

**Welcome** to another of the increasingly sporadic ASG newsletters.

Despite our good intentions, this looks like it's the fifth since we launched the business back in July 2019 so you couldn't really complain that we've bombarded your inboxes. Nonetheless, we want to thank you for subscribing and/or staying interested in what we're up to...

## New Rental Legislation



**Anoulack Chanthivong**, Minister for Better Regulation and Fair Trading, introduced a new bill, the Residential Tenancies Amendment Bill, into the NSW Parliament last week for what is known as a Second Reading.

This means it's on its way to becoming law.

The Bill aims:

- (a) to ensure residential tenants are offered a convenient and free way to pay rent,
- (b) to ensure prospective tenants cannot be charged for background checks,
- (c) to enable residential tenants to obtain consent to keep animals and to set out the grounds for a landlord to refuse consent,
- (d) to require a landlord to have a valid reason to end a residential tenancy,
- (e) to specify the grounds on which a landlord may terminate a residential tenancy by termination notice,
- (f) to limit rent increases to once every 12 months for all leases,
- (g) to create offences including an offence for a landlord wrongly giving a termination notice,
- (h) to specify when a tenant may vacate premises after a termination notice is given and before the termination date,
- (i) to make the NSW Rental Commissioner a member of the Rental Bond Board.

The Bill came about after extensive public engagement with respondents mostly from renters (57%) compared to owners (34%) and real estate agents (8%).

The five items that will have the biggest impacts on the majority of NSW landlords and agents will be:

- The ability for tenants to have pets
- The abolition of no grounds evictions
- To limit all rent increases to 12 month intervals
- To change tenant vacate processes, and
- To create offences for landlords and agents if the new regulations aren't followed.

On this last point alone, the stakes have been raised in terms of the size of the penalties applicable. For corporations, which obviously includes agencies, the maximum penalty goes from 200 units (currently \$22,000) to 650 units

**Based on these changes, the total amount of possible fines will go from a maximum of \$144,100 to an eye-watering \$491,700.**

(\$71,500) - a 225% increase. Based on these changes, the total amount of possible fines will go from a maximum of \$144,100 to an eye-watering \$491,700.

There is also some new language in the Bill. A lease of six months or less will now be known as a "**short fixed term agreement**" and such an agreement will have different rules surrounding it compared to any lease with a period between six months (and a day?) up to 20 years (minus a day?).

The period specified for a property that has had a tenancy terminated under the amended Section 87, will now be known as a "**tenancy**

**exclusion period**" and this will vary dependent on the type of termination notice that the landlord has sought.

Some of the reasons for which a termination can now be sought under the Amendments include:

- s87C Breach of tenancy agreement
- s87D Actual sale of premises
- s87E Proposed sale of premises. The tenancy exclusion period will be six months.
- s87F Significant renovations or repairs to premises. The tenancy exclusion period will be four weeks.
- s87G Demolition of premises. The tenancy exclusion period will be six months.
- s87L Premises no longer to be used as rented residential premises. The tenancy exclusion period will be twelve months.
- s87M Landlord or family will reside at the premises. The tenancy exclusion period will be six months.

It is clear that the predominant cause for terminations will be for tenancy breaches with sale, or potential sale, of the premises coming a distant second. Therefore, tenant selection will become an even more crucial part of the property management process as will consistent, and thorough, routine inspections.

As more information comes to hand, we will pass it on as quickly as possible.

# Rent Check

A few weeks ago, NSW Fair Trading issue a press release regarding their new Rent Check website. It read, in part, “Rent Check allows renters, landlords and the community to easily check and compare the median rent range in any NSW postcode”.

The site asks for four key factors for determining the median rents for that property:

Step 1 of 5

### What is the postcode?

Enter postcodes or suburb

Next

Step 2 of 5

### What type of home is it?

House  
including townhouses, terraces and semi-detached homes.

Unit  
including apartments and flats.

What you've answered

- 1 What is the postcode?  
2153 [Change](#)

Disclaimer: The information provided by Rent Check should be used as a guide only. It is not intended to be used as a

Step 3 of 5

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### How many bedrooms are in the home?

4

Next

What you've answered

- 1 What is the postcode?  
2153 [Change](#)
- 2 What type of home is it?  
House [Change](#)

Disclaimer: The information provided by Rent Check should be used as a guide only. It is not intended to be used as a

Step 4 of 5

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### What is the current weekly rent? If unknown, enter the weekly rent you would expect to pay for this property

\$ 1025

Next

What you've answered

- 1 What is the postcode?  
2153 [Change](#)
- 2 What type of home is it?  
House [Change](#)
- 3 How many bedrooms are in the home?  
4 [Change](#)

and then...

**!** **The rent is above the median rent range**

This weekly rent is higher than the **median price** for homes with similar features (type of home and bedroom count) in this postcode.

Step 5 of 5

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**!** **The rent is above the median rent range**

This weekly rent is higher than the **median price** for homes with similar features (type of home and bedroom count) in this postcode.

Current weekly median rent range*	Weekly rent
\$835 - \$1000	\$1025 2% higher

\* Based on latest data from 09/10/2024.

**What this means**

This price is for information purposes only. Properties with similar features (type of home and bedroom count) can vary greatly, for example in the size or fittings of the property. These factors can also impact the rent.

NSW Fair Trading offers a range of resources for **tenants** and **landlords**, as well as guidelines about **paying rent** and **rent increases**.

However, if you feel that your current rent is excessive, you can apply to NSW Civil and Administrative Tribunal (NCAT) for a ruling to determine if your rent should be lower. **Learn more about how to apply to NCAT** and how decisions are made.

There is a healthy disclaimer at the bottom but this is followed two paragraphs later by a link to “**Learn more about how to apply to NCAT**”.

As the **Rent Check** website becomes better known, it will inexorably lead to more and more tenants comparing the rent increases they’ve received against it and if there’s a whisker of variation from the publicised medians, we can expect challenges to those increases and possibly even receive an invitation to defend our actions at NCAT. Therefore, accuracy in our rent review processes are of ever increasing importance - and so is including the **Rent Check** numbers in our submissions to owners so they understand the framework within which we now have to operate.

To this end, we have made adjustments to our standard Rent Review proforma and would suggest if doing your own reviews that you do something similar.

Your Logo

Rent Review for

Prepared By

Date

Address

Beds  Land (sqm)

Baths  Premises (sqm)  Air Conditioning

Cars  Type  Yard

Tenanted  Other Features

Current Rent

**Current Comparable Properties**

Address	Type	B	B	C	Source	Rent
<input type="text"/>	House	4	3	2	REA	\$740
<input type="text"/>	House	4	2	2	REA	\$780
<input type="text"/>	House	4	2	2	REA	\$780
<input type="text"/>	House	4	2	2	Domain	\$850
<input type="text"/>	House	4	2	2	Domain	\$790
<b>Average:</b>						<b>\$788</b>

**Recent Comparable Properties - RPData**

Address	Type	B	B	C	Listed	Rent
<input type="text"/>	House	4	2	2	<input type="text" value="2024"/>	\$900
<input type="text"/>	House	4	2	2	<input type="text" value="2024"/>	\$800
<input type="text"/>	House	4	2	2	<input type="text" value="2024"/>	\$760
<input type="text"/>	House	4	2	2	<input type="text" value="2024"/>	\$950
<b>Average:</b>						<b>\$853</b>

RP Data Estimated Value As at  Confidence:

RP Data Estimation Range

LOW	MEDIUM	HIGH
<input type="text" value="\$823"/>	<input type="text" value="\$968"/>	<input type="text" value="\$1,100"/>

**NSW Government Rent Check**

From	To
<input type="text" value="\$750"/>	<input type="text" value="\$830"/>

Rental Appraisal

From	To
<input type="text" value="\$1,000"/>	<input type="text" value="\$1,000"/>
<input type="text" value="0.0%"/>	<input type="text" value="0.0%"/>

Increase from Current Rent

# PropertyMe upgrades

As PropertyMe Partners, we take great delight in seeing the changes and upgrades that PropertyMe rolls out on a regular basis. The most recent release, on October 11, included:

- Enhanced Tasks
- 360° Inspection Photos
- Rent adjustment tracker

The one we're most excited about is the new 360 degree cameras that now sync with PropertyMe for inspections. For those of our clients using the Standard subscription, we will be trialling our new Insta360 camera shortly.