costs associated with these activities are not specifically covered under the policy however we allow you to deduct them from the tenants bond.

Once the property is re-let, you can lodge a claim for Loss of Rent through the Landlords Terri Scheer Landlord Preferred Policy. Including ALL supporting documentation for the claim as per the guidelines on the claim form will ensure your landlords claim is processed and paid promptly and with a minimum of fuss.

For full terms and conditions, please refer to our Product Disclosure Statement.

It's a booming market, why take Landlord Insurance?

Jessie Webster
Business Relationship Manager
Victoria

We all know that the rental industry is thriving at the moment, keeping Property Managers extremely busy. We have heard of instances where at open inspections, clients have 50 to 100 people walking through with just as many applications.

This proves that there is a lot of demand for rental properties, so applicants are facing a competition to secure a property. Sometimes this will lead to applicants promising to pay a higher weekly payment than they can actually afford. Generally, at some point that tenant will stop paying rent simply because they can't afford it and you're going to end up with very angry landlords due to them losing rent instead of collecting it. One of the many great things about the Terri Scheer Landlord Preferred Policy is that we do not have an excess on Loss of Rent claims* and we don't wait 4 weeks from the date of loss before we start paying out a claim, our policy allows us to start paying the claim from the day the tenant actually stopped paying rent.

Another situation you might experience is a landlord saying 'Well since there is a high demand for rentals I won't have a problem finding new tenants!' That is true, but consider if one of these tenants Maliciously Damages the property when they abscond and it then takes a whole month to repair the property. That is a months rent the landlord has lost while he also has to pay for the repairs. If the landlord had the Terri Scheer Landlord Preferred Policy they could make a claim for that one month Loss of Rent and not pay any excess* and could also lodge a claim for the cost to repair the Malicious Damage. Isn't that a much better solution?

It's as easy as that, the worry and stress are taken away by making sure your Landlords are protected by Landlord insurance, particularly at a time like this.

* Excluding QLD, where the Loss of Rent excess for an absconding or defaulting tenant is \$180.

Please note: All claims are assessed individually and paid according to the evidence provided. Should you have a situation where a claim occurs, please contact our claims department for further information.

Rental property change of ownership

When a rental property has a change of ownership, it may be sold, transfer of owners etc, it is VERY important to cancel the existing policies & start a new policy for the new owners ASAP. This can be easily done by completing our No Longer Managed Form (cancellation form) & then arranging a new policy for the new Landlord.

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 Brokers otherwise you might be at risk of providing advice.

Please contact Carolyn Majda - carolynm@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.

Why paying your Landlords insurance premiums is so important

Belinda Butler
National Sales Manager

It is understandable that when an invoice arrives in your office for one of your Landlords insurance policies that you will also have 2 or 3 other deductions to make from their first months rental income.

Our credit terms are very generous, allowing 30 days from the effective date of a new policy to make payment. Where the Landlords property has only just been tenanted and you have other accounts to pay, you should not just put their Landlord insurance policy aside for the next month hoping there will be more funds available, as this will risk the policy being lapsed (cancelled).

We have credit card and B-Pay facilities available, the Landlord may prefer to use one of those services to pay their account, making sure their property is fully protected.

Our procedure is to issue two reminder notices where policies remain unpaid. Should the unfortunate situation occur where your Landlord's policy lapses due to us still not receiving payment, we are unable to re-start the cover from the original start date. If this does occur and the tenant has fallen into arrears during that time, it is possible that when cover is placed again, the Landlord won't have all the policy benefits available to them. Can you imagine who they would seek reimbursement from if they couldn't make a claim because you didn't pay their Landlord insurance, but also didn't give them the option of paying it to Terri Scheer direct? They'd probably look to recover any expenses from you, their Property Manager or Real Estate Agent.

We recommend that you pay your Landlords insurance premium if you have funds to do so, or else ask the Landlord to make payment to us direct. This not only helps your office's risk management procedures, but the Landlord will thank you if they are able to recover from a loss in the insured period.

OUR WA office has moved.....

Please note our new address and contact details.

Office address: 31 Teddington Road, Burswood WA 6100

Mailing address: PO Box 814, Cloverdale WA 6985

Phone: 08 9361 6822

Fax: 08 9361 7608

Please update your details accordingly and feel welcome to come and say hello to the team in our happy new working environment!



A message for Landlords

Marion Blackham
State Manager—NSW

Can you afford to pay an account for \$17980.71?

That is what Terri Scheer Insurance brokers paid out on a recent claim. Imagine the financial strain this landlord would be under if they did not have landlord insurance.

We work very closely with Property Managers to assist them in the task of ensuring their landlords are informed of the inherent risks of owning a rental property. We see the frustration and despair that agents experience when the inevitable happens and one of their landlords is faced with a huge financial burden because they did not apply for landlord protection insurance.

Fortunately, this landlord did and was protected with our Landlord Preferred Policy. They could have been complacent and lulled into a false sense of security in believing that nothing will happen to them. The policy was in place for the second year and they had not had a claim.

However, the inevitable happened.

Rent was being paid on time until one day the tenant fell 14 days in arrears and were served a notice to vacate the premises. A few days later the property manager attended the property to find a landlords worst nightmare. A fight had broken out in the property the night before requiring attendance by the police. All the windows had been broken, fly screens were damaged and the doors had been kicked in. There were major holes in the walls, ceiling fans had been pulled from the ceiling and destroyed and blinds had been ripped and torn. Every single wall and door in the premises had been damaged by graffiti, along with the fridge which was left in the premises for the tenants use.

An assessor was appointed immediately to assist the agent with the overwhelming job of getting the property repaired and back on the market as quickly as possible.

As a result of the damage the landlord was paid \$4,000 to repaint the premises, \$1,500 to replace the carpet and \$10,000 to repair the damages to the property. They were also paid loss of rent for the 58 days it took to repair the property and 5 additional days to re-let.

Can you afford for this to happen to you?

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