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Volume 178

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Advocating for the rights and interests of all landlords in SA to create a balanced and fair rental environment.



LANDLORDS'
ASSOCIATION (S.A.) INC.



General Meeting

Tuesday 6 February
Arrive 6:50 for 7pm start.

Fullarton Park Community
Centre
411 Fullarton Road Fullarton,
SA 5063 Parkview Room

*The Honourable
**Michelle
Lensink**
MLC
will be in
attendance to
answer your
questions.*



SELL! SELL! SELL!

More Landlords consider selling their properties due to the proposed changes to the Residential Tenancy Act!

After many discussions with members and non-members alike, it is becoming increasingly apparent that landlords, more now than ever, HAVE sold or are considering selling their investment properties.

What's wrong with that, you may ask? The market is at an all-time high and it's a good opportunity to realise profits. Yes, that is true. However, the main reasons given for sale are not to realise profits, it is because it is becoming increasingly difficult for landlords to manage their own investments legally

AND financially. Simply put, the laws favour tenants and put landlords further out of pocket.

The following is one anecdote received through our Facebook page. This member reached out to me directly to share her story as a landlord, and I have chosen it amongst many as it is a good case to represent the majority of the personal anecdotes that have come through out Facebook page and other channels.

"... yes, I am considering selling my Investment Property... *cont p.3*

VICE PRESIDENT'S REPORT

MARCO ARNESE



**SELL,
SELL,
SELL!**

This is what a substantial portion of our members are telling me! You may recall in December I sent every member a text message - If you did not receive any text message then please contact Rodney on 0408830382 to update your details! - It was regarding whether the governments changes to the Residential Tenancy Act (RTA) had made you decide to sell up. It defies logic - If governments make it harder for landlords to manage their property, they will shift their hard earned money into other asset classes - precisely at the wrong time - during the rental crisis!

Our Facebook page is buzzing with activity - and thanks to Peter Savvas - keeping the Facebook community informed regarding what the changes mean for them. The advertising campaign that the association has paid for, along with Peter's management of the page is yielding great results. Keep up the good work Peter!

One of our key foci this year will be to grow the association. Peter and I have started to build relationships with key industry stakeholders - from real estate agents to data analysts to potential political runners at the next state election. We strongly believe that this is the way to grow the association and hence our prominence in the community. The hope is that we can commission credible research signed and

To my fellow members! I would like to begin by saying that I hope you enjoyed the festive season and were able to spend some quality time with your family and loved ones.

backed by prominent data analysts to back up our position. The reality is that a survey conducted by committee of its members attitude doesn't hold as much weight as one conducted by professionals. Armed with this reliable research, we can approach politicians to try and persuade their views at the next state election.

On the 3rd of January I contacted Mario Leuci's program on *Radio Italiana* on 531AM where a prominent Adelaide lawyer and consultant - Dr Anna Finizio - was discussing contract law. I posed the question - can the government impose conditions on

*... we need people to
volunteer and support the
cause ...*

contracts specifically on the issue of forcing landlords to renew fixed term leases unless they have a prescribed reason? Her answer alluded to the fact that governments have the authority to impose those conditions. I will be investigating this issue further.

Patricia would like to step back from her role as treasurer - and I don't blame her! She's been doing a great job for the last 20 years now, and would like to pursue other personal interests. I thank her for her contribution over this time! I would like to thank Melissa Savvas for taking on the position, and as a trained accountant, the portfolio will be in safe hands! Patricia will be remaining on committee. This naturally leads me to our next focus for the year - incentivise people to join committee! What makes this hard is we are bound by the Incorporations act.

Simply put, people can be remunerated for their efforts but cannot profit from the association. Perceptions and reality are generally not aligned however if people are perceived to profit even though they are not, this can cause unwanted headaches. As an Association, we need people to volunteer and support the cause. If we shift to a model where committee roles are paid, then unfortunately membership fees would have to go up substantially! This doesn't help anyone, especially YOU! If you have any skills in the field of computing, advertising, website management, accounting, lobbying or law then please come forward and help. There can be a lot of satisfaction in achieving goals and helping others!

If you have not done so, please go to our website at www.landlords.org.au and check it out! Please keep on reading to find out more about how to log on and how to access the two new benefits to members - TICA and Property Data by Core Logic.

Finally, please come to our General Meeting on the 6th of February, ready for a Q&A session with the Honourable Michelle Lensink - The shadow minister for housing. As these laws have just passed, she is perfectly situated in government to update you on the status of the law implementation process.

See you then!

Regards
Marco Arnese
Vice President

Cont. from front page

...or returning it to function as an Airbnb. I used to get more protection, more money, more flexibility, and more say in what was going on when it was an Airbnb. I have been counting down to the end of my current lease as it seems that tenants weren't totally upfront on their application and have had 2 additional subtenants stay for extended periods without disclosure and they have sprayed out a bunch of native groundcovers as they let the weeds get out of control. Neither of these reasons are covered by the new legislative changes, so I will be forced to bring forward some renovations just to get them out of the house, which will take my house out of the rental market for goodness knows how long.

It's a property I bought while single, on a part time income a decade ago, because I scrimped and saved, and worked effing hard with my dad to turn it from a dive into a home which I lived in until I got married. It's more than just bricks and mortar to me, but the public discourse just labels me as heartless or greedy or unrealistic if I want the property to be respected, or if (heaven forbid) I make any money from it now I've moved out. Thank you for taking up the fight."

There are many points to consider here. First, the change from residential tenancy to Airbnb. Personally, I believe that anyone should be able to manage their investment in any way they see fit if they are not breaking the law. If you want to rent your house on Airbnb, that is YOUR decision and what you choose is fine by me.

What the Labor government seems to miss, however is that when more red tape (in the form of the changes to the RTA) is introduced more landlords will gravitate towards this option. What will happen?

MORE HOUSES ARE TAKEN OUT OF THE RENTAL POOL WHICH DECREASES SUPPLY AND ADDS TO THE HOUSING CRISIS. What will be the government's response?

...I scrimped and saved, and worked effing hard with my dad to turn it from a dive into a home...

Tax Airbnb income like they have in Victoria! Honestly, how long do you think it will be before that tax is implemented in other states?

The second point is that the landlord feels she is not protected against tenants who have done the wrong thing, and she will need to "bring forward" renovations simply to have a reason not to renew their lease. No landlord should be put in a position where they are forced to undertake major renovations just so they have a "prescribed reason" to change tenants. What happens if the renovations only take 3 months? Too bad. According to the legislation a landlord "must not let the premises to a person for use primarily as a residence before the end of 6 months" if they have used one of the prescribed reasons to not renew a lease. Maximum penalty \$25,000.00! (up from an expiation of \$2,500.00, by the way).

I can hear you say, "this doesn't sound right. There has to be

protection for the landlord. Well, if you did want to rent your house out again within 6 months, you would need the tribunals permission! It's no wonder landlords are considering selling up!

The third point, which is the last point I will make, is the public discourse around this debate that the member alludes to. Landlords get a bad rap. "Greedy parasites" is a term I have heard on multiple occasions when bringing up these issues in public, online forums. The TRUTH is that 31% of SA's housing are rental properties and 98% of that is privately owned by people like you and me. And who are people like you and me? Well, here and the facts straight from the Australian Bureau of Statistics. Out of all the people that own a rental property:

- 68.4% of them only own 1
- 20.3% own 2
- 7.2% own 3
- 4.3% own 4 or more

What does this information tell us? That most landlords only own 1-2 properties! We are not the "ultra rich, greedy parasites" that many make landlords out to be. We are people like the member above who have worked "effing hard" for what we have and as far as I am concerned, I don't want the government telling me, or you, what we can and can't do with our property!

Peter Savvas
Secretary.

ENDING TENANCIES

Requiring a **GOVERNMENT** prescribed ground to terminate or not renew a tenancy.

Sections 79, 81 & 84

A key reform in the Bill is to prohibit the termination and non-renewal of tenancy agreements without providing a prescribed reason. Amendments to section 79 of the Act allow for a tenancy to be terminated due to reasons prescribed in the Residential Tenancies Regulations 2010 (the Regulations). Changes to the Act prevent tenancy agreements from being terminated without the landlord specifying a ground.

To balance the rights of landlords, the reasons that may be used to end a periodic tenancy or not renew a fixed term tenancy will be expanded through regulations. These reasons, which will be finalised after consultation on the supporting regulations, are expected to:

1. The tenant or their visitor intentionally or recklessly causes serious damage to the property, including safety equipment and common areas.
2. The tenant or their visitor puts neighbours, the landlord, or the landlord's agent, contractors or employees in danger.
3. The premises are unfit for human habitation, destroyed totally, or destroyed to the extent that they are unsafe.
4. The tenant or anyone else living at the property seriously threatens or intimidates the landlord, their agent or the landlord's contractors or employees.
5. The tenant has failed to comply with a SACAT compliance order.

6. The tenant has already been given two breach notices and the same breach occurs.
7. The property is being used for illegal purposes.
8. The tenant has brought in other tenants or sub-tenants without consent.
9. The tenant has not paid the bond as agreed.
10. The landlord is a government housing authority and the tenant misled the authority so they could get social housing.
11. The tenant is keeping a pet without consent and SACAT has made an order excluding the pet;
12. The tenant is renting a house from a charity or a community housing provider and the tenant no longer meets the charity or community housing provider's eligibility requirements to continue as a tenant;
13. The tenant has engaged in false, misleading or deceptive conduct or concealed material facts from a landlord or agent in inducing the landlord to enter into the tenancy agreement.

Section 84 of the Act will specify that landlords will retain the ability to terminate a tenancy by providing a notice of termination due to a breach of agreement, as specified at section 80 of the Act. Landlords will also be able to end a periodic tenancy agreement or not renew a fixed term tenancy agreement because they require possession of the property for the reasons detailed in section 81 of the Act. A tenant who receives notice that their tenancy will be terminated due to a reason detailed in section 81 of the Act may vacate their rental property before the end of the notice period and will not be liable to pay rent

after they vacate, provided they give their landlord 7 days' notice.

Click **HERE** to read the RTA Summary of Clauses



Making informed tenant selections at the start of a lease is crucial for a successful tenancy. While previous landlord references are vital, consulting the TICA National Tenancy database is also beneficial. This service is regularly utilized by real estate professionals. Your Association has subscribed to TICA, and the first two-member search requests are **FREE** within the annual subscription. Additional searches can be requested at a discounted rate of \$18.70 each for 1-3 searches and \$16.50 each for 4 or more searches. A TICA report details the applicant's tenant history, international criminal record, and tribunal records. Requesting a search is simple—complete the TICA application form, attach 100 points of ID for the applicant, and send it to john.wyk@landlords.org.au. We'll handle the rest, providing a report promptly, within 2 business days.

Secretary's Report

Peter Savvas

Dear Members



LANDLORDS'

ASSOCIATION (S.A.) INC.

I hope you all had a merry Christmas and a happy and safe New Year!

When I first accepted this role, I did not realise I would have my fingers in so many pies: Facebook; RP Data; net-working events; podcasts; membership recruitment (none of which was in the job description by the way) Many times I've caught myself asking, "what have I gotten myself into?" While it has been a lot of work, I have found much personal satisfaction and reward in supporting a cause I find myself increasingly enthusiastic about.

The following is a little excerpt on what the association has been working on.

Facebook (FB)

Thanks to Melissa Savvas, our FB page is up and running. We have posting as regularly as time permits and have had quite a reasonable response to our posts.

We currently have 150 followers who will be notified if we make a new post. We are working diligently to grow this.

How can you help?

If you have FB, please:

1. "follow" us,
2. "like" the posts.
3. "share" them on your timeline or on your friends' timelines.
4. comment on the posts and interact with other people who have made comments.

All these things help the posts to travel further into FB world and reach more people.

RP Data

RP Data is now fully functional. Members need only to email me and I can provide the following:

1. Valuation Reports
2. Rental Estimates
3. Suburb Statistics Reports

4. Comparative Market Analysis
5. Rental Comparative Market Analysis

Members are entitled to 4 free reports per year. So far at least two members have requested Rental Valuation Reports and have realized they have been significantly undercharging tenants by as much as 30%. Both members now have credible data to justify the increase should the tenant lodge a dispute.

If you have any questions about how the data might be used in a practical sense, please feel free to give me a call.

Podcast

In November, Marco and I created our first podcast which is available to watch on YouTube by clicking [here](#). We were aiming to create one in December but ran out of time due to other pressing issues. We have been in discussion with other stakeholders who share our position on many of the current issues and they have agreed to come on our podcast to discuss their point of view with us. We see this as a terrific opportunity to promote our cause and align ourselves with other like-minded businesses and associations.

WATCH THIS SPACE!

Podcasts will be posted to our FB, YouTube, and website.

General Meeting

I am looking forward to some ROBUST DISCUSSION at the next General Meeting. Michelle Lensink will be attending to give her perspective on the changes to the RTA and answer from the audience.

I STRONGLY ENCOURAGE YOU TO ATTEND THIS MEETING as a good turnout is a sign of strength in numbers. If you know anyone who may be interested in attending, feel free to invite them. Membership is not required for attendance and may be a good opportunity to recruit more members.

Newsletter

In order for us to represent your views and better understand the issues that are affecting you, I would like to include a "letter to the editor" section for the newsletter.

If there is anything that you would like to comment on, or information you feel would be of value to other members, please feel free to email me what you would like published.

Finally

There is a lot of work to be done to support the organisation in achieving its lofty goals. So far, I have enjoyed this challenge and, as I said, have found it personally rewarding.

If you have some free time on your hands and a particular skill set you might be able to offer the Association, please consider nominating as a committee member. We would love your help and your efforts will be going to a good cause!

Sincerely,

Peter Savvas
Secretary
secretary@landlords.org.au
0419 898 941



Legislated Changes in More Detail!

By Marco Arnese
Vice President

I strongly believe that as long as the Greens and Labor hold the balance of power, these changes are here to stay. The Greens, at a federal level, call themselves the party of renters! Hence if you think that this will be end of change when it comes to the Residential Tenancy ACT, THINK AGAIN!

I would like to take this opportunity to highlight, in more detail, the changes to the legislation. The document I have read is 57 pages, so expect changes to hurt! This article should technically be read in conjunction with the legislation; however, you should get an idea of what the changes are about. I must state from the onset, that this is my INTERPRETATION of the changes... I'm not a Lawyer!

...this will obviously make a landlord's property almost impossible to rent out...

Amendment number 8 – “Advertising premises and misleading etc. conduct” So if for example your house was used as a drug lab then you would need to tell prospective tenants that this was indeed the case. I think that this is fair but with conditions. If a landlord has done everything reasonable (steps to be outlined in regulations perhaps?) to remediate the property, then why should this be disclosed? If this is still required, then this will obviously make a landlord's property almost impossible to rent out.

Amendment number 26 – This relates to keeping pets on the property - The Liberals are talking about a pet bond. We have some issues with this. WA has a pet bond of \$260.... What do you think you could repair with \$260??

Amendment number 30 – Refers to making Alterations to the premises. It's not clear what minor alterations are. These are to be fleshed out in the regulations.

Amendment number 33 – Statutory Charges. Committee was unclear whether water supply charges will have to be paid by the Landlord.

Amendment number 35 – This relates to subletting. The Law currently states that a landlord cannot unreasonably withhold consent. However, what generally happens is that the tenant goes and sublets it anyway without permission and then expects the landlord to fight the case. We believe that any subletting without consent should be illegal. We believe that at a minimum the law should read: “An assignment or subletting of the whole or any part of the premises without the landlord's consent is invalid unless prior approval by the tribunal has been obtained.”

Amendment number 36 – Maximum liability following tenants' termination of a fixed term lease. “Tenants not liable to pay more than one month's rent for each 12 month period” A fixed term lease gives security to BOTH landlords and tenants. Why should there be little consequence for a tenant to terminate a fixed term lease?

Amendment number 43 – Notice of termination by landlord on ground of breach of agreement – ‘landlord's duty to mitigate losses.’ How can a landlord mitigate any loss when it comes to non-payment of rent?

Amendment number 47 – This amendment removes your right to end a fixed term lease at the end of the agreed period. We believe there should be natural justice. If a tenant has done the right thing, then why would the landlord not renew? Then

why should we involve the courts? This is just a waste of taxpayer's money.

Amendment number 51 – Tenants will have the right to terminate a lease giving a minimum of 7 days' notice under certain conditions. Now when it comes to termination due to the condition of premises it talks about prescribed circumstances. Again, this is unclear, and these terminations should only be allowed and enforced by SACAT.

Amendment number 53 - 90A – ‘Tribunal may make orders in relation to retaliatory behaviour’. On face value this seems like a fair amendment, but unless SACAT isn't provided with more FUNDING, then because these cases will be very hard to prove all this will do is bog down SACAT - blowing out already long waiting times for legitimate issues for both landlords and tenants.

Amendment number 58 – “Action to deal with abandoned property” – I have been made aware that the government will amend the regulations to state that tenants will have 7 days to deal with their property. We shall wait and see!

Amendment number 87: “Termination of rooming house agreement” You will only be able to terminate using a prescribed reason.

Amendment number 88 – “Abandoned property in rooming house” Time given to landlords to deal with left property will be dealt with in the regulations. so there is uncertainty. but it's expected to be in the vicinity of 7 days.

Unfortunately, as is always the case with new laws, somebody needs to test them! Hope this has given you more of an insight into the proposed laws.

Tenant Triumph or Landlord Loss?

Insights into SACAT's Section 93(4):

By John Wyk
Assistant Secretary

This item is superficially about a matter I encountered at a recent SACAT hearing, but also about an underlying issue of transparency in public administration.

I had a tenant whose partner (allegedly not living at the property) caused physical and emotional harm to neighbouring tenants. A few years ago, I encountered a very similar situation. A neighbouring tenant affected by the behaviour took the matter to the Tribunal. Despite numerous police reports and witness statements, and my support as landlord, the Tribunal gave the offending tenant another 6 months trial period by way of an adjournment. Given that experience I decided that discretion was the better path to valour and gave the tenant 90 days' notice without reason to vacate the property. The tenant with the support of a welfare agency brought rent arrears (but not water charges) up to date within reason. At the hearing the Tribunal member applied section 93 (4) to suspend the operation of the order for possession for 90 days, presumably on the basis that the Tribunal was satisfied that immediate vacation of the premises would cause severe hardship to the tenant.

Firstly, fellow landlords should be aware of this provision in the legislation and that its application is likely to become more prevalent.

My other concern is that in this case the tenant had much more than 90

days' notice to vacate the property prior to the hearing. In fact, I had given, at the request of the welfare worker, some extra time to vacate. The tenant then asked for a postponement of the hearing for a further two weeks. It was hardly 'immediate vacation'.

On what basis is the Tribunal satisfied that the tenant would suffer severe hardship? Are there guidelines on how to exercise this discretion? Are they publicly available? What rules of evidence are applied to claims by the tenant of potential severe hardship? And surely there are broader issues beyond just the tenant's welfare up for consideration in the matter.

On what basis is the Tribunal satisfied that the tenant would suffer severe hardship?

93—Order for possession

(1) If a residential tenancy is terminated by notice of termination under this Act or, in the case of a tenancy under which the South Australian Housing Trust is landlord, under the residential tenancy agreement, the landlord may apply to the Tribunal for an order for possession of the premises. Note—The landlord may not make the application if the notice of termination is ineffectual under section 92A.

(2) If the Tribunal is satisfied that the tenancy has been terminated, the Tribunal may make an order for possession of the premises.

(3) The order for possession will take effect on a date specified by the Tribunal in the order, being a date not more than seven days after the date of the order unless the operation of the order for possession is

suspended.

(4) However, if the Tribunal, although satisfied that the landlord is entitled to an order for possession of the premises, is satisfied by the tenant that the grant of an order for immediate possession of the premises would cause severe hardship to the tenant, the Tribunal may—

- a) suspend the operation of the order for possession for up to 90 days; and
- b) extend the operation of the residential tenancy agreement until the landlord obtains vacant possession of the premises from the tenant.

(4a) In extending the operation of the residential tenancy agreement, the Tribunal may make modifications to the agreement that it considers appropriate (but the modifications cannot reduce the tenant's financial obligations under the agreement).

(5) If the tenant fails to comply with an order for possession, the landlord is entitled to compensation for any loss caused by that failure.

(6) The Tribunal may, on application by the landlord, order the tenant to pay to the landlord compensation to which the landlord is entitled under subsection (5).

Landlords' Association (SA) Inc offers its members access to CoreLogic's RP Data service.

CoreLogic's RP Data software emerges as a game-changer for landlords and residential property investors, offering an array of benefits that elevate property management and investment strategies. With real-time access to comprehensive property data, landlords gain a competitive advantage in making informed decisions. RP Data simplifies the rental market landscape, providing crucial insights into tenant histories and market trends.

For landlords, the software facilitates accurate property valuation and optimal rental pricing for increased returns. Investors, on the other hand, benefit from predictive analytics that pinpoint emerging opportunities and potential risks, allowing for strategic portfolio adjustments. RP Data streamlines the due diligence process, providing a thorough understanding of an area's growth potential and investment viability.

In an industry where timing is crucial, CoreLogic's RP Data empowers landlords and residential property investors to stay ahead, optimizing their returns and navigating the ever-evolving real estate market with confidence and precision.

Click [HERE](#) to access your FREE reports and see the full Ts & Cs

Accessing Landlords' Association (S.A) Inc. Website



Please Go to:

- landlords.org.au
- Click on 'member log in'
- Click on 'lost your password'
- Type your e-mail address
- Check your email account for the LASA reset request email, open it and click on the link
- Change your password

Click [HERE](#) to see our full range of member benefits or visit our website and click on the membership tab at the top of the page landlords.org.au.

GENERAL MEETING AGENDA ITEMS

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- APOLOGIES
- GUEST SPEAKER
- MINUTES OF THE PREVIOUS MEETING
- BUSINESS ARISING FROM MINUTES
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46 Metala Road Paralowie SA 5108

All general enquires to be directed to John Wyk on: 0419 804 509

All Media Enquires to be directed to Marco Arnese: 0415701691

Email: lasa.info@landlords.org.au

Current Committee Positions and contact details.

President

Margaret Kohlhagen
president@landlords.org.au

Vice President / Public Officer

Marco Arnese
vicepresident@landlords.org.au

Secretary / Editor

Peter Savvas
secretary@landlords.org.au

Assistant Secretary

John Wyk
john.wyk@landlords.org.au

Treasurer

Melissa Savvas
treasurer@landlords.org.au

Assistant Treasurer

Patricia Webb
assistanttreasurer@landlords.org.au

Membership Officer

Rodney Webb
membership@landlords.org.au

Webmaster

Arnulf Anders
arnulf.anders@landlords.org.au

General Committee

Milos DJOKIC
milos.djokic@landlords.org.au