

Strata industry braces for new rental reforms

After years of back and forth, new tenancy laws come into force in Queensland on October 1, 2022, that are set to challenge landlords and tenants alike.

The first changes triggered by the new *Housing Legislation Amendment Bill 2021* came into effect in October 2021, strengthening protections for renters who were experiencing domestic and family violence.

The next suite of changes starts from October 1 this year and includes:

- A new framework to negotiate renting with pets.
- Changes to the approved reasons to end a tenancy; and
- changes to repair orders where a tribunal has ordered emergency repairs to take place.

Each of these elements pose considerable implications for renters and landlords.

Shots have already been fired between the landlords' advocate, the Real Estate Institute of Queensland (REIQ), and the renters' champion, Tenants Queensland (TQ). Claim and counterclaim have been issued and there is confusion amid the gun smoke.

If heartache is to be avoided, it's important for all parties to be aware of how these new regulations will work and where their rights and responsibilities lie.

Let's start with the new framework to negotiate renting with pets

Pet ownership in strata schemes is possibly the single-most contentious issue that confronts tenants, owners,



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bodies corporates and strata managers. Emotions run high in any discussion that affects how people live in their own home. Add a fluffy brown cavoodle into the mix, and the emotions go off the Richter scale.

The new framework contained in the regulations still requires pet owners to seek written approval from a landlord to have a pet on a property, as is currently the case.

However, from October 1 the onus now switches to the property owner or manager, who must provide a specific reason as outlined under the Act to refuse a pet request.

For those renting in units, apartments or townhouses there are also body corporate bylaws that must be adhered to; however, as has been shown countless times, there is no such thing as a 'pet free' building under Queensland regulations. There will be increased focus on body corporate committees to ensure they have bylaws that actually comply with state regulations.

Owners and property managers can specify 'reasonable conditions' for pet owners wanting to bring a pet into their rental accommodation, but they cannot require a pet bond.

When it comes to ending a tenancy

The new regulations provide



clarity for tenants about their rights as a lease nears its end date. No longer will an owner be able to end a tenancy 'without grounds'.

New reasons to end a tenancy include:

- A fixed term tenancy is coming to an end;
- the property is being prepared for sale or being sold;
- the owner or a relative is moving in;
- change in property use;
- the owner is doing significant repairs, renovations or demolition.

Equally, tenants have been given additional reasons to end a lease, including:

- The property is not in good repair.
- The owner has failed to comply with a repair order.
- A co-tenant passes away.
- No longer a student (if in student accommodation).

There are also new rules around misrepresentation from an owner regarding a property and its inclusions, as well as retaliatory action taken by an owner.

Interestingly, the REIQ has responded by recommending its members issue every tenant

with a notice to leave at the same time as they are offered a new lease to overcome the potential difficulty of ending a tenancy when it converts to periodic. Expect to see more tactics like this emerge as the new regulations are bedded down.

Repair orders are a contentious topic between landlords, property managers and tenants. The new regulations provide a framework that is designed to have repairs actioned in a more timely manner. A repair order will be attached to a specific property and not the tenancy, and owners will be required to complete repairs within a specified time. If a repair order is in place, it must be disclosed to any new tenants.

There are a few other aspects covered in the new regulations regarding condition reports and property repairs that owners and property managers should familiarize themselves with.

There won't be much respite until the next suite of regulatory changes come into effect on September 1, 2023, where minimum housing standards apply for new tenancies from that date, and for all tenancies from September 1, 2024.

For a detailed discussion of all the implications of these new rule changes, see our webinar. ■