

24 April 2020

THE REIQ ACHIEVES MORE FAIR & BALANCED PROTECTIONS FOR BOTH LANDLORDS & TENANTS

Having run what was the shortest grassroots campaign in its 102-year history, the Real Estate Institute of Queensland's (REIQ) fight for more fair and balanced COVID-19 special protections for both tenants and landlords under the Prime Minister's no evictions moratorium ended after only three days. With almost 400,000 letters of protest downloaded and delivered to Premier Palaszczuk's office as well as all 93 local MPs around the State, the Queensland Government conceded within 72 hours.

"At its core, our *Everyone Matters in Real Estate* campaign really resonated with every investment property owner's right for protection too during the COVID-19 pandemic. The response was incredible, their voices have clearly been heard and the Palaszczuk Government has listened," says Antonia Mercorella, CEO of The REIQ. "We have always supported special protections for tenants during COVID-19. That has never been in question. However, what was essential were special protections that supported the safety and stability of housing for all Australians meaning any relief in hardship conditions for tenants was also required for landlords."

The REIQ worked with the Palaszczuk Government and other industry stakeholders as part of a new COVID-19 Housing Security Sub-Committee to oversee the implementation of COVID-19 response measures. Temporary amendments to the *Residential Tenancies & Rooming Accommodation Act* were introduced and passed in Parliament late Wednesday night via the *COVID-19 Emergency Response Bill 2020*, which include the following special protections:

1. A tenancy will be deemed to be "COVID-19 impacted" if a tenant is impacted by COVID-19 in certain ways and in addition, the tenant has suffered a loss of income of 25% or more, or the rent payable is 30% or more of a person's income. Importantly, if there is more than one tenant or resident under the residential lease, the tenancy will be COVID-19 impacted if each of the tenants or residents has suffered or is suffering excessive hardship and there has been a loss of 25% or more of the combined total income for all tenants and residents or the rent must be 30% or more of the combined total income of all tenants and residents. For this purpose, income is the total weekly income after tax, including any government payments.
2. If a tenancy is COVID-19 impacted, the tenant/s have the ability to enter into rent negotiations with their landlord in good faith with the requirement of providing appropriate documentation of financial hardship. The parties should try to negotiate a new rent amount that is reasonable and affordable, based on their changed circumstances, as well as any conditions including whether any rent repayments need to be made and the timeframe for the rent adjustment. Each negotiation should also consider the circumstances of the property owner and any hardship they may be experiencing.

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3. A tenant will be protected from eviction if they cannot pay some or all their rent because they are suffering or have suffered excessive hardship because of COVID-19 between 29 March and 29 September 2020 and their fixed-term must be extended to at least 30 September 2020, unless the tenant/s request a shorter term.
4. Despite the extension mentioned at item 3, tenants and property owners can end tenancy agreements for approved reasons.. For property owners, a 2-month notice for a tenant/s to vacate a premises can be issued if:
 - The property owner is preparing to sell the property and the preparation requires the property to be vacant or they have entered into a contract for sale of the property with vacant possession; or,
 - The owner or a member of their immediate family needs to move into the rental property.In addition, tenants can end a tenancy agreement with or without grounds after providing the required notice. While all existing approved reason to end a tenancy remain unchanged, new temporary approved reason during the COVID-19 emergency period now include:
 - If the tenant or resident believes they can no longer safely continue to occupy the rental property because they are experiencing domestic and family violence; or,
 - Within the first 7-days of moving into the rental property, the tenant finds the property is not in good repair and unfit for human habitation.
5. Eligible tenants who need to end their fixed-term lease early because of COVID-19 impacts will have their break lease costs capped at the equivalent of one week's rent, after giving the required 2 weeks' notice period to end the tenancy. To be eligible for capped break lease costs, the tenant or co-tenants collectively must have lost 75% or more of their income and have less than \$5,000 in savings. The tenant/s may be asked to provide information to support that they meet these eligibility requirements.
6. New entry provisions into rental properties are in line with public health directives and advice, and permit:
 - Routine repairs or to carry out maintenance of the premises (including the inspection of repairs);
 - Emergency repairs which are deemed an essential service (including the inspection of repairs);
 - To show the premises to a prospective buyer or tenant;
 - To allow access for valuations of the premises to be carried out;
 - If the landlord or property manager believe, on reasonable grounds, the premises have been abandoned; or,
 - If the landlord or property manager has issued a tenant with a notice to remedy a significant breach of the agreement and a follow up inspection of the premises is required.

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Tenants may deny entry into rental properties in line with public health directives and advice., This includes circumstances of self-isolation directives and/or quarantine periods. The REIQ recommends that real estate professionals continue to carry out virtual routine inspections until social distancing restrictions are curtailed.

“As our campaign message highlighted, everyone really does matter when it comes to real estate because we all need shelter. What’s more, a stable real estate sector is also critical for our economy, for consumer confidence and shifts in sentiment, for government revenue – meaning real estate needs to continue to transact, and for employment, with real estate the second largest employer in Queensland,” adds Ms. Mercorella.

“For the Palaszczuk Government’s *COVID-19 Emergency Response Bill 2020* to be successful, it was critical that the special amendments provided protections for all parties, including landlords. Many mum and dad investors can barely cover the various costs associated with owning an investment property even with rent coming in. There are also many self-funded retirees whose only source of income is derived from an investment property. As the industry peak body, had we not campaigned for the changes necessary to achieve more fair and balanced protections for all parties, the Queensland Government’s original proposals would have placed countless families into financial hardship, at risk of bankruptcy and forced to sell their properties.

“Real estate professionals manage close to 600,000 Queensland households through property management services. This is why It’s also critical that the role of real estate professionals are endorsed an essential service so we are able to achieve what the Palaszczuk Government’s *COVID-19 Emergency Response Bill 2020* – for property owners and tenants ‘to negotiate in good faith and come up with arrangements that enable them to get through this crisis.’ This is where the role of real estate professionals are needed more than ever as most tenants don’t negotiate directly with property owners.”

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About The REIQ: The Real Estate Institute of Queensland (REIQ) is the state’s peak professional association for real estate practitioners across the state. The Association’s purpose is to make important contributions to government policy direction, industry research and development, tailored educational programs and training, and the promotion of industry standards.

Media enquiries:

Olivier Björksäter-Bleylock

T: 0417 623 723 E: media@reiq.com.au