

From: [REDACTED]
To: [Residential Tenancy](#)
Subject: FW: Concerns about the housing crisis
Date: Friday, 4 August 2023 11:50:57 AM
Attachments: [REDACTED]

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From: [REDACTED]
Sent: Thursday, 3 August 2023 1:45 PM
To: [REDACTED]
Subject: Concerns about the housing crisis
From: [REDACTED] - 3 August 2023 at 1:44 pm

Dear [REDACTED]

We write in relation to the proposed rental reforms to which the Government is seeking public consultation. You may not be fully aware of the proposed changes, that we believe will have a significant negative impact on a landlord's decision to keep, or invest in, a residential property.

As managing agents, our role is to assist landlords and tenants to achieve their housing goals. For our landlords, to have a good investment experience with a property that's well looked after by their tenant and rent paid on time; and for our tenants, to have a well-maintained, problem free property to call home.

We believe, from our landlord feedback, that most of these proposed changes can impact landlords' decisions to keep, or add to, their investment portfolio. Over the years, they have succumbed to changes that appear to erode their rights as a landlord and we are concerned that there are several proposed changes that will continue this trend. The following proposals are the most significant and are of great concern:

1. The removal of a landlord's right to terminate a periodic tenancy with 90 days' notice, without a legislated reason (ie. no grounds termination). Legislated reasons cannot possibly cover all scenarios faced by landlords in making this decision and some reasons are very personal and private for a landlord. Are landlords not also protected by privacy legislation? Landlords do not flippantly terminate a tenancy. However, it should remain their right to terminate, if deemed necessary; considering the tenant has a minimum of 90 days to find alternative accommodation – where, reciprocally, a tenant is only required to give 21 days' notice to terminate without giving a reason. Note, in our experience, this type of termination has been accepted by our tenants, without issue, as 90 days is, and always has been, significant and sufficient notice.
2. The proposal to introduce portable bonds where one bond would be stretched between two tenancies. The four-week bond is the only security a landlord has, should there be damages, outstanding rent or a break lease fee. Commencing a tenancy without a full bond in place is significantly exposing a landlord to financial hardship. If the shared bond is subsequently claimed for matters relating to the previous tenancy, then the new landlord will need to pursue their tenant for payment of a bond they couldn't afford at the commencement of the tenancy. If the tenant fails to pay this bond, the landlord must apply to NCAT for termination. This is a lengthy and time-consuming process, which would be

further exacerbated if the landlord lived in another State, due to the NCAT federal jurisdiction restrictions. During this time, if the tenant defaults in rent payments, the landlord is left with no bond, growing rent arrears and a lengthy expensive process via NCAT (or the Local Court if a federal jurisdiction matter). Currently, people in need can seek bond assistance for a new tenancy. For those who don't qualify for such assistance, there are bond loan platforms available if required. Why must a landlord carry this risk when the current system is working?

Since the COVID-19 pandemic, we have experienced many of our managed properties being sold, mainly to owner occupiers, reducing the number of properties that we manage. This has resulted in extremely low vacancy rates and the trend we all see, resulting in the rental crisis. The solution is not to further alienate residential investors – so that they invest elsewhere. Implementing these changes, that are not necessary because the residential tenancies legislation already provides sufficient security for tenants, is not the way to solve the rental crisis.

Landlords should be incentivised to invest, which should be the Government's key focus at this critical time.

We seek your assistance to bring these relevant points to Parliament when the changes are discussed.

Yours faithfully

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