

## **Landlords sentenced without committing a crime**

For Immediate Release

*20 May 2020 //*

Triggered by the difficulties created by the pandemic and without any evidence, Parliament determined that Landlords are heartless and would evict their tenants at the first opportunity. Armed with this erroneous perception, Parliament determined that immediate legislative intervention was required to protect tenants during the COVID-19 pandemic.

We are however, entitled to ask, precisely what problem was Parliament solving?

"Bizarrely, Parliament crafted a solution to a problem they thought they might have," says REINSW CEO Tim McKibbin. "Surely, the more prudent approach is to deal with an actual problem when/if it surfaces, rather than guessing at what it might be."

"Do Landlords and Tenants really need so much red tape imposed on them to work out a deal? We should also be asking ourselves, would the existing residential tenancy laws have been sufficient to protect tenants?" says McKibbin.

"Given the speed of the solution, I cannot help thinking that there was too much politics and not enough thought at play."

"Instead of creating an environment where Landlord and Tenant were put onto an adversarial footing, it would have been far more productive to foster the *"we are all in this together"* philosophy," says McKibbin.

"We do have a few selfish people doing the wrong thing - both Landlords and Tenants - that's to be expected. However, the overwhelming majority of Landlords and Tenants have demonstrated a genuine willingness to help one another. My faith in the NSW residential rental community to voluntarily work together as one, is clearly not shared by Parliament.

McKibbin asks rhetorically, "has Parliament created a fair outcome for all, or just passed all the financial pain to the Landlord and in doing so declared the problem solved?"

"There has been no consideration given to Landlord's financial circumstances due to COVID-19 in the public narrative to date - has the Landlord lost their job?"


"Landlords are expected to reduce and/or defer the rent whilst at the same time meeting all of their obligations attaching to the property. These include: Council rates, water charges, insurances, strata fees and repairs. Some Landlords will find themselves in the unenviable position of receiving no rent but compelled to quickly respond to any repairs.

"Any deferment from mortgage repayments is not free! The banks will be charging interest on the outstanding balance. So, Landlords who are required to reduce the rent and unable to make their mortgage repayments get the double hit, reduced rental income and additional interest on their loan.

"We all hope and believe that by the conclusion of the JobKeeper program things will be back to where we all were prior to COVID-19. If that doesn't happen, what then?

"What message has Parliament sent NSW residential property investors? Let us be clear, this is not a chicken and egg question, before someone can be a tenant, we need a landlord.

"We have started to see Landlords putting their investment properties on the market. Is this the beginning of a flood, time will tell?"

REINSW CEO, Tim McKibbin is available for comment. 

**Jessica Husband + 61 423 724 080 | [media@reinsw.com.au](mailto:media@reinsw.com.au)**

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### **About REINSW**

The Real Estate Institute of New South Wales (REINSW) is the peak industry body for real estate agents and property professionals in NSW. It represents more than 2000 agencies across residential sales, property management, commercial, strata management, buyers' agency, agency services and auctioneering.

Established in 1910, REINSW works to improve the standards, professionalism and expertise of its members to continually evolve and innovate the industry. It lobbies the government and industry on behalf of members, develops new products and services to benefit agencies and professionals, and offers training and ongoing professional development. For more information, visit [reinsw.com.au](http://reinsw.com.au).