



**We'll Pay
Your Rent.**



**100%
Delighted.**



**Easy To
Switch.**



Pirates of the
coral sea
PROPERTY MANAGEMENT

The Three Key Numbers of (Good) Rental Property Management

There are three key numbers that reflect exactly what pain you will feel as a landlord.

These numbers allow you to look at the performance of your investment properties objectively and measure the performance of your managing agent without emotion. It does not matter if you are a first time landlord, or a toughened investor with decades of experience. In every one of these 3 key



**I
LOVE
STATS!**

areas bad results lead directly to lost revenue for you.

The numbers will give you a balance and an advantage – and allow you to truly measure how well your property manager is performing at looking after your investment?

We measure and report these figures EVERY day. Ask us for our latest figures and compare them with your current agent.

Some of the things that make vacancies decrease include:

- **Timing the period of leases so that renewals happen at times of strong demand in the market.** For example – if you allow a lease to expire at a time of year when there are fewer applicants looking for a place to live – you have less bargaining power with those who do apply – AND there is a strong chance of no applications at all – giving you an empty building.
- **Measuring what actually works in terms of attracting tenancy applications.** And then applying this knowledge to keep vacancies low. Everything from getting advertisements and Internet listings current and attractive to responding quickly and efficiently to the people who enquire about them. If a property manager is hard for you [as a landlord] to contact – imagine how much trouble a prospective tenant will have.
- **Simply beginning the process of getting a new tenant BEFORE the existing one leaves is fairly obvious.** Some property managers will wait not only until the tenant has left, but a week or two after that to allow final inspections and any cleaning/repairs out of the bond – before starting the process to get a new tenant.

1. SUCCESS STATS

Explain our most important daily statistics measurements. This is one of the ways we deliver consistent high quality service EVERY time.



**OUR
MANIFESTO**
Everything you need to know about us!

Or click on the links below for more Owner Info Sheets

1. Success Stats
2. Tenant Selection and Management
3. Communication
4. Landlord's Insurance
5. Maintenance
6. Your "Stuff" Online
7. PPP - Marketing Your Property
8. Like You Own It!
9. It's Easy To Switch
10. FAQ- Frequently Asked Questions

Some things that make vacancies increase include:

- **Not getting maintenance done in a reasonable time.** If things are looked after – people stay for longer.
- **Letting tenants habitually get into arrears on their rent.** This is one of our key numbers for other reasons – but once people are a long way behind they are more likely to default in a big way. Keeping arrears close to zero is a very effective way to keep loss of rent extremely low.
- **Not measuring your vacancies on a daily basis.** Just having a clear score of the number of vacant properties and number of days vacant will reduce your vacancies. It is a visual reminder of exactly what the most important part of property management is. You only get a return on your property when there is a tenant.

Property Management Key Measurement Number 1

Vacancy Rate of Entire Rent Roll – Calculated Monthly

We Aim to keep this figure below 1% (on average below 3.5 days vacant per year!)

This number reflects how quickly and efficiently your property manager processes the finalisation of your last tenancy and then secures a new tenant for your property. It also is a direct reflection of how well they market your property and how quickly they

process new applications. A bad number here is VERY expensive for you. Every 1% is 3.5 days rent lost per year!

(the industry accepted average is around 4-5%),(not accepted by us!!)

We have for 5 years maintained an average vacancy rate below 1%.

Vacancies					
Target 7 Days		Target Below 1%			
# of Properties	0 - 7 days	7 days +	Total # of Properties Vacant	Total # of days vacant	% of Vacancies
250	0	2	2	17	0.80%
250	0	2	2	17	0.80%
250	0	2	2	21	0.80%
254	0	2	2	23	0.79%
255	0	2	2	25	0.78%
254	0	2	2	27	0.79%
255	1	2	3	30	1.18%
255	2	2	4	35	1.57%
255	2	2	4	35	1.57%
255	2	1	3	26	1.18%
254	2	1	3	29	1.18%
254	3	1	4	32	1.57%
254	1	0	1	6	0.39%
254	1	1	2	10	0.79%
254	1	0	1	3	0.39%
254	1	0	1	5	0.39%
254	1	0	1	5	0.39%

Property Management Key Measurement Number 2

Number of properties with any rent in arrears

We aim to keep this figure below 1% of all tenants.

This number is very simply a measurement of your property managers ability to train tenants so that they know what is expected – to keep right on top of the process.

Excellence is achieved by continual vigilance – and arrears must be measured on a daily basis.

We have for 10 years maintained an arrears rate below 1%. This is measured and actioned daily.

Arrears						
Target Below 1%						Vacancies
Property	# of Tenants	1-6 Days	7 Days +	Total	Total # of days in Arrears	7 Days + %
2011	245	0	0	0	0	0.00%
2011	245	1	0	1	2	0.00%
2011	245	1	0	1	2	0.00%
2011	245	2	0	2	4	0.00%
2011	245	2	0	2	6	0.00%
2011	244	2	1	3	25	0.41%
2011	245	1	1	2	22	0.41%
2011	246	3	1	4	20	0.41%
2011	246	3	1	4	20	0.41%
2011	246	2	2	4	24	0.81%
2011	246	1	1	2	12	0.41%
2011	246	0	1	1	11	0.41%
2011	246	0	0	0	0	0.00%
2011	246	1	0	1	1	0.00%

Property Management Key Measurement Number 3

3

Number of properties "Not On Lease"

This is another very simple number that makes a big difference to the net return of our landlords.

It is important because when a tenant completes a "fixed term" lease period – they move automatically across to a "Periodic" lease. This means that

they can leave at the drop of hat – giving you no warning – and if this happens at a time of the year when tenant applications are very low you can expect to have several weeks of no rent.

		Not On Lease		
Low 1%		Target Below 5%		
		Renewals		
Total # of days vacant	% of Vacancies	Date	# not in lease	% of rent roll
17	0.80%	1/10/2011	2	0.80%
17	0.80%	2/10/2011	2	0.80%
21	0.80%	3/10/2011	2	0.80%
23	0.79%	4/10/2011	2	0.79%
25	0.78%	5/10/2011	3	1.18%
27	0.79%	6/10/2011	3	1.18%
30	1.18%	7/10/2011	3	1.18%
35	1.57%	8/10/2011	3	1.18%
35	1.57%	9/10/2011	3	1.18%
26	1.18%	10/10/2011	3	1.18%
29	1.18%	11/10/2011	2	0.79%
32	1.57%	12/10/2011	3	1.18%
6	0.39%	13/10/2011	3	1.18%
10	0.79%	14/10/2011	3	1.18%
3	0.39%	15/10/2011	3	1.18%

We publish some of these statistics every month in our newsletters and on our website.

We measure a raft of other indicators including the length of time taken to complete maintenance as well as the frequency and amount of rent increases and the percentage of tenants who renew their leases with us.

By consistently measuring and acting **IMMEDIATELY** on these indicators you could be hundreds or even thousands of dollars better off **EVERY** year.

For your information we have attached one of our statistics success sheets from October 2011. We use this particular sheet to measure daily the "3 Key Numbers" mentioned above.

*Ask us for a copy of our all current statistic sheets to see how we compare





REFERRAL FEE

\$250

PIECES OF GOLD!

Delighted with our service?

For each referral who becomes a client we give you \$250 buckaroos. Arrrrgggghhhh! Think of all the rum!!!



Want to know more?

Let's talk about how we can help you get your rental property performing like it should. We are always ready to help.

Call 4724 1723, email rental@coralseaproperty.com.au or pop in to 621 Flinders Street West, Townsville



CORAL SEA PROPERTY MANAGEMENT - KPI'S FOR 01/10/2011 (OCTOBER)

Date	Arrears					Vacancies					Not On Lease					
	Target Below 1%					Target 7 Days					Target Below 1%		Target Below 5%			
	# of Tenants	1-6 Days	7 Days +	Total	Total # of days in Arrears	7 Days + %	Date	# of Properties	0 - 7 days	7 days +	Total # of Properties Vacant	Total # of days vacant	% of Vacancies	Date	# not in lease	% of rent roll
1/10/2011	245	0	0	0	0	0.00%	1/10/2011	250	0	2	2	17	0.80%	1/10/2011	2	0.80%
2/10/2011	245	1	0	1	2	0.00%	2/10/2011	250	0	2	2	17	0.80%	2/10/2011	2	0.80%
3/10/2011	245	1	0	1	2	0.00%	3/10/2011	250	0	2	2	21	0.80%	3/10/2011	2	0.80%
4/10/2011	245	2	0	2	4	0.00%	4/10/2011	254	0	2	2	23	0.79%	4/10/2011	2	0.79%
5/10/2011	245	2	0	2	6	0.00%	5/10/2011	255	0	2	2	25	0.78%	5/10/2011	3	1.18%
6/10/2011	244	2	1	3	25	0.41%	6/10/2011	254	0	2	2	27	0.79%	6/10/2011	3	1.18%
7/10/2011	245	1	1	2	22	0.41%	7/10/2011	255	1	2	3	30	1.18%	7/10/2011	3	1.18%
8/10/2011	246	3	1	4	20	0.41%	8/10/2011	255	2	2	4	35	1.57%	8/10/2011	3	1.18%
9/10/2011	246	3	1	4	20	0.41%	9/10/2011	255	2	2	4	35	1.57%	9/10/2011	3	1.18%
10/10/2011	246	3	1	4	20	0.41%	10/10/2011	255	2	1	3	26	1.18%	10/10/2011	3	1.18%
11/10/2011	246	2	2	4	24	0.81%	11/10/2011	254	2	1	3	29	1.18%	11/10/2011	2	0.79%
12/10/2011	246	1	1	2	12	0.41%	12/10/2011	254	3	1	4	32	1.57%	12/10/2011	3	1.18%
13/10/2011	246	0	1	1	11	0.41%	13/10/2011	254	1	0	1	6	0.39%	13/10/2011	3	1.18%
14/10/2011	246	0	0	0	0	0.00%	14/10/2011	254	1	1	2	10	0.79%	14/10/2011	3	1.18%
15/10/2011	246	1	0	1	1	0.00%	15/10/2011	254	1	0	1	3	0.39%	15/10/2011	3	1.18%
16/10/2011	247	5	0	5	9	0.00%	16/10/2011	254	1	0	1	5	0.39%	16/10/2011	3	1.18%
17/10/2011	246	5	0	5	9	0.00%	17/10/2011	254	1	0	1	5	0.39%	17/10/2011	3	1.18%
18/10/2011	246	5	0	5	9	0.00%	18/10/2011	254	1	0	1	5	0.39%	18/10/2011	3	1.18%
19/10/2011	245	3	0	3	10	0.00%	19/10/2011	254	2	0	2	7	0.79%	19/10/2011	3	1.18%
20/10/2011	244	4	0	4	12	0.00%	20/10/2011	255	2	1	3	14	1.18%	20/10/2011	3	1.18%
21/10/2011	245	2	0	2	7	0.00%	21/10/2011	255	2	1	3	17	1.18%	21/10/2011	3	1.18%
22/10/2011	247	2	0	2	9	0.00%	22/10/2011	255	2	0	2	5	0.78%	22/10/2011	3	1.18%
23/10/2011	247	2	1	3	17	0.40%	23/10/2011	255	2	1	3	10	1.18%	23/10/2011	3	1.18%
24/10/2011	248	2	1	3	9	0.40%	24/10/2011	255	2	0	2	5	0.78%	24/10/2011	3	1.18%
25/10/2011	248	2	1	3	17	0.40%	25/10/2011	255	2	1	3	9	1.18%	25/10/2011	3	1.18%
26/10/2011	248	3	1	4	11	0.40%	26/10/2011	255	2	1	3	11	1.18%	26/10/2011	3	1.18%
27/10/2011	248	3	1	4	15	0.40%	27/10/2011	255	2	1	3	14	1.18%	27/10/2011	3	1.18%
28/10/2011	249	2	1	3	16	0.40%	28/10/2011	257	3	0	3	7	1.17%	28/10/2011	3	1.17%
29/10/2011	250	3	0	3	7	0.00%	29/10/2011	257	2	0	2	5	0.78%	29/10/2011	3	1.17%
30/10/2011	250	3	0	3	7	0.00%	30/10/2011	257	2	0	2	5	0.78%	30/10/2011	3	1.17%
31/10/2011	250	5	0	5	15	0.00%	31/10/2011	257	2	0	2	9	0.78%	31/10/2011	3	1.17%
Average:													0.93%			