

## **NSW proposed tenancy legislation**

We offer our views on over twenty five years' experience of being Landlords in both NSW and Victoria.

### **Keeping of pets in rental properties**

Changes to the laws concerning keeping of pets is of major concern, and the landlord must have final say over these matters due to the following:

Pets can cause significant damage to the interior and exterior of a property which far exceed the costs which can be recouped under the 'bond.' We have faced the following issues:

- Carpets that need to be fully replaced.
- Curtains needing replacement
- Walls needing repair, cleaning and/or painting
- Glass in sliding doors and/or flyscreens needing to be replaced due to damage caused by scratching etc.
- Complaints from neighbours concerning noise and wandering animals. In one case a neighbour, who owned her property, had previously been attacked by a vicious dog was re-traumatised by the tenant who had a pit-bull terrier.
- Tenants not removing faeces

### **Tenants cooking and using methamphetamine commonly known as 'ice' in rental properties**

The baking, either meth lab or "shake & bake" methods, and use of 'ice' inside a premises result in ice deposits on all surfaces, including painted surfaces, floor coverings, curtains, exhaust fans, filters in split systems etc. The level of 'ice residue' left in one of our properties was substantially above the Australian Clandestine Drug Laboratory Remediation Guidelines amount regarded as 'fit for habitation', <0.05ug/1m<sup>2</sup>, and left the property 'unrentable.' Consequently, specialised industrial cleaning had to be undertaken and retesting. This process was over a period of two months due to the repeated chemical washing and retesting.

Part of this process any rooms over, 85ug/1m<sup>2</sup> requires the removal of all walls and ceilings back to studs, insulation, floor coverings curtains, split systems etc, this equated to half the house. Total removal of the kitchen, laundry, and associated cabinetry was also required. Everything that was removed had to be disposed of according the Remediation Plan. The decontamination process cost \$26,000 and the repairs are in excess of \$150K.

While 'landlord insurance' covers some of these items, it did not cover others leaving us very much 'out of pocket.' We have decided to sell the property and this is the second time it has been subjected to malicious damage by tenants.

Police are often unable to assist unless they have a tipoff and find a "lab" in production. The shake and bake method therefore is the easiest and most common for tenants to use.

Because the laws offer no protection to landlords in such matters, there is a growing trend amongst landlords to get out of the real estate market. This creates further pressure on the availability of rental properties.

### **Rubbish removal internally and externally in rental properties**

The cost of removing rubbish from rental properties far exceeds what can be recouped from the 'bond'. We have recently paid over \$10,000 to get rubbish removed from the yard of a rental property and this is not the first property in which this has occurred.

### **Removal of the "No Reason" for termination of Tenancy**

Tenants can clearly break a lease at any time with very little consequence however the Landlord has diminishing rights and reasons. It is important that Landlords retain the right to terminate without cause. Basically, unless a tenant is in arrears you have virtually no avenue to terminate a lease. Sometimes you need a tenant to leave as they regularly push the boundaries regarding rent, keeping the place clean, respecting their neighbours etc.

### **In summary**

Over the years State Governments in Australia have lessened the rights of landlords to the point where it is now financially unviable to have rental properties. Additionally there is increasing stress and strain due to the everchanging changes and costs associated with having a rental property. The proposed NSW government changes to tenancy laws may win the government a few votes by decreasing tenant responsibilities, but in the long run will decrease the supply of rental properties as landlords 'sell up.'

There needs to be a more balanced approach and attitude towards Landlords who after all are the ones providing the bulk of rentals as Governments have done away with Public Housing. Unfortunately, the quality of tenant is also deteriorating and the proposed changes is supporting that change in attitude.

Please note that when asked about residential properties as an investment we recommend NO - even to the point that we are divesting of the rental market ourselves leaving even less properties on the market to rent and we are not alone in this.

The NSW Government needs to look at the whole picture. There are rights and responsibilities on all sides of a contractual arrangement.

Regards