

REAL ESTATE RENTAL UPDATE

From Bermuda's Real Estate Company – November 2010



BERMUDA REALTY

Gail Aruda, Rental Representative

Rebecca Dunstan, Rental Representative

Kenneth Richardson, Rental Representative

Atlantic House, 11 Par La Ville Road, Hamilton ♦ tel: 441-292-1793 ♦ www.bermudarealty.com

WHAT IS HAPPENING IN THE RENTAL MARKET?

An excellent question and one we are asked on a daily basis. The answer can depend on a number of things. As agents in the rental market, we see things change on a daily and weekly basis but there are some constants that remain true through all market conditions.

As Agents for the Landlord, our obligation is to achieve the best rent and secure the most qualified tenants for the optimum lease term, negotiate conditions and terms of the lease and bring both parties to a mutually beneficial lease agreement.

HOW DO WE DO THAT?

Our first, and probably most important, task in this process is to educate the Landlord regarding realistic expectations in the current market. We have a team of three dedicated rental agents at Coldwell Banker who are out in the market daily, listing, showing and renting properties. We are aware of what your property is competing with currently, what has recently rented and what potential tenants are expecting. Those are the facts we will use to advise the Landlord on what improvements might be advantageous and what rent can be expected.

It is often difficult to break through a Landlord's unattainable expectations based on previous rents achieved, hearsay of what the people down the street rented their house for, friends advising what rent they should be getting. The thing to remember is that prospective tenants view everything in their price range and compare your property to a number of competitors. If your house is overpriced or doesn't show well, you are renting someone else's property. The goal is to rent your property as quickly as possible so it must be attractive and priced right. The longer a property stays on the market, the less interest there will be.

Your agent will give you feedback on showings. If you keep hearing an objection that you can correct, be open to making the suggested change(s). It may make the difference in renting your property and it shows tenants that you will be a reasonable and responsive Landlord, a good start to a long term relationship.

WHAT IS THE MARKET OUTLOOK?

Based on historical figures and recent activity, we can report that one bedroom units are on the market 35% fewer days than when inventory was at its historic high in 2008 and prices have leveled off. Whereas the same is true of two bedroom dwellings, but with properties renting in half the days as the previous year when the market was inundated with two bedroom units. So, the market correction appears to be well in hand.

Contact our rental department to be added to future market updates – 292-1793 or to discuss your current rental needs.



© Copyright 2010 Coldwell Banker Bermuda Realty. All rights reserved.