



NSW Rental Laws Update 2019
Owners & Tenants Rights
What's Changing?

Quick Background

- 2010 Residential Tenancy Act began on 30/1/2011. First major reform since 1987 Act.
- More than 100 reforms in the 2010 Act. Was generally accepted in the public but some issues arose with practicality of some clauses and need for further, mainly tenant centric and issues of property health & safety (compliance) arose.
- October 2015- then Minister for Fair Trading announced the 5 year statutory review of the 2010 Act.
- About 200+ public submission were made, generally accepted the 2010 Act as being justified.
- Largest group of submission came from individual tenants (40%) and tenants focused groups (20%),tenant legal centres (20%) and the rest were real estate agents, landlords, landlord groups (20%)

The Good, the Bad and the Ugly

- Dealing with a victim of domestic violence (major change)
- Break lease fee's (major change)
- Pets (no change)
- Minimum standards of property (major change)
- Minor alterations to premises cannot be unreasonable withheld (not much change)
- Restricting rent increases (now capped to 12 months)
- The 90 day “no grounds notice” terminations (no change)



**NO MORE
SLUM
LORDS**

Short Term Holiday Lettings

Code of Conduct Coming in 2019 for Hosts

- In October 2016, the NSW Parliament Legislative Assembly Committee on Environment and Planning made several recommendations to the Government following its public inquiry on the Adequacy of Regulation of short-term residential accommodation.
- The Committee's report was released in October 2016 and made 12 recommendations, mostly relating to planning and strata laws.
- Community and industry feedback on these options helped guide and inform the Government's reforms to the regulations of short-term holiday letting

Strata Schemes

- Strata scheme management laws will be amended to clarify that by-laws can prohibit short-term holiday letting, but only for lots that are not a host's principal place of residence. That is, if a host is genuinely sharing their home, they will still be able to use a spare room for short-term holiday letting, and will be allowed to let out their principal place of residence while they are away on holidays.
- New planning laws will allow short-term holiday letting under certain conditions. If the host is present, they can use their home for short-term holiday letting all year round as exempt development. That is, they do not need to submit a development application to local council.
- If the host is not present, that residence can be used for short-term holiday letting up to 180 days per year in Greater Sydney, with 365 days allowed in all other areas of New South Wales. Councils outside Greater Sydney will have the power to decrease the 365 day limit to no less than 180 days per year.
- NSW Fair Trading will also develop guidelines to advise owners corporations on how they can use other existing strata laws to help deal with short-term holiday letting.

Code of Conduct will establish and regulate

- A mandatory Code of Conduct will be introduced that will apply to anyone involved in providing or using short-term holiday letting including hosts, guests, online platforms, and letting agents.
- Will establish the '2 strikes and you're out' policy. Hosts or guests who commit 2 serious breaches of the Code within 2 years will be banned for 5 years.
- Platforms and letting agents will not be permitted to offer services to anyone, or any dwelling, that is listed on the exclusion register.
- A strike will include any behaviour which unreasonably interferes with a neighbour's quiet and peaceful enjoyment of their home.
- The Code will establish a complaints system, which will be available to neighbours of short-term holiday letting premises, strata committees and owner's corporations.
- NSW Fair Trading will have powers to police online platforms and letting agents. The Code, its enforcement, the compliance system and the register will be funded by industry.



Any questions?

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