

**FOR IMMEDIATE RELEASE**

**PROPERTY INVESTORS PUNISHED WITH NEW RESIDENTIAL TENANCY LEGISLATION**

Beechboro, 24<sup>th</sup> May 2011

Last week the State Government introduced into Parliament the *Residential Tenancies Amendment Bill 2011*.

The Bill was introduced by Mr Buswell as being efficient, fair and enhancing overall clarity.

In contrast, President of the Property Owners Association of WA Adam Bettison says “the Residential Tenancies Amendment Bill as currently drafted will achieve the opposite of its intentions, increasing costs for property owners, enhancing the existing legal bias towards tenants, and creating layers of additional paperwork.”

Property owners already suffer loss from tenant arrears and malicious damage, but this new Bill has even worse news for owners because “hidden in the fine print is the big surprise for owners being new and enhanced fines. There are 57 fines in this Act, almost entirely directed at owners and not tenants, with fine amounts ranging from \$3,000 to \$20,000. Many of the fineable offences can be triggered by minor issues like sloppy paperwork. The fines are a huge disincentive to own investment property. My members are telling me they have had enough and are thinking of selling up” according to Mr Bettison.

One of the most radical of many proposed rules is a new type of bond aimed at owners, not tenants. “Now we all know about tenant bonds, but this Government has got it the wrong way around, they are going to make owners pay a bond for the privilege of having a tenant in their property. Yes that’s right, under the new rules owners can be forced to pay an Orwellian-named ‘Tenant Compensation Bond’ for their own property”.

Members of the Property Owners Association are only now receiving copies of the Legislation and are certain they will find more bad news for owners in it. “So far we are running at around 10 bits of bad news to one good in the new Bill” says Mr Bettison, “those odds are not too good for property owners.

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**Notes:**

The Property Owners Association of Western Australia Incorporated (POAWA) represents individual residential property owners and provides the resources and support to help them manage their investment. POAWA was formed in 1985 in response to the proposed new residential tenancy legislation that culminated in the *Residential Tenancy Act 1987*. More information about it can be found at <http://www.po.asn.au/>. POAWA is part of the Australia-wide network of state associations known as the Property Owners Association of Australia (<http://www.poa.asn.au/>).