



MAY - JUNE 2019 Newsletter



USING TENANCY DATABASES – ACCURATELY AND FAIRLY.

Know your rights and obligations.

The use of tenancy databases is a risk management tool for property agents/owners to screen the tenancy history of prospective tenants and to list defaulting tenants once the tenancy has ended and under certain conditions.

Recording unfair, unjust or inaccurate listings of tenants can be avoided by following the rules set out in the *Residential Tenancies and Rooming Accommodation Act 2008* (the Act) noting what, when and why people can be listed.

Several sections of the Act, in relation to the use of the tenancy databases carry fines where a contravention of the Act occurs. The RTA recommends all parties be aware of these provisions to protect themselves and the privacy of the tenants.

When screening prospective tenants during the application process using tenancy databases, property managers/owners must:

- Advise prospective tenants what databases are used in the application process.
- Advise tenants (in writing) if a listing of an item has been found.
- Advise how a listed tenant can obtain information about the listing.

A tenant can be listed on a database if:

- The tenant was a named tenant on the tenancy agreement
- The tenancy agreement has ended and there is an approved reason for listing the tenants

- The Tribunal has not made an order prohibiting the listing
- The tenant has been informed of the proposed listing or all reasonable steps have been taken to advise the tenant of the proposed listing (time frames apply).

A tenant can be listed on a database for the following reasons:

- Unpaid rent, where a breach notice has been issued and the unpaid rent is greater than the bond amount
- Owing money greater than the bond amount under a conciliation agreement or Tribunal order and the time to pay the money under the order has passed
- Owing money greater than the bond amount after abandonment of the property (and there is no current objection by the tenant)
- Objectionable behaviour (if a Tribunal order has been made for termination of the agreement)
- Repeated breaches (if a Tribunal order has been made for termination of the agreement)

Note that specific criteria apply for listing a tenant for reasons mentioned above.

Important considerations before listing a tenant on a database

- Tenants can challenge proposed or current listings if they are inaccurate, incomplete or out of date.
- If a debt has been paid by the defaulting tenant, the listing must be removed.
- A listing can only be kept on a database for 3 years.

Privacy laws may also come into play when tenancy databases are used to record tenants personal information.

There are also additional protections for victims of domestic and family violence. For example, when your personal information was to be listed about damage caused to a property in the course of an incident of domestic violence.

SMOKE ALARM COMPLIANCE REMINDER

As you are all aware the new legislation will be in place for smoke alarm compliance on January 1st 2022



Winter is definitely upon us up here in Noosa, which means my slow cooker will be soon making an appearance in my kitchen. Can't wait to have the aroma of hot hearty soups greet me when I get home from work!!

SUPER SPEEDY MUSSELS, CHILLI & ROSEMARY SOUP.

INGREDIENTS

2 tablespoons extra virgin olive oil
 2 garlic cloves, finely chopped
 1 long red chilli, finely chopped
 2 rosemary sprigs
 2/3 cup (160ml) white wine
 1 kilogram of mussels, scrubbed and de-bearded
 Zest and juice of 1 lemon
 Salt and pepper
 Toasted sourdough baguette, to serve.

METHOD

1. Heat the oil in a large heavy based frying pan over medium heat. Add garlic, chilli and rosemary. Cook for 1 minute or until fragrant. Watch the garlic closely so it doesn't burn.
2. Add the white wine, the cleaned mussels and cover pan with a lid. Cook for 2-3 minutes or until the shells open.
3. Tip the contents of the pan into a large bowl, season with lemon juice, zest, salt and pepper.
4. Serve with toasted sourdough.

DO YOU HAVE ANOTHER INVESTMENT PROPERTY OR WOULD YOU RECOMMEND OUR SERVICES TO YOUR FRIENDS

Fresh Rentals are on the lookout for new rental properties. We pride ourselves on our skilled and professional service that we offer and we will PAY you a referral fee for all new referred business (upon an authority being signed by all parties).

THE CONCEPT OF REASONABLE – IT CAN BE DIFFERENT EVERYTIME

Managing a property and the tenant is fairly straight-forward at the commencement when it comes to entering into a tenancy agreement. You outline the tenants rent, lease term and bond details. The information is clear with no requirement for interpretation.

However, as we know there is much more to managing a property than paperwork. There are countless scenarios that can arise that require interpreting the legislation or what we call "grey areas".

The concept of reasonable is one that many owners (including us the managing agent) often need to take into consideration when making a decision or taking action.

Legislation can state that you must provide reasonable security for the premises; or you must give reasonable notice to enter the property; or the property must be kept in a reasonably clean and tidy condition.

So what is reasonable? It actually depends... Reasonable is what the average citizen of sound mind would think, do, or expect in that situation.

If we talk about "reasonable" notice for a sale or rental inspection for instance, many would think of 24 hours. **But** would 24 hours be reasonable for a shift worker versus someone who is retired and staying home?

A property to be kept in a reasonably clean and tidy condition is not required to pass the "white glove" standard of cleanliness at a routine property inspection.

Understanding the concept of reasonable is very important in times of dispute. If a dispute does arise, take a moment to look at the situation from all aspects. Put yourself in the other persons shoes. If you cannot come to a resolution and the matter is taken to the tribunal, you may find the ruling outcome unreasonable.

As property managers, we strive to achieve the best outcomes possible within the provisions of the Act.



This is a friendly reminder that our property management team is often out of the office conducting inspections. If you would like to meet with a member of our team, please telephone to make an appointment as we know there is nothing more frustrating than having to wait.



THE HIGHER RENT LOWER INCOME- MISCONCEPTION

Many owners who lease their property often have the mindset of 'holding out for the highest rent', thinking the sky is the limit in a competitive rental market. Many even do this if it means losing several weeks of rental income, with an over-priced and sometimes predicted rent without substantiated evidence.

What does 'holding out for the highest rent' mean for the overall return on the property?

Experienced investors report that the best way to maximise the return on their investment properties is to keep the property let – in other words. It is important to minimise vacancy periods. For many, it is not always easy to make a decision to lower the rent, especially when it can have an impact on the overall income and mortgage payments. It is tempting to hold out 'for just another week' and before you know it, another week has passed by. Experienced investors say that doing the sums shows that 'holding out for the highest rent' can be productive. If the property is over-priced at \$450 per week (with the rental market and feedback from the tenants suggesting \$420 per week) losing \$420 for 2 weeks is \$840. Spread over a year, this will lessen the weekly return to less than the \$420 that the property will eventually rent for.

Tenants talk to relatives, friends and other people in the rental market and the tenants paying top dollar are the first to notice the downturn in the rental markets or over-priced rent, often reacting by moving out to a cheaper property when their lease expires. This then becomes a further risk of a vacancy period and lost income/rent if the owner chooses again to go for top rent before accepting the changing circumstances. It becomes an ongoing loss of income from tenancy to tenancy.

The aim for tenanting a property is to ensure the rent is within the market expectations to reduce lost income and high tenancy turnovers. If a vacancy period does occur, you may like to work the rule that (provided the property is clean and presents well and is well maintained) if a tenant is not secured by day 10 of the leasing campaign, then asking rent should be reduced by 5 – 10 percent, which has been a tried and tested system.

FUNNY FACTS

Like fingerprints, everyone's tongue print is different

Leonardo da Vinci could write with one hand and draw with the other at the same time.

Beetles taste like apples, wasps like pine nuts, and worms like fried bacon (I don't think I will be testing this out anytime soon!!)

A man once sued Warner Bros and won after he was injured while fainting during a 1974 screening of 'The Exorcist'.

Flowers are known to grow faster when music plays near them.

Earth is the only planet not named after a god. If whales sing off key they will end up lost in the ocean.

On Jupiter and Saturn it rains diamonds (who is jumping on the first shuttle with me when available?)

Yoda (Star Wars) and Miss Piggy were both voiced by the same person.

Even though Froot Loops are different colours they all have exactly the same flavours.

WHAT'S HAPPENING IN NOOSA.



NOOSA ALIVE 2019

When: 19 – 28 July

Where: Around Noosa

Website: www.noosaalive.com.au

NOOSA alive! Brings world-class musicians, authors, dancers, artists, food events and more to Noosa for an amazing 10 days of arts and culture in Noosa.