



A MESSAGE FROM THE MANAGING DIRECTOR

IS BEING A LANDLORD WORTH IT?

Australian Essential Safety Measures (AESI) specialise in servicing and maintaining commercial property and as such I am often asked how hard is it being a landlord and can you make money. Well due to our growing economic downturn in the last few years and not forgetting the massive Government debt, and likely adverse tax changes, one does wonder if being a landlord in this climate worth it?

Our general observations indicate most people in the industry say at the moment having a rental property is far better than having money in the bank and earning nothing! However many agree that in the future, with the rental income and property value appreciation combined it could be an attractive option particularly if you can buy the property at a good price. Importantly it is vital to buy in a prime location where you can avoid problems like property damage, arrears in rent and the dreaded eviction process. You would also need sound research to consider if you have the time to deal with all aspects of the rental market before you think of becoming a landlord.

Can you charge enough rent to break even?

You have a number of factors to consider to make sure all the figures stack up to your financial advantage. If you are taking out a mortgage, you will need to take into consideration void periods, rent arrears, and tax liability. You will also need to put aside money for unknown repairs and refurbishment. Also in relation to tenant rights and Building safety, ignorance is not a defence. Landlords must be aware of their legal obligations, with basic Essential Safety Measures (ESMS) and building safety generally being the major responsibility.

So, is it worth being a Commercial landlord?

Coronavirus has changed the world with even some experienced commercial landlords being in trouble, as their tenants are continually financially challenged. But to directly answer our question about the worth of being a Landlord; NO! Not at the moment. We are still at the mercy of the Coronavirus with a severe economic downturn lurking and external threats all around us. With that, the strong feeling is to play the waiting game, get the lie of the land by talking to agents and industry experts to identify ahead of time the market bottom once the economy starts to falter. It could be as much as a year.

I hope you enjoy this Autumn Issue of LandLord News

David Hassett MD AESI

DID YOU KNOW?

An electrical fire can spread fast!

Very fast – take our word for it, it's downright terrifying how quickly an electrical fire (or any sort of fire for that matter) can spread. In less than a minute a small fire can turn into an unmanageable, dangerous and fast-moving event that can be impossible to control, and can destroy properties, business's and put lives at risk.



Landlords should check out early signs of trouble in their commercial building. Electrical fires are very real in the workplace and from a damaged wire, one spark can cause a massive amount of property damage before the fire department has a chance to arrive. Every single wire is at risk of causing an electrical fire and having a devastating impact on your building in just a few minutes. By having regular Essential Safety Inspections and checking your electrical equipment, you can help reduce the chances of fire happening in your business. However, never attempt to perform repairs unless qualified and authorised.

OH NO! NOT THE BUILDING INSPECTOR...

Case Study Rural Victoria

THE PROBLEM

A country hotel had a visit from the local municipal building inspector who requested to see the building fire and safety audit report for the Essential Safety Measures installed at the property. The owners were unaware that under the safety regulations as per the Building Code of Australia 2018 they were required to have an annual inspection and provide an audit report as per the format specified in the Building Code. The report is required and to be provided within 24 hours of the request from the municipal building inspector who, in this case extended the time to 4 days.

THE SOLUTION

The owners contacted AESI who were able to send an inspector down to the site the next day. The inspector completed the building fire safety inspection on his tablet and sent his report directly to the AESI office in Melbourne where it was completed that day, then emailed to the hotel for the inspectors return visit on the Monday. The Audit Report was completed in time and no action was taken.

DON'T FORGET!

Daylight Saving ends at 3:00 am on Sun 2 April 2023

Time Changes mean Workplace Safety Checks! When changing the clocks for daylight saving it's a good habit to change smoke alarm batteries and verify that fire extinguishers are fully charged and in working order.



LANDLORDS CAN REST EASY WITH AN EXPERIENCED RENTAL AGENT

A good rental agent will look after your property and can reduce stress and save you valuable time, especially if the proposed property is not near where you live. Do your homework when selecting your rental agent, and ensure they can offer the following.

A professional letting agent should mean;

- Efficient rent collection
- The most suitable tenants will be found for your property
- A professional inventory will be carried out
- A regular annual property inspection will be carried out
- Repairs needed will be efficiently dealt with
- Saving you time and stress of managing the rental property

STOP NEWS!! CRYSTALLINE SILICA

A Workplace Hazard Warning



This is a natural made product found in concrete tiles and bricks. However ongoing silicosis studies indicate that workers exposed to the deadly C.S dust have an increased risk of developing lung cancer, tuberculosis, damaged airways and diseases.

Safework Australia CEO Michelle Baxter said silica dust is a significant health hazard across a range of workplaces that process materials such as engraving stone, natural stone and concrete.

As a result of ongoing research and supporting evidence the latest regulations require that construction materials that contain silica must not be subject to any cutting, drilling or grinding without using a water flow to suppress dust.

Call David Hassett at AESI for further actions and information.

NEED MORE INFORMATION?

Maintaining the safety of your property is paramount to protecting lives and your valuable investment.

AESI advisory and maintenance services will ensure accurate compliance ie.

- Building Legislation and Building Safety Reports
- Evacuation Plans and Training
- Occupational Health & Safety Audit & Report
- Asbestos Property Reports and Audits
- Fire Safety Repairs and Maintenance

AESI ... EXPERTS IN FIRE SAFETY & ESSENTIAL SAFETY MEASURES

For confidential advice and assistance contact AESI.

Australian Essential Safety Inspections Pty Ltd
Suite 7, 476 Canterbury Rd, Forest Hill VIC 3131

Phone: 03 9894 2064

Email: office@aesi.com.au Website: www.aesi.com.au

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