

REDUCING VACANCY TIME

** Our Optimum Marketing Strategy **

Astute property owners understand that rental prices and vacancy rates are controlled by the basic market factors of supply and demand.

When your property is undergoing a change of tenancy, we cannot stress enough the importance of setting the right price and monitoring it closely throughout the campaign. Our Marketing and Leasing Departments are highly skilled in this regard, focusing on finding the best quality tenants for the best price with minimal vacancy time.

After analysing years of data collected from our leasing records, we have discovered that the optimal lead time to start advertising a tenanted property is 6 weeks before it is available. (Any earlier is too early for most tenants to start looking, and the listing then becomes 'old' and relegated to the back pages of the property searches.)

Furthermore, we have identified a **small window of opportunity** where we can match the best tenants for your property with the least vacancy time. See below for a typical scenario.

From this data, we can see that **3-4 weeks** before the property is available is the best chance we have of securing a quality tenant with a minimum vacancy time...*AT THAT RENTAL PRICE.*

Therefore, if by that time we do not find a suitable tenant, we need to adjust the rental price by a sufficient amount to open the property to a wider market who is looking at a different price bracket.

This is the secret to minimising vacancy time – make the decision to adjust the price **EARLY** in the marketing campaign. The biggest mistake Owners make is to wait for the property to become vacant before adjusting the price. The process then starts again and it may be weeks before a good tenant can move in.

Our **Leasing Reports** are designed to educate our Owners on the current market conditions. If the rental market does not respond to the first 2 weeks of marketing, we act quickly in consultation with our Owners to meet the market with minimum losses due to vacancy.

MARKETING TIME-LINE OF A RENTAL PROPERTY

5-6 Weeks Before Available – Advertising begins and first Viewing is held. At this first viewing, we typically see the **HIGHEST ATTENDANCE** for this property at this price. This is due to the interest generated by the 'new' listing.

3-4 Weeks Before Available – Viewings continue and applications should start coming in. These applications are generally from **GOOD QUALITY** tenants who tend to prefer to secure properties several weeks before they need to move.

1-2 weeks Before Available – Current tenant is in the process of moving out. Property is often cluttered and dirty, which makes holding viewings difficult. Quality tenants may be 'turned off' looking through properties at this stage. Often we see the 'desperate' tenants with **POOR RENTAL HISTORY** looking at this stage, because they have not been able to secure a property through another agent.

Available – If no tenant found by this stage, the Owner starts losing money.



LEASED

CALENDAR
DATES FOR
JUNE

LEASING REPORT

May has proven to be another consistent month in leasing with more and more properties finding new tenants.

To keep numbers strong going into the second half of the year, our Leasing Consultants are encouraging owners to consider external factors when setting listing prices for their properties.

The property itself is only a part of what attracts potential tenants. Proximity to shopping centres, schools, day care centres, parks and recreation are all things that will effect how much potential tenants are willing to spend on their weekly rent.

STATISTICS FOR MAY:

Northside: Total of 23 properties leased

Southside: Total of 20 properties leased

Office Vacancy Rate: 1.91%

DISBURSEMENTS

Wed 7th
Wed 14th
Wed 21st
Wed 28th

Monthly Statement
Issued
Wed 28th June

EOFY

End of Financial Year
Wed 28th June

EOFY Statements will
be issued at the same
time as end of month

PRODUCT UPDATE—ONLINE AGENT

Online Agent is a web-based product by Console, our trust accounting software provider. Many of our clients have been using this feature to gain 24/7 access to information such as statements and inspection dates.

Console is in the process of making revolutionary changes to their trust accounting product, with new apps and platforms that will enable us to better service you our clients.



Unfortunately, this means that they will no longer support the Online Agent product, which will be retired as of June 1st 2017.

We have been assured that the company is working on a replacement product which will be far superior in serviceability and accessible information.

We will let you know once Console announces the new product to the market, so stay tuned. In the meantime if you need information please call us or send an email to admin@solutionsproperty.com.au

