

A word from the Director.

Let me share with you a personal and ongoing situation that involves “no cause eviction” or in Victoria they call it “no grounds eviction”.

We own an apartment in Melbourne. We rented it out for 6 months, with the intention of having it vacant in time for winter so that we could use the apartment for personal use, eg weekend trips to the footy or the snowfields.

The tenant was happy with the arrangement as he was from Sydney and said that he was in Melbourne for work and only needed it for 6 months. At the end of the 6-month lease, his work contract had been extended and wanted to stay on a month-by-month arrangement, which was okay with us at the time.

During his tenancy, he was in arrears for a period of five or six weeks and provided an explanation that he was the victim of a banking scam, and his bank were going to reimburse him for his losses at the conclusion of their investigation. We asked for evidence, but it was never forthcoming.

We were patient for a while but had our property manager put pressure on him and we eventually breached him, he paid up. Wasn't long and he was in arrears again.

More recently, the tenant emailed our property manager threatening legal action and complaint to the regulator for breaches of the Victorian Residential Tenancies Act, because he lost his FOB and was unable to convince the Concierge to create a new one for him. He claims that he had to wait 7 hours in the lobby before he could access the apartment and that he was advised by the concierge, that the owners needed to provide consent in order for them to create a new FOB. He was unhappy with that and claimed to have paid a locksmith \$700 to gain access to the apartment and he wanted to reduce the rent owing by \$700 as compensation. We asked for a copy of the receipt, knowing full well that is not possible for a locksmith to access the apartment as the same FOB system also accesses the front door and the lift. He has refused to provide the receipt.

The lease had expired months prior, and I asked our property manager to terminate the lease as the footy season had started, and we wanted access to our apartment again. The property manager explained that it was not possible to terminate the lease without grounds (which I kind of knew).

At this very moment in time, the tenant is now only 5 days in arrears and I'm instructing the property manager to breach him again. But unlike in WA, in Victoria the tenant has to be 14 days in arrears before you can even issue a breach notice.

Worse still, here's what our property manager says: "Don't worry, I had been planning to breach him which we can only do when he hits 14 days in arrears. We would be able to serve him with a notice to vacate that gives him 2 weeks to either pay the owing rent or leave. If he pays, it means he will be able to remain, if he does not pay or leave by the termination deadline, that's when we apply to VCAT for forced possession of the property." It gets worse... I'm told this can happen up to 5 times before VCAT (Victorian version of our SAT) finally terminate the lease.

We can't wait that long for him to eventually be terminated on the grounds of non-payment of rent. Our alternative, which we have initiated this week, is to make application to the VCAT for possession of our property on the grounds of occupancy by the owner (Sec 91ZZO of the Act). So just this week, we signed a Stat Dec saying we were moving into our property and that it would not be available again for rent in the near future, for submission to the VCAT to gain an order for possession. Assuming our application gets approved, the lease will be terminated, and the tenant is then given another 60 days to vacate. In the meantime, the tenant has advised our property manager that the TV stopped working and he had to buy a new one and, yes, he wants a reduction in rent as compensation and no, he has failed to provide any evidence of such.

On 1 May this year, NSW adopts similar “no grounds eviction” laws. Do we want this in WA? Tenant advocacy groups and left-wing politicians say yes. We dodged it at the last review of our WA Residential Tenancy Act but if we follow suit, like most other changes that happen in the east, it could be introduced within the next review. Our experience with “no grounds eviction” means that our apartment will be pulled from the fixed term rental market and I'm guessing we are not on our own. Stay tuned and I'll let you know the out in our next newsletter or feel free to reach out to me if you have had a similar experience.

Glen O'Brien

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Salt Property Group
Newsletter

March

Company News

Olivia Begins Maternity Leave

We are excited to announce that Olivia, a valued member of our team, has commenced her maternity leave as of the 20th of March.

Throughout her time with us, she has consistently demonstrated dedication, hard work, and a positive attitude, and we will miss her presence in the office.

We wish her all the best as she embarks on this exciting new chapter of motherhood, and we look forward to welcoming her back when she's ready.

A friendly reminder that during the time of Olivia's leave, she will not be answering any emails. Thank you for your understanding.



Perth Property Market

Industry Wrap Up

Property Prices Are Growing, But Buyer Behaviour Is Changing

REIWA CEO Cath Hart said while property prices continued to grow, there was a definite change in buyer behaviour.

"Last month we reported buyers were being discerning and taking their time in their purchasing decisions. They are also being very prudent when it comes to prices and making an offer," she said.

"A year ago, FOMO saw buyers seek to borrow as much as they could in order to secure a home. Now they are looking at what they can comfortably afford to repay.

"While many sellers are still getting multiple offers and an outcome above the asking price, people looking to list their home now will have a different experience to sellers last year with moderate price growth, homes taking slightly longer to sell and fewer homes selling at the first home open.



For Sale - Contact Glen O'Brien on 0418 923 123

10 Willcock Street, Ardross Delightful Character Home in Development Area

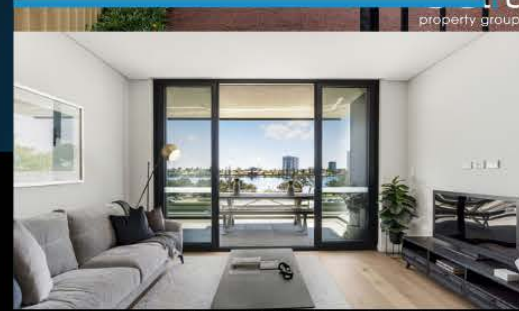
- Spacious 4x2 with glistening pool
- 1121sqm block with expansive curved frontage
- Applecross High School just 750m away
- Ripe for future development



For Rent - Contact Onyi Ishola on 0421 189 217

39a Money Road, Melville Spacious Family Home!

- Spacious 3x2 - with study / 4th bedroom
- Upstairs & downstairs living areas
- Master bedroom with balcony access
- Secure rear gated property
- Secure storage room off car port
- Open plan living / dining / kitchen
- Split system air con to main living areas



For Sale - Contact Dane McKnight on 0435 377 647

Lvl 1, 4/4 Paterson St, Como

Spectacular Riverview Apartment

- Unobstructed, forever river views
- Double glazing throughout
- Spectacular finishes throughout
- Lap pool with views
- Extremely secure with intercom & gated access

Client Testimonials

Craig Peterson



Andrew Shue at Salt Property is the property manager for our commercial properties and we cannot recommend him more highly. He runs the properties as though they were his own, is fair but firm with the resolution of issues and has a high degree of communication skills.

An experienced property professional who has become an integral part of our 'team'.

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As a prospective buyer I have had the pleasure of dealing with Dane Mcknight from sales over the past week and I must say I am impressed with his ability to provide information and documentation and how helpful he has been to deal with.