

Leasing with Drummond



Welcome to Drummond Property Management

Kaly Smith at the helm, with over 15 years of experience in the industry, and multiple awards for marketing and property management, you can be assured your biggest asset will be well catered for.

This handbook is your roadmap for everything you need to know about Drummond's process, a process designed to gain results and maximise your income potential. We're with you every step of the way, from preparing your property to be listed, finding the right tenants for your property and ensuring a smooth handover.

Investment Management done the right way.



Our Story



We have a philosophy of ensuring all our clients experience the highest standard of ethics, client care and personalised service. We pride ourselves on conducting business with integrity, honesty and transparency.

With a great history in the Albury Wodonga district. Drummond Real Estate has been helping local families, individuals and investors buy and sell in the community since 1977. A business doesn't survive and thrive for 40+ years by chance. From the moment you speak to the receptionist or any one of the team members you start to feel a difference. A feeling of care, understanding, direction and knowledge. These feelings underpin what the Drummond story is all about. With Cliff & Peter Drummond opening the first office in 1977 in Wodonga and a move to the iconic Californian Bungalow office in Albury's City Centre in 1993. The team have now been operating for 28 years out of Drummond HQ. Fast forward to 2021.

Peter Drummond after 44 years at the helm was proud to retire and sell the business to Josh Kibble & Rion Kirwin long term employees who took on directorship of the company from the beginning of 2021. With a wonderful established team of local people around them the excitement is real and the vision looks incredibly bright. As we fast forward to 2023, we look to commence our property management department with Kaly Smith at the helm. With over 15 years experience in the industry, and multiple awards for marketing and property management, you can be assured your biggest asset will be well catered for. We look forward to continuing the great traditions of Drummond Real Estate with care and diligence.

Looking for results?

We understand property investment

At Drummond Property Management, we focus on reducing vacancy periods and maximising rental income through timely tenancy renewals. Our team offers valuable insights on renovations to enhance capital growth and stays updated on legislation to guide you through challenges. We pride ourselves on being solution experts and are committed to helping you expand your property portfolio and increase your net wealth.

Looking for maximum return?

Investment management done the right way

At Drummond Property Management, we accurately appraise your rental property to minimise vacancy periods and lost rental income. We recognise that effective property presentation attracts high-quality tenants, reducing wear and tear and rent arrears. Timely rental payments are a priority, and we take proactive measures to ensure you receive your rent on time. Our focus on preventative maintenance helps avoid costly repairs, and we provide valuable insights on property improvements and set goals to achieve higher returns on your investment.





The Drummond Leasing Process

Our step-by-step guide to ensure your journey is straightforward and stress-free from your property evaluation to the handover of keys to your new tenant.

1

Our Drummond Business Manager will evaluate your property and provide recommendation on how to present it, and market it for the best rental outcome.

2

You sign a management agreement, confirming required information and the finer details.

3

Drummond ensure any outstanding cleaning, gardening and/or property maintenance is finalised before we begin the marketing process.

4

Our Business Manager will engage the Drummond marketing team for photos and copywriting, ready to be listed.

5

Online marketing to major portals and our extensive prospective database begins.

6

Our Business Manager will arrange the first inspection, handle tenant enquiries, and provide you with feedback.

7

Our Business Manager will screen applications and recommend suitable candidates.

8

Once new tenants are selected you will be introduced to your dedicated Property Manager. Our team will prepare the tenancy agreement and secure payment of applicable bond and two weeks rent.

9

You close off electricity and any other outstanding utility accounts with relevant providers

10

Our team create and compile a property entry condition report.

11

Your new tenant meets your Property Manager at our office to collect keys, finalise paperwork and discuss Drummond expectations and procedures.

12

Your tenant takes possession and moves in, completing and returning their entry condition report within 7 days

Preparing your Property For Lease

1. The premises and inclusions to be clean and are to comply with local and state authority building regulations.
2. A safety switch be installed (NSW - Recommended | VIC - Legal Requirement)
3. All windows and doors including cupboards open and close easily.
4. All locks are secure and operate effectively with keys.
5. Pest control is current – annual service recommended.
6. All houses and units must have installed at least one battery-powered smoke alarm as a minimum requirement. We recommend to have a hard wired or 10-year lithium battery smoke alarm installed for cost effectiveness and reliability.
7. If the property has not had a telephone service connected, it is the owner's responsibility to pay for its connection.
8. A copy of body corporate by-laws (if unit or townhouse) to provide to our team.
9. If water consumption is to be passed onto the tenant ALL minimum requirements must be met in NSW.
10. If your property has a pool, ensure it meets current Government Regulations in regard to fencing and CPR signage.
11. Arrange for lawns and gardens (if appl.) to be trimmed and maintained until a tenant is secured.
12. Ensure copies of appliance manuals or operating instructions for the tenants' use are available.
13. Compliance service reports to be completed on smoke alarms, gas appliances and all electrical items throughout the property. Each state is different, our team can assist with this if needed.
14. Landlord and home insurance policies are current (Highly recommend).

Marketing your Property

Promotion of your property – we know marketing...

We have a number of alternative marketing and advertising strategies to ensure that your property is receiving maximum exposure. Some of these include;

1. Sponsored ads on social media
2. “For Rent” signage on the property
3. Live open house inspections on social media
4. Highlight listing on www.realestate.com.au
5. Professional photography (Optional but highly recommended)
6. Letter box just listed rental cards
7. Video 360-degree tour of your property
8. Marketing video with photos and text
9. Online magazine brochure
10. Floor plan creation

We are an award-winning team when it comes to property marketing and design. We love getting fast results to ensure we are maximising your return.

Marketing packages to suit

We have designed two different marketing packages to suit all financial needs. When choosing a marketing package you need to remember that first impressions count and you want the prospective tenant to act quickly. When we see something that we like and it is aesthetically pleasing, people are more inclined to look into it further. The marketing campaign is our chance to tell a story and create the concept of living comfortably in your investment.



The Tenant Selection Process

As the property owner, you have the final say on tenant selection. We like to make this a collaborative process through harnessing the recommendations of our Business Manager.



APPLICATION PROCESS

When assessing a rental application, we are looking at a criteria - suitability, financial capability, and rental history. We do this through requesting documents and references from prospective tenants

PREVIOUS RENTAL DETAILS

We contact references to check:

- Whether tenants are able to maintain rent payments in line with tenancy agreement
- How they maintained the property, both during tenancy and upon vacation
- How they maintained features relevant to your property - e.g. garden, pool
- If they had any pets at the property, and if there was any damages caused by them

Where applicants don't have a recent rental history, we use personal references who can verify the condition in which they maintained the property.

EMPLOYMENT DETAILS

We request employment details, both current and previous, to confirm annual income. As a general guide to assess affordability, we use the 30% rule. If the annual rent exceeds 30% of the annual household income. This may include details of another person to act as a guarantor for the lease.



FINANCIAL DETAILS

Where tenants don't have a rental history, we recommend they highlight any board or informal rent payments on statements to prove they can maintain regular payments. This could include a mortgage or investment property.

ADDITIONAL DOCUMENTS

Tenants often choose to include extra documents to support their application and their suitability as tenants.

LEGAL PAPERWORK

Once a tenant is accepted and details are confirmed, our team prepares a Residential Tenancy Agreement covering all terms and conditions of the lease. You will receive a full executed copy of the Tenancy Agreement for your records once signed.



The Lease & Entry Condition Report

We prepare a Residential Tenancy Agreement covering all the details, terms and condition of the lease which your tenant agrees to sign. You will receive a fully executed copy of the Tenancy Agreement for your records.

A detailed summary outlining the condition of the property (including a description of each item and the property's level of cleanliness) is provided to the tenant, with the tenant invited to confirm the accuracy of the report. The report then becomes the measure for the condition that the property is to be returned in, and upon which the bond will be refunded at the end of the tenancy.

Can I add a clause to the lease agreement?

Property Owners/Property Managers cannot just add any conditions to the tenancy agreement, All conditions added must comply with the Tenancies Act.

The Bond

The bond applicable varies depending on the weekly rental amount. The bond amount is four weeks rent in line with legislation. Your Property Manager will be able to confirm the amount required at the time of leasing.

In New South Wales, the tenant pays the bond directly to the Rental Bond Board for the duration of the tenancy.

In Victoria, the tenant pays the bond directly to our Trust Account, before being lodged with the Residential Tenancies Bond Authority and held in their Trust Account for the duration of the tenancy.

The bond is required to be disbursed within 14 days of the tenant's vacate date. The bond is only refunded after we have confirmed:

- The tenancy has vacated the property and returned all keys
- A final inspection has been completed and any discrepancies or damages rectified or quotes in place
- All money owing is paid, including final rent and water payments.





Pets

Pets are only permitted via pre-approval from the property owner. Permission for a pet is not transferrable; a new request and approval will need to be obtained for each individual pet.

NSW

The standard Residential Tenancy Agreement contains an option 'Addition term - Pets' that allows a tenant and property owner to set out their agreement on keeping an animal at the rental property. If the landlord does not wish to allow pets in the property, this optional term can be crossed out.

VIC

A property owner cannot unreasonably refuse consent to a tenant keeping a pet. If the property owner wants to refuse, they have 14 days to apply for a VCAT order.

Smoke Alarms

All properties are required to have compliance smoke alarms in the property to protect all occupants. They must be an approved type of smoke alarm, with a service life, and installed, maintained, and tested as per manufacturer instructions.

We are happy to refer you to one of your preferred partners, who will take care of your smoke alarm compliance.

Water

There are three components of a water bill:

ACCESS CHARGE

A fixed quarterly amount, reflecting the cost to deliver water to the property. This is to be paid by the property owner.

USAGE CHARGE (CONSUMPTION)

A variable amount, based on how much water is used at the property, calculated from quarterly meter readings.

SEWERAGE CHARGE

A fixed amount, set by the value of the property. This is to be paid by the property owner.

The property owner can pass on the usage charge (consumption) to the tenant, provided:

- The water property is individually metered, or
- An allocated proportion of a shared water meter is clearly specified by strata, body corporate or **(VIC)** North East Water, and
- The Tenancy Agreement states the tenant must pay for water consumption, and
- **(NSW)** The property complies with water efficiency measures

Keys

At Drummond Property Management, we ensure that tenants are provided with one set of keys per tenant. If you prefer, you can supply the keys directly to us, or alternatively, we can handle the process of getting the keys cut on your behalf. If we arrange the key cutting, the associated cost will be invoiced to you. This approach streamlines the process, ensuring that tenants receive their keys promptly while maintaining clear and transparent invoicing for your convenience.

Minimum Standards (VIC)

In Victoria, rental properties must meet specific Minimum Standards to provide a safe, secure, and comfortable environment for tenants. These standards cover various aspects of the property to ensure it is in sound, livable condition and includes requirements across key areas such as heating, structural soundness, safety, and functionality.

Firstly, adequate heating is essential, with fixed heating required in the main living area to ensure tenants have access to warmth in cooler months. The structure of the property itself must be weatherproof, ensuring that it is protected from leaks or water damage and maintains a level of structural integrity. Ventilation also plays a significant role in meeting these standards, with all rooms needing to be appropriately ventilated to prevent dampness and maintain air quality.

Security is another key focus, with Minimum Standards mandating secure locks on all external doors and operable window locks for added protection. In terms of basic amenities, the property must provide safe, working kitchen and bathroom facilities, including hot and cold water connections, functional cooking appliances, and suitable toilet facilities. Electrical requirements also specify that there must be an adequate number of power outlets, ensuring tenants can safely plug in essential appliances.

These standards are designed to maintain high-quality rental accommodation and are reviewed for compliance at the start of each tenancy and throughout, ensuring landlords provide properties that meet or exceed the requirements for safe and comfortable living.

Congrats! Your Tenancy is Underway

At this point the property is compliant, we have carefully selected a tenant for your property, we have received a completed entry condition report and the bond payment.

Routines

Routine inspections allow us to check that the property is well-maintained, assess any maintenance needs, and ensure the tenants are caring for the space responsibly. These inspections also provide an opportunity for us to address any concerns the tenants might have and for you to stay informed on the condition of your investment.

NEW SOUTH WALES (NSW)

Frequency: In New South Wales, routine inspections can occur up to four times a year. We do our first routine inspection 3 months into the tenancy and then again every 4 months after that.

Notice Requirements: Tenants in NSW must receive at least 7 days' written notice before a routine inspection.

Inspection Report: Following each inspection, we'll send you a report that outlines the property's condition, provides updates on any required maintenance, and includes photos for reference.

VICTORIA (VIC)

Frequency: In Victoria, routine inspections can occur up to two times a year, therefore, we do our routine inspections every 6 months.

Notice Requirements: Tenants in VIC must receive at least 7 days' written notice before a routine inspection.

Inspection Report: Following each inspection, we'll send you a report that outlines the property's condition, provides updates on any required maintenance, and includes photos for reference.



Arrears

Unfortunately, despite a thorough tenant selection process, more tenants are falling behind on rent payments. To address this, our team conducts daily checks on Tenancy Agreements and follows strict rental arrears procedures to support timely payments and minimise potential income loss for property owners.

Our rent arrears procedure includes:

- 1-3 Days Late: SMS reminder and email
- 4-7 Days Late: Phone call, SMS, and warning letter (owner notified)
- 8-12 Days Late: Door knock, phone call, email, and second warning letter (owner notified)
- 14+ Days Late: Termination notice served, pending owner approval

While we are committed to ensuring rent is paid on time, it's important to recognise that unforeseen circumstances in tenants' personal lives can impact their ability to pay, which is sometimes beyond our control. Our focus is to minimise risks through diligent management and responsive actions to protect your investment.

Maintenance



Our maintenance process is designed to ensure compliance and quality care for your property throughout the tenancy. All maintenance matters are carried out according to your instructions, and we engage only licensed tradespeople with public liability insurance to protect your investment.

We guarantee all maintenance work performed on your property. If we are ever dissatisfied with the quality of workmanship, we will instruct the tradesperson to rectify the issue immediately. Promptly addressing minor repairs is crucial, as neglecting them can lead to more significant and costly problems down the line.

You will receive updated maintenance reports during our routine inspections, along with recommendations to keep your property in excellent condition.

Lease Renewal Process

- 1 Contact tenants three months before lease expiry to discuss their intentions for renewal.
- 2 Document their responses regarding renewal, changes, or vacating.
- 3 Consult with you as the property owner to discuss tenant feedback and obtain your instructions.
- 4 Prepare the lease agreement based on the agreed terms. Send the lease to tenants for review, allowing time for questions.
- 5 Send the tenant signed agreement to you upon completion.
- 6 Confirm tenants understand their obligations under the new lease.

Our Difference



The team at Drummond Property Management are passionate and 100% dedicated to reducing all risks associated with your investment property. As a team, we will strive to maximise your income, optimise capital growth opportunities and skillfully represent you throughout your entire experience with our agency.

Your property, our priority!

The team at Drummond Property Management can offer you and your investment property portfolio the following:

- Drive by inspections conducted every two months, ensuring your property presents well at all times
- 10+ page routine inspection report with clear photos
- An updated sale and rental appraisal at every routine inspection
- A tax depreciation estimate prior to EOFY
- Owners online portal with your forms and documents uploaded available for access
- Innovative marketing offering 360 virtual tours and floor plans, live walk through tours and more
- Seasonal maintenance schedule and preventative maintenance
- A 4-hour communication response service guarantee
- Monthly landlord tips on maximizing returns
- No charge for maintenance scheduling
- Weekly, fortnightly & monthly payments
- Along with a team who know their stuff when it comes to investing and maximising returns, we care for you property like our own - a personal touch
- Yearly property performance review

Our Team



Kaly Smith

Director/Leading Investment Manager

Kaly Smith is a dedicated real estate professional with 17 years of experience, serving as the Director of Investment Management at Drummond Property Management. She leads the team with expertise, overseeing all properties directly to ensure exceptional service for property owners and tenants alike.

Beyond her career, Kaly is a devoted mother of three who balances her professional responsibilities with a love for sports and the outdoors. She coaches netball and embraces adventure, spending her spare time making memories with her family.



Beth Armstrong

Investment Manager

Beth is an Investment Manager at Drummond Property Management, working alongside Kaly. Since stepping into the role a year ago, she has brought her bubbly yet professional approach to the team. With eight years in hospitality, Beth has refined her skills in communication, problem-solving, and attention to detail, ensuring a positive experience for every client.

Beyond work, Beth cherishes time with her loved ones and enjoys catching up with friends.



Kayla Hosie

Investment Manager Assistant

Kayla is an Investment Manager Assistant at Drummond Property Management, working closely with Kaly. She plays a key role in client relations, supporting investment management, and assisting with new business opportunities. Currently studying for a Bachelor of Business, she brings strong administrative skills and attention to detail to her role.

Outside of work, Kayla enjoys an active lifestyle, including basketball, netball, horse riding, and snowboarding.



Romee Thwaites

Investment Manager

Romee is an Investment Manager at Drummond Property Management with industry experience dating back to 2016. Having worked in property management, sales, and social housing, she brings a well-rounded perspective to her role. With a strong focus on problem-solving, communication, and dispute resolution, Romee is committed to delivering exceptional service to clients.

Outside of work, Romee values time with her family, enjoys cooking, and loves traveling. As a mum, she balances her career with creating meaningful experiences for her loved ones.

Contact

588 Stanley Street, Albury NSW 2640

(02) 6041 5755

www.drummondrealestate.com.au

pm@drummondrealestate.com.au

Drummond<sup>Est.
1977</sup>
PROPERTY MANAGEMENT