

In relation to this submission I would like to lodge it anonymously to protect my privacy.

I own a number of rental properties and I look after my tenants. Many are long term tenants and I know their life stories and help them wherever possible, we have a good relationship. However renting properties is part of my income that I live on and not a charity, therefore I must treat it as a business.

Looking at the Minister's message and particularly his statement 'Balanced law reform requires us to all work together, build trust and work towards a system that doesn't create an adversarial relationship between landlords and tenants.' I was impressed.

However I do not see any proposals that assist to preserve the business of providing rental properties (homes) for renters. Without this business there will be less and less rental properties and people who cannot afford to purchase a home will be left homeless. I am sure this is already happening and can be seen by the reducing number of rental bonds held.

The proposed changes could include methods to weed out/penalise tenants that are unsuitable in the private rental market.

Tenants that repeatedly:

- \*cause malicious damage,
- \*fail to pay rent,
- \*refuse to leave properties
- \*leave properties owing more than their bond (quantified in bond release applications)
- \*sometimes costing the owner their properties

There is nothing in the proposals that deter any of the above.

There should be a Government register of bad long term tenants the same as applies to Short Term Rentals. Not impossible to create and there are consequences for tenants that don't pay rent, cause damage and disturb neighbours.

Going to NCAT is slanted in tenants favour and even if the landlord is awarded damages or unpaid rent the tenant is extremely unlikely to pay. The landlord then has to wait and potentially involve Sheriff after further time lost and wait for Sheriff to have resources to assist to get their property back, repair property and sign up new tenants.

A register would avoid a lot of NCAT & police time and reduce breaches of lease conditions. It would further the balance between landlords and renters and reduce the troublemakers and costs/risks of providing rental properties.

Even the standard lease document is biased against landlords. One example is the lease agreement, notes, clause 6 provides a warning to landlords against obtaining possession of property but it is not balanced. It does not provide tenants with penalties if they refuse to leave at the end of the lease.

That is correct there is no penalty for tenants staying!! So why should they leave and also why keep paying rent.

This needs to be fixed. Perhaps their rent should double if they stay beyond the lease period. There should be no need to go to NCAT; they no longer have permission to occupy the premises. How does this affect insurance and public liability?

Also there is no ability for the landlord to charge extra for late payment of rent, if you don't pay your phone bill (and many other bills) on time you have to pay a penalty. So this sends a message to tenants that other bills are more important than their rental payments which gives them a home.

It is not the penalty money I am suggesting it is the perception/reality that other bills have a higher priority. Somehow this needs to be fixed.

Further, why are bonds capped at 4 weeks rent when tenants first occupied premises? If anything this amount should increase with each rent increase. The current method does not even cover inflation.

Reducing the value of the bond over a long period also makes it harder for landlords to potentially cover exit costs.

By the time a tenant is 2 weeks in arrears and you apply to NCAT and notice is served on all parties the bond money is spent.

In most cases 4 weeks rent on a property worth even 500,000 will only cover minor damage and insurance costs are rising. That is if you can find an insurer to cover tenants and loss of rent.

In regards to tenants having pets I think it should be at owners discretion. While pets are important to society they can also cause a lot of damage and nuisance to neighbours.

There is the option of additional rental for pets to cover their fair wear and tear and an extra bond to cover damage. A lot of insurance policies do not cover damage by animals.

The option of limiting rent increases to CPI or any other method is impractical.

Cost of holding properties is increasing,

- Mortgage repayments
- insurance
- land tax
- rates
- water charges
- repairs & maintenance
- demand
- agents fees

Should not the market determine the cost of rentals? It is a free market and if no tenants will pay the rent the prices drop.

Part of the rising cost is the loss of properties to rent. Has anyone done any research as to why people are selling their investment property, why are people reluctant to rent their investment properties, why are less people investing in providing rental properties?

#### Bond transfers

I think it is reasonable to transfer bonds if the government guarantees unpaid monies and they chase up any monies outstanding by tenants. Perhaps only certain types of tenants can obtain transfer of bonds.

There also needs to be a reasonable period for the landlord to obtain quotes for repairs and inspection of properties after the tenant leaves. Especially if the tenant has breached lease or left without notice etc.

In respect of ending leases I believe that a landlord should be able to use the 'no reason' clause. In some circumstances a tenant and landlord are in conflict and the tenancy is not working for either party even though no clauses have been breached. The landlord owns an expensive investment in the property and should have the right of veto if tenancy is not working.

Further some tenants do not keep the property up to the standard they rented the property in. It is difficult and awkward to prove/convey, it is a lot more effective to terminate a lease than argue with a tenant. Especially if tenancy is affecting the value/presentation of the property.

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