

Bonny Hills, 30th October 2017

Attn: NSW Planning Commission

Subject: feedback to Short Term Holiday Letting Options paper

Dear Sir, Madam

I have read the NSW Government options paper regarding Short Holiday Letting and would like to share my feedback as NSW regional home owner and professional property manager. And also provide you with my suggestions supported by local statistics.

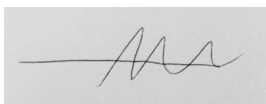
I have been renting out my own primary place of residence in Bonny Hills, part of the greater Port Macquarie area (regional NSW) since May 2015 while working away in Sydney and commuting back and forth. In late 2016 i moved to the Port Macquarie area permanently and have established a boutique agency providing holiday rental property services to property owners, most of whom reside outside the area.

My portfolio represents 15 properties at the moment.

I understand the Government is examining to broaden Strata responsibilities, limit lengths of stay and maximum occupancy rules per room, and also introduce more registration procedures for holiday houses with local councils and/or industry bodies.

Please find my opinion summarised below. If you would like to receive more statistics and graphs, please do reach out.

Kind regards

A rectangular box containing a handwritten signature in black ink, which appears to read "Susan de Jonge".

Susan de Jonge

Principal

SOLscape holiday rentals

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SOLscape's opinion on the Short Term Holiday Letting Options Paper:

1. REGIONAL VERSUS METROPOLITAN DIFFERENTIATION IS CRITICAL: REGIONAL HOLIDAY LETTINGS ARE **NOT NEGATIVELY IMPACTING LOCAL HOUSING AFFORDABILITY. REGIONAL HOLIDAY HOMES WILL NEVER BECOME AVAILABLE TO THE PERMANENT RENTAL MARKET**

- Metropolitan and regional rules and regulations should vary, currently this does not seem the case in the options paper?
- The majority (85%) of holiday properties that I represent will never become available for permanent tenancy. Instead the homes are used by owners themselves throughout the year, mostly during school holidays. Or the owners live here year round and rent out their primary home during peak holiday times while they travel. Less wear and tear is also a key factor for owners to opt for holiday renting over permanent tenancy.
- Hence regional holiday homes are not negatively impacting the residential housing availability in the area.
- In addition, regional houses in the Port Macquarie area attract a different clientele than metropolitan area. We host mostly families and couples, rather than party groups on a city weekend trip, hence it would be unfair to apply the same rules and regulations state wide.

2. POTENTIAL ISSUES ASSOCIATED WITH SHORT TERM RENTING SHOULD BE MANAGED BY PROPER PROCEDURES AND PROCESSES, NOT BY INTRODUCING MINIMUM AND MAXIMUM STAY RESTRICTIONS. ISSUES ARE NEGLIGIBLE SINCE THEY REPRESENT <1% OF BOOKINGS.

- Introducing minimum and maximum stay rules or restrictions related to the number of bedrooms or number of days a property can be rented out during the year in regional NSW defeat the issues (e.g. noise, parking issues) that the government is trying to tackle.
- The number of incidents related to holiday letting in the greater Port Macquarie region is negligible. Last Financial Year 2016-2017 SOLscape received 2 complaints across 313 bookings, across 10 properties, that represents less than 1% (0.0006% to be exact).
- Most of our guests are families, not party crowds. The majority of guests are multiple families and couples. Multiple families being grand parents, their children and spouses and grand children that meet in the middle (coming from Sydney, Brisbane, Newcastle) for a yearly holiday in the Port Macquarie region. They stay for an average stay of 3-5 nights.



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- Party crowds can and should be controlled by proper procedures and processes, starting with tenant selection (like the checks agents do for permanent tenancy). The professionalism and experience of a host or their representative agent plays a large role in the management and control of issues.

3. IMPOSING RESTRICTIONS WILL DAMAGE THE LOCAL ECONOMY AND REGIONAL JOB CREATION, AS WELL AS THE NATIONAL ECONOMY.

- In the Port Macquarie region we pick up many 1 night stays from travellers up and down the coast going from Canberra and Sydney to Brisbane and vice versa. This stimulates our economy and creates jobs. Since these guests go out to local coffee shops, restaurants and other retail outlets.
- SOLscape provides regular work for many local sole traders and small businesses such as cleaning staff, laundries, wineries, tourist operators, landscaping businesses, maintenance and repairs businesses. A significant part of these jobs will be lost with more restrictive regulations.
- SOLscape's average occupancy rate across all properties is 40% per annum, e.g. an average a property is booked 146 ofout 365 days per year. Where do the domestic tourists go if restrictions would be introduced for the number of nights a property can be rented out per annum? Most likely the domestic tourists will go to overseas destinations whereby Australia's economy as a whole will loose out.

4. IF ANY RULES ARE INTRODUCED THEY SHOULD BE EQUAL ACROSS PROPERTY OWNERS, MANAGED BY INDUSTRY SELF REGULATION AND 'SIMPLE' REGISTRATION

- More rules complicate this industry and creates compliance difficulties. That does not benefit any party involved.
- As real estate agents we already comply with codes of conducts in terms of administration and complaint registers, this is nothing new. Short Term Holiday Letting should follow along those same principles by applying **Industry Self Regulation** via adhering to a common **Code of conduct**.
- Any rules, if any at all, should be fair and equal for property owners that rent out their property privately themselves and where the host is present or owners that use a property manager as their representation. It is unfair to introduce a different set for rules for hosted or non-hosted properties since non-hosted property owners already go the extra mile by engaging professional agencies to represent their affairs.
- Including Short Term Holiday Letting in Strata rules should be carefully examined and seems to more suited to metropolitan areas. By-laws to manage visitors behaviour may be best suited for the latter areas.
- If any rules are needed, we opt for 'self-regulation'.



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- **Registration of the Short Term Holiday Letting intent** to council or an independent Government or Industry body similar to the current practices in WA, seems doable, realistic, straight forward and informative. Assuming the data provided is used for statistical reasons and safety reasons only, and will not be used or morphed into extensive compliance monitoring processes that would be a waste of money and efforts to the whole industry and NSW government. Time and money that could be spend more wisely. Question remains where would the funding for this 'simple registration' come from? Nobody is waiting for additional fees that do not constitute any value in return, not to mention that many professional agents are already a member of an industry body, and by doing so have registered their intent to comply to common practice rules and regulations. Duplicating efforts should be avoided at all times.

Thank you in advance for taking this feedback into consideration. I am happy to more details where required.

+++ end of submission +++



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