

scheer tips



terri **scheer**

Changes to our Scheer Short Stay policy

We are excited to announce some improvements to our Scheer Short Stay policy. To help provide cover more suited to Landlords situations, we have included the following benefits:

- Increased contents cover of up to \$60,000
- Cover for when a permanent tenant may occupy the property including loss of rent
- Cover for deliberate damage
- Reduced excesses for Malicious and Accidental Damage*
- Cover for replacement of locks (for permanent tenancies)

This means that for any landlord taking out a new policy or renewing an existing policy with effect from 1 April 2010 will automatically receive the increased benefits.

Since the introduction of our Scheer Short Stay policy in 2007, the most common claim has been water damage to contents. Whether this be due to an overflowing bath, leaking dishwasher or due to weather related events, we receive significantly more claims for water damage than any other event.

As you can imagine, clumsy guests also cause damage; smashed TV's and mirrors, wine stained carpets and cracked glass tabletops seem to be among the most common damages being claimed.

And then there's theft. LCD or plasma TV, Bose sound systems and DVD players are high on the list of items which often disappear, never to be seen again. Claims for these type of items are on the increase!

Ensure your landlords are protected against the real risks that they face with renting out holiday accommodation by providing them with information regarding the Terri Scheer Short Stay Policy. There are now even more reasons to protect their investment with the introduction of our new and increased benefits.

As of 1 April 2010, premiums are as follows: SA \$295, WA \$300, VIC \$310, ACT \$340, TAS \$265, NSW \$390, NT \$320, QLD \$315

For further information regarding the policy, or to arrange an appointment with your Business Relationship Manager, please contact our office on 1800 804 016.

* Except for properties located in Queensland who already enjoy the lower excesses



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 otherwise you might be at risk of providing advice. Please contact Belinda Butler belindab@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.

Comments from Carolyn

Here we are in March already, Easter is just around the corner.

Interest rates are in the news again with a further rise announced just this week. When you're working in or supporting the real estate industry, news of interest rates increasing always creates a little stab of fear - what if people stop buying?

It's difficult for investors too, rents do not and cannot possibly rise every time the interest rates rise. Using my own investment property as an example, after spending thousands of dollars to renovate it in order to present as nice a property to potential tenants as I was able, I received a rent increase of \$30 per week. However, with so many interest rate rises since November, despite a \$30 a week increase, I now find that repayments on the loan have increased by \$1638 a year, while the rent has only increased by \$1560 - I'm now \$78 a year worse off from a cash flow perspective. Granted it's only \$78, but who knows where the rates will stabilise? For people looking to grow a property investment portfolio there aren't a whole lot of incentives right now!

Rising interest rates and the ability to meet mortgage repayments are one very good reason for landlords to consider insuring their rental income with a landlord insurance product. Do your landlords know how long they can manage the mortgage repayments without rent before it seriously impacts their normal lifestyle? Why would a landlord put themselves through that stress when they can insure against their tenant defaulting on the rent for as little as the cost of one week's rent?

Look out for the April Scheer Tips, where we'll be announcing an exciting competition designed to help you get more of your landlords insured.

Carolyn

Helping with your duty of care

Nick Maddox, Team Leader, Western Australia

As you know, Terri Scheer provides industry leading landlord, residential building and short stay insurance policies designed to provide your landlords with security and protection against unexpected events! But we are also here to help and support you and your team.

Not only are our Business Relationship Managers, Customer Service & Claims teams available to you, but we also have developed marketing flyers which can help with your mail out initiatives and can also assist with fulfilling your duty of care. We refer you to the "Landlord Insurance Information" pad.

This tool has been specifically designed to inform your landlord that you being their Property Manager are duty bound to ensure that they are aware of the unique risk exposures they face as a landlord and of the availability of insurance to protect against these risks. This document further explains:-

- *Your office is a distributor of Terri Scheer Insurance*
- *Your office can arrange immediate landlord insurance cover with Terri Scheer Insurance*
- *There is a cooling off period*

But the primary purpose of this is to provide you with the security that, in the event a landlord declines your offer to arrange immediate landlord insurance protection with Terri Scheer Insurance, and where the form is signed by both the landlord and Property Manager, you have written confirmation that you had fulfilled your duty to notify the landlord of those risk exposures. It could be a great back up should you ever have a landlord who has suffered a loss and claims 'you didn't tell me I could purchase landlord insurance'.

For further information, contact your Business Relationship Manager, who can discuss and provide these forms to you.

Placing cover online, it's so easy!

Gaynor Megaw, Business Relationship Manager, New South Wales

Around 21% of all applications received by Terri Scheer come from astute Landlords who have discovered how quick and efficient it is to gain instant protection for their investment properties by placing cover online at www.terrischeer.com.au.

In addition, about 22% of all applications are from Real Estate Agents who have found the same satisfaction in being able to place cover online. Instant cover and instant confirmation, so easy!

Many Real Estate Agents are working towards a paperless office and this is certainly assisting them in that endeavour.

It couldn't be simpler to ensure your Landlord has protection for their investment and at the same time gives you peace of mind in knowing that you are providing your Landlord with the best possible service. You do, of course, need the Landlord's approval before placing the cover.

Landlords who place cover online and pay with their credit card also receive a 5% discount for doing so. You might like to have a computer setup in your meeting room so they can arrange cover whilst you are signing up their Management Agreement.

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