

RESPONSE TO LEGISLATION ON SHORT TERM RENTAL ACCOMODATION

Dear Sirs,

We are writing to express our strong opposition to the new legislation that is being proposed relating to short-term/holiday rentals. We believe it adds no benefit and that current legislation, if applied properly, is more than sufficient to deal with the concerns that this new legislation allegedly attempts to address.

This proposed new legislation will have serious financial implications for folks, such as ourselves, who have taken significant decisions in good faith, to now be put in a position whereby the basis on which we made such decisions is being totally undermined for no good reason.

My wife and I, through our Superannuation Fund, purchased a [redacted] in [redacted] for [redacted]. You will, no doubt, be aware that Superfund rules prohibit us from being owner-occupiers so we do not have an option to occupy this property.

Subsequently we invested a further \$500,000 to renovate and furnish the property to the highest standards and in compliance with all the requirements for a heritage listed property.

In 2017 we began operating the property for short-term rentals – we have received extraordinarily positive feedback from our guests that have stayed in our property and no complaints from any of our neighbours – nor indeed anyone else.

This property carries a considerable loan as part of the investment and the income from the short-term rentals has just about been able to cover operating costs, interest payments, land tax and rates.

Having now set up this property for short-term rental it is not feasible to achieve the income we need to cover our commitments if the time period for rental is cut, as proposed, to 180 days per annum.

Additionally for us now to switch to long-term rents is costly (fully furnished properties are not practical for long term rentals) and neither will it generate sufficient income to cover our costs.

This proposed change in the law is unacceptable – we bought this property from the government in good faith as to what we could use it for – we have abided by all laws and been good citizens – we are now having our legs cut off at the ankles if the period of time each year that we can rent our place is reduced as proposed, for what we can see, as no good reason.

It seems more than unfair that the state government takes land tax on the one hand and then removes the capacity of non-owner occupied properties to pay the tax.

If the reason is noise – then use the laws already in place to manage this issue. The government should consider as a more considered and sensible alternative, to strengthen Strata laws and noise & nuisance abatement laws. They should also consider greater penalties for breaches. If noise and nuisance is the problem then the response needs to be targeted and focused. The proposal we are objecting to is akin to cutting down the trees to solve a bird problem.

If the reason is the need for affordable housing – then DO NOT sell all the properties at the highest prices possible and then change the law straight afterwards.

As we stated earlier the proposed legislation proposes non-owner occupied properties be limited to 180 days short term rentals per year – there is NO logic to 180 days - why not 211 days or indeed any other number of days for that matter – how does that number solve anything other than bring financial hardship on hardworking decent people.

We ask you to reconsider and not introduce, what is in our opinion, a very flawed piece of legislation.

Yours Sincerely,