Submission in response to the Residential Tenancies Act Options Paper

Joseph Chan
February, 2017

Option 5.7 – Reasonable inspections to show to prospective purchasers, with right to compensation for tenant

The holding of inspections for the purpose of sale is a significant imposition on the tenants right to peaceful possession of a property. Not only does it limit the tenant’s use of the property during and around the inspection time, it allows any member of the public to enter the premises and potentially places the tenants personal property at risk of theft or damage.

Therefore, I feel strongly that the number of inspections should be limited by the Act to no more than once per week, and that minimum compensation should be defined by the Act. I believe a 15-20% discount on rent for the period during which the property is advertised would be a reasonable starting point.

Option 5.12B – Assignment fee: fixed cap prescribed in regulations

I manage my rental properties privately and do not charge tenants for lease assignment, as I don’t believe the work involved warrants additional fees.

Most property management firms do not work on fee-per-service basis and therefore it seems inconsistent that fees of several hundred dollars are charged for the assignment of a lease.

I would support a nominal assignment fee, to cover costs – perhaps in the order of $50 per tenant.

Chapter 8 - Property Condition - General

Improvements in the current condition reporting system could provide a better outcome for both landlords and tenants in the resolution of issues during and at the end of leases. I have observed several issues with the current system:

- Condition reports are not lodged with an authority.
- No penalties or consequences if condition reports are not completed within specified timeframes (by either party).
- No requirement for photographs to be included in the condition report.
Condition reports are produced once at the commencement of a lease. Leases often include several changes of tenants and subsequent bond transfers, and disputes arise when tenants find they are responsible for damage which occurred before they moved in to the property.

Proposed Remedies:

- Establishment of an electronic system for lodging of condition reports with a government authority (possibly the RTBA).
- Mandatory requirement for inclusion of photographs, particularly for noted condition defects.
- Opportunity for landlord, agent, and tenants to submit condition report updates at any time during the tenancy in order to reflect changes to condition, or awareness of defects.
- A requirement for the landlord to provide an amendment/update to the condition report at the time of any bond or tenant transfer. The incoming tenant is thus aware of the discrepancies in condition since the commencement of the lease and arrangements can be made to ensure that the responsible party performs remediation or provides compensation.

8.5 Health, safety and amenity standards at point of lease

I support minimum standards for rental properties where they pertain to health and safety. However, I believe that these standards should not differ significantly those standards that apply to owner occupied properties under building regulations and standards.

I would object to any compliance requirements imposed exclusively on residential rental properties, as I believe these would introduce unnecessary costs and ultimately increase the price of rent for all tenants.

11.2.2 Notice to vacate for no specified reason

In my opinion it is not unreasonable for the landlord to retain the right to provide a notice to vacate with no specified reason during a periodic tenancy. However, I have personally experienced a situation where this has been used as a tactic to compel tenants into entering into a new fixed-term lease.

To prevent this occurrence, I propose that once a landlord has issued a notice to vacate for no specified reason, the landlord may not subsequently enter into a fixed term lease with the same tenant.