

Thank you for your opportunity to comment on the Improving NSW rental laws consultation.

I have only responded to questions where I have relevant experience. I request that you do not publish my personal details.

By way of background, I have been a landlord for more than 20 years, and own more than 10 properties, mostly in regional NSW.

*1. What is your preferred model for ending fixed term leases and why?*

**My concern is that limiting the ability of landlords to end a fixed term lease after the initial term may disadvantage tenants without strong rental or employment histories, who may find it more difficult to find rental properties.**

As you are aware, rental applications request information on rental history and the ability of the tenant to pay the rent. The agents who manage my properties occasionally ask me to consider applications from tenants who fall short of the ideal requirements, for example, because they are renting for the first time, or have irregular income.

In the past I have been happy to accept applications from such tenants, based on the recommendation of my property agent following an interview with the tenant. The risk of accepting such an application is currently limited because, if they turn out to be a problematic tenant, the lease need not be renewed at the end of the fixed term.

In future, I would be less likely to accept an application from a tenant without a strong rental history or evidence that they can comfortably afford the rent. While this is likely to mean that my properties take longer to find a tenant, this loss of rent is preferable to letting indefinitely to an unsatisfactory tenant.

If a reason is to be given when ending fixed term leases, I prefer the Victorian model. The consultation paper states that the Victorian model is that no reason is necessary to end fixed term lease after one term, but if renter stays for further fixed terms then the landlord must give a reason to end the lease. This would give confidence to long term renters, without making it harder for people without a strong rental history to obtain a lease.

*2. Are there any other specific situations where a landlord should be able to end a lease?*

One of the stated reasons to end a tenancy is that "The renter threatened, abused or harassed the landlord, agent or a contractor". I suggest this be extended to include threatening, abusing or harassing people in neighboring properties. The only time I have ended a tenancy for a reason other than non-payment of rent is when a tenant's anti-social behaviour was causing problems for their neighbours.

*6. Is 21 days the right amount of time for a landlord to consider a request to keep a pet? If not, should the landlord have more or less time?*

I have previously responded to requests within a couple of days, so my initial reaction was that a shorter period would be reasonable. On reflection, 21 days is a reasonable upper limit in case the landlord is unavailable, for example, due to a medical issue.

*7. What are valid reasons why a landlord should be able to refuse a pet without going to the Tribunal? Why?*

The list of prescribed reasons from the Queensland tenancy laws appears reasonable.

*9. What other conditions could a landlord reasonably set for keeping a pet in the property? What conditions should not be allowed?*

It is reasonable that some animals be required to be kept outside, for example, large dogs. This is especially the case where a property has been recently renovated, meaning that the damage caused by a pet could exceed the bond.

*10. Do you support limiting the information that applicants can be asked for in a tenancy application? Why/why not?*

*11. Do you have any concerns with landlords or agents only being able to collect the information set out in the table above to assess a tenancy application? Please explain.*

*12. Do you support the use of a standard tenancy application form that limits the information that can be collected?*

As per my response to question 1, I suggest consideration be given to whether the proposal disadvantages tenants who fall short of the ideal requirements, for example, because they are renting for the first time, or have irregular income.

If a potential tenant is employed, has a high income, a strong rental history and can offer a referee, I agree there should be no need for other information on ability to pay rent or suitability. Where the tenant falls short of these ideal requirements, providing additional information (possibly on a voluntary basis) can allow the landlord to appropriately consider their individual circumstances and offer a lease on that basis.

In addition to the information listed, it is appropriate to collect information on the number of people who plan to live at the property. Letting (for example) a one bedroom property to four adults is likely to be problematic, resulting in heavy wear and tear to the property.

*21. How long should a renter have to top up the new bond if some or part of the bond has been claimed by the previous landlord?*

*22. What should happen if the renter does not top up the second bond on time? Please explain why.*

**While the portable rental bond scheme has a number of advantages, there is significant risk to the new landlord if all or most of the bond is claimed by the previous landlord, and the tenant is unable or unwilling to quickly top it up. Such a circumstance would be highly unfair to the landlord.**

The option where the payment of the bond to the new landlord is guaranteed in some way is preferred. In this circumstance, it would be fine for the scheme to be compulsory, and the renter be allowed an extended period to top up the bond.

In the circumstances where there is no guarantee, the tenant should be required to quickly top up the bond. Acknowledging it may be difficult for the tenant to quickly find the entire bond, I suggest ensuring at least 50% of the required bond is paid in a month, with the balance within three months. Ultimately, if tenant cannot pay a full bond over a reasonable period, it should be possible for the landlord to terminate the lease.

Another option would be to require a tenant to pay half the bond in cash, and use portable bond scheme for the remaining half. In this case, even if the previous bond was claimed by the previous landlord, there is at least some bond available for the new property. Such an arrangement would reduce the need for a guarantee, or the urgency with which the bond should be topped up.

*26. Do you have any concerns about the NSW Government collecting information on rent increases and making it publicly available for renters? If yes, please provide details.*

Providing accurate and timely information on rent increases would benefit everyone involved with property rental.

*28. Do you think the 'one increase per 12 months' limit should carry over if the renter is swapped to a different type of tenancy agreement (periodic or fixed term)? Please explain.*

*29. Do you think fixed term agreements under two years should be limited to one increase within a 12 month period? Why or why not?*

Based on my experience as a landlord, there is no need for rent to increase more than once per year.