

don't settle for second best

Happy New Financial Year! It's Time To Revisit Your Outgoings

Now is the time to revisit every property's outgoing as the End of Financial Year is just around the corner.

Commercial property outgoing generally include building operation costs and property management expenses, such as:

- Council and water rates
- Land tax
- Strata levies
- Insurances
- Security
- Cleaning
- Gardening
- General Repair and Maintenance

Outgoing responsibility will be defined in each lease and included costs can vary between leases.

Tenants who hold a gross lease pay the agreed rental each month and the owner pays all outgoing expenses.

On a net lease, the agreed rental is paid each month as well as an allocated amount for outgoing. The owner still pays any outgoing invoices, but is reimbursed through the monthly payment.

If a lease requires a tenant to pay outgoing, the lease must specify what expenses are to be regarded as outgoing, how they will be apportioned and how the landlord will recover them.

If you are a retail property owner, ensure you comply with the Retail Shop Leases Act, which states:

The Retail Shop Leases Act requires lessors (or their property manager) to give tenants notice of the new outgoing by May

31 each year. The annual reconciliation must then be done by September 30 each year.

You want to ensure preventative maintenance is included in the budget. This will provide a guarantee to the tenant that routine maintenance will be done, resulting in a reduction of capital expenditure.

Be honest and make sure your tradespeople remain honest also.

Remember, a more attractive rate of outgoing will bring tenants to YOUR building, and away from the competition.



From the desk of

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What sort of building is best suited for my needs?

You are required by law to ensure the safety of everyone in a building in the event of a fire or hazardous material emergency.

As such, the Queensland Fire and Rescue Service, in association with the Queensland Government, have released a Fire Safety Management Tool which provides the Building Code of Australia Classification of Buildings and Structures. This provides classifications for different types of tenants, ensuring they are matched with the right buildings.

There are 10 classes of buildings.

1. A single dwelling (house, townhouse) or boarding house with less than 12 people
2. Building with 2+ sole occupancy units, each a separate dwelling
3. Resident building other than 1 & 2
4. Dwelling in 5, 6, 7, 8 or 9 that is the only dwelling in the building
5. Office for professional or commercial uses
6. Shop or other retail
7. Carpark or Storage
8. Laboratory
9. Health care, school or aged care

10. Private garage or shed, fence, swimming pool, etc

It is essential for any tenant to ensure they are protected and approved to occupy the building they are in.

As a tenant and/or owner, it's your responsibility to ensure the type of business you run, can legally operate in the building you choose.



Property Manager Profile



Sheree Griff

Sheree Griff has always been driven to achieve well above and beyond what others think is possible. Her career in commercial property commenced in 1999 and her strong determination has seen her achieve great things since day one.

With Bachelor of Business (Commercial Property) and her strong business background, Sheree takes the time to gain a detailed understanding of each client's portfolio needs and objectives. Her enthusiasm and tireless commitment offer added assurance that you will achieve all that you expect and more in property with Sheree on your side.

Contact Sheree today to find out how she can help better manage your property!

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DID YOU KNOW ?

Thermal Imaging of electrical switchboards has become an important part of property maintenance and fire safety.

Thermal Imaging refers to the use of thermo sensitive cameras which are designed to identify the transfer of infrared heat radiation from an object.

The process provides a 'photo' of any high resistance joints, circuit overloads and any other possible life threatening faults.

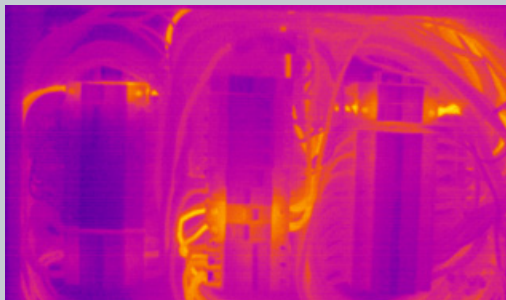
Major advantages for businesses include:

- Reducing the chance of electrical fires
- Preventing damage to equipment
- Positive impact on insurance

It is a non-destructive and an excellent fire prevention tool and is an essential part of

every preventative maintenance plan for commercial, retail and industrial property.

Early detection will prevent system failure or fire so it is important to have your electrical system checked frequently, because if it fails, you will not only lose time, but you may also lose your livelihood.



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Don't Lose Your Future

The Importance Of Insurance

Commercial Property Insurance is one of the most important investments you will make for the future success of your property or business.

Hundreds, thousands of years ago, Kings built empires. In one swift move, the enemy could set it alight and BAM ... nothing was left but shrapnel.

You don't want the same thing to happen to you, so you need to protect yourself. Yes, in the event of drastic circumstances you might lose everything, but with insurance, you will be protected enough so you can start again.

These days, businesses don't need to be concerned so much by "enemy forces", but bad weather, theft and any number of asset losses could impact on your property or business.

It's important you have your property regularly valued for the purposes of insurance, to calculate the reinstatement and replacement insurance value of any property.

It is also imperative you protect your business and the items needed to run it, and to protect yourself against any injuries that might occur with employees or customers while on the premises.

Generally there are three types of commercial property insurance.

- Property – covers damage to the property
- Public Liability – covers damage to third parties
- Business Interruption – loss of income

Policy terms and premiums generally vary and are often dependent on factors such as the kind of property/business you are in and where you are located.

It's important you have the right cover. Are you covered for flood? Machinery breakdown? Fire or Vandalism?

And the most important thing you need to know and understand is will your insurer honour your claim?

Don't put your property or business at risk.



Business Development Management

We know there is nothing worse than having your property managed by someone who sees nothing, hears nothing and says nothing.

We understand what you need and we listen.

At First Commercial, we have recently taken on a number of new managements. How did we do this?

- We are proactive in our approach
- We don't miss a thing

- We openly share our knowledge and advice for your advantage

Put simply, we do what we say we are going to do.

Our experienced team will ensure service and success for you, your tenants and your property.

If your property deserves expert attention, choose First Commercial.

Recent New Managements



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DNA Cameras

Business security is a fact of doing business ...

At First Commercial, we know that property and business security is essential to running a successful business.

As such, we work in association with Brisbane-based company Sublime Technologies to provide security systems which not only act as a deterrent, but also provide evidence if you are faced with theft, vandalism, graffiti, break ins and even fraud.

DNA Guardian is a criminal marking system which sprays criminals with a uniquely identifying DNA encoded mist

which will stain the skin and clothes of the criminal(s) for up to 6 weeks. This mist will provide police with forensic evidence that could link a criminal to a crime scene.

Each system, and therefore each business, has its own unique DNA code.

Typically, the cost to install a DNA Guardian system is less than half what your business would lose in a hold up.

Call us today to find out how we can help you become more secure in your property.

What tenants need to know

The maintenance responsibilities of a tenant are clearly set out in the lease, but generally, the tenant is required to ensure the building or leased space is kept in good condition.

There are many aspects of a property tenants may need to consider when it comes to maintenance, including roller doors, lighting, locks, plumbing, etc.

Before the lease commences, ensure you know what your responsibilities are, particularly when it comes to cost. Make a written and photographic schedule of the condition of the property. Understand what repairs or alterations you need to make.

During the lease, abide by your responsibilities and comply with the terms of your lease. If you are responsible for maintenance and repairs yourself, put a maintenance programme in place to ensure more cost-effective solutions and prevent unnecessary damage. Be aware that if you do not comply with the terms of repairs and maintenance that are stated in your lease, you could face legal action.

At the end of the lease, be prepared and have a schedule to show your landlord the condition of the premises, including any works undertaken. Start any negotiations early.

To put it simply, know your lease.

What are you required to maintain? Is servicing the air conditioner, repainting, recarpeting or redecorating YOUR responsibility?

And when does work need to be done?



The first thing you will notice about First Asset Management is we are a very different property management company.

What makes us different?

We don't just talk about delivering; we actually deliver.

CALL US TODAY ON 07 3391 9500!

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