

## Residential Tenancies and Rooming Accommodation and Other Legislation Amendment Bill 2024

**Submission No:** 18  
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**Publication:** Making the submission and your name public  
**Attachments:** No attachment

### Submitter Comments:

\* Introduction of a rental bond roll-over scheme to allow bonds to be transferred between tenancies. A bridging bond loan product will be introduced by the Department of Housing, Local Government, Planning and Public Works (the Department) while this scheme is established to assist eligible households to afford the upfront cost of a new bond, pending the release of their old bond. Rental Bond transfer has always been an option for many years now, however, it is very rarely used due to the fact there is no guarantee that the tenant will not lose a part or all of their bond at the exit of the property. In the past this is something that all parties had to agree to and will be interesting to see if this remains the case. With the proposed introduction to a bridging loan for bond transfers may be what is needed to cover the gap.

\* Rent bidding and acceptance of higher rent offers will be banned and penalties enforced. Rent bidding or rent auctioning has already been banned in QLD for some time now with agents having to advertise with a set price and can NOT pit tenants against each other. However, tenants have been able to offer higher or lower amounts if they choose but can not be encouraged to do so. This proposed remove tightens up on this by also removing a tenants option to offer a higher price and that owners/agents could face fines if higher offers are accepted. While advertising at a good market rate has always been key this proposal removes a key negotiating tool for some tenants. However, it does drive focus more toward the history and quality of the application to try and provide an even playing field for all tenants. Should this proposal come into effect it could make strong pricing in an already strained market even harder.

\* Rent increase frequency will be tied to the property, instead of the tenancy. This proposal from an owner and agent perspective is fraught with issues and tracking complications. In a real-world scenario would have little impact on tenants as a whole directly. However, it does massively undermine an owners control and ability to manage their investment effectively. We have already seen in the industry the almost complete extinction of periodic tenancy (sometimes called month-to-month) and 6 months lease after the last draft of rental reforms. The more the government removes the owner and tenants ability to negotiate the more it forces owners not to offer these options. Our industry is working to fight for a more even balance approach. However, we can only predict that should this pass it will continue to drive the current industry standard of 12 month leases ONLY! This will further remove any willingness from owners to offer future flexibility.

\* New framework for parties involved in a tenancy to agree on installation of minor modifications. Minor alterations has been talked about for some time now, on a face value this doesn't seem like a big issue. However, problems here could arise at vacate with tenants often not making good on returning the property to original condition. I expect this could lead to a significant increase in bond claims and QCAT hearings. Depending on how the draft is put forward and the conditions yet to be outlined will alter our industries advice.

\* Entry notice requirement to change from 24 hours to 48 hours' notice. In most cases agents and owner are already giving plenty of notice and the vast majority of trades arrange access with tenants directly. In certain circumstances other than emergency this could be inconvenient. But overall, would likely have very little impact on our day to day processes.

\* Fee free options for tenants to pay rent. This has been a misunderstood part of our legislation for a long time with a lot of Property managers already of the belief that a FREE option was to be provided. However, this change would solidify that misconception and make it a MUST for all owners and agents. Our office already has this option and has done for some time now.

\* Prescribed timeframes for when tenants must receive utility bills for payment. This has been a long-contested issue with a plethora of QCAT cases only allowing water charges back as far as 6 months. It has been industry best practice that if a bill is older than 6 months then it is beyond

recovery, unless the tenant agrees. Depending on what the exact time frame proposed are will make it ever more important for owners to have there water bills either redirected to the agency directly or risk missing out on the opportunity to recover water cost. We are happy to say that our office already accepts over 90% of our owners water bills directly.\*Code of Conduct for the rental sector This item is interesting, and it will be interesting to see if and what may be proposed. This proposal could lead people to believe that Real Estate Agents are running around unchecked like cowboys in the Wild West. However, this is far from true, our industry already has a code of conduct, as governed by the Office of Fair Trading. Depending on what draft is put forward, we can not see this would have any direct impact on our industry but may be overly restrictive in some aspects. For now we can only wait to see what is presented.\*Standardised rental application form Having a standard form would have very little if zero impact for tenants, owners and agents, most forms paper or digital all ask the same questions. Giving the industry a set form may only look to restrict our ability to ask further questions.\*Limiting break lease/reletting fees based off time left on tenancy agreement Other states have similar laws already e.g. break lease 6 months into a 12 month lease = half break lease costs. Currently within reason if a tenant breaks lease at almost any point they are liable for all reletting costs including lost rent. Providing some frame work around amounts and time frames would let all parties know from the start where they stand.