



# The 10 keys to being a successful landlord

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WELCOME TO THIS GUIDE...

# If you're looking at becoming a landlord, there's a lot to think about...

But don't worry! This handbook is your helpful guide to everything you need to know as a property owner and landlord.

From managing your finances through to maintaining your rental property, ensuring you meet the Healthy Homes regulations and keeping on top of your responsibilities as a landlord, we have you covered!

Oxygen Property Management isn't just something we do on the side. Property management is all we do. We are not a real estate agency that also manages properties; property management is our sole focus and expertise. We have been managing properties throughout the wider Wellington and Hawke's Bay regions. This handbook brings together a wealth of experience gained from decades of successfully managing properties for our clients.

We look forward to putting our experience to work for you, our valued client, and helping you to enjoy the benefits of your residential property investment.

# Why choose Oxygen

As Wellington and Hawke's Bay property management leaders, the Oxygen team are experts at managing rental properties.



# Why Property Owners Choose Oxygen

Thousands of property owners trust Oxygen to manage their homes, apartments, and investments. It's what we do - and we do it well.

# Rental Management 3750+

# 17 Checks. One Great Tenant

Our dedicated Team completes 17 thorough checks on every tenant. We don't just fill properties — we find the right people.

# We're Not a Franchise. We're Focused

With dedicated offices in Wellington and Hawke's Bay, our team isn't tied up in property sales. We're 100% focused on delivering expert property management.



# **We Know Your Street**

Our Property Managers live local and think long-term. They manage your investment like it's their own.

# We Don't Tolerate Arrears

With a zero-tolerance policy, our average arrears sat at just 0.85% last year — well below industry norms.



# **Vacancies? Not for Long**

We lease over 150 properties every month. Our vacancy rate is consistently lower than the Wellington & Hawke's Bay average.

# O Who's who at Oxygen

At Oxygen we employ a specialist team offering a huge amount of collective knowledge. Each person is highly experienced in their field and, as Oxygen is centrally based, this allows knowledge to be freely shared amongst the whole team. There is not much someone in the team at Oxygen has not come across before and everyone works together to ensure the best result for you and your property.

### **NEW BUSINESS MANAGER**

When you choose to have your property managed by Oxygen, a new business manager will meet with you and provide you with a thorough rental appraisal including comparisons of other properties currently for rent in your area. The new business manager will discuss your rental home and identify the tenant profile to whom your property will appeal. The new business manager will also be responsible for organising photographs of your property, and will liaise with your property manager to offer you a comprehensive service.



# **PROPERTY MANAGERS**

Your property manager will be your main point of contact for matters relating to your rental home. Once applications are received, your property manager will work with you to select the right tenant and liaise with you for the final decision. Oxygen' property managers have different areas of expertise including stand alone homes, apartments, townhouses, etc as well as specialising in various areas of Wellington and Hawke's Bay.

Your property manager will be specifically matched to you and your property because they are part of the community themselves. Our property managers not only work in your area; they live there too. This local presence allows us to understand the nuances of your area thoroughly, maintain excellent contacts with reliable contractors, and use our intimate knowledge to provide you with the best possible service.

There's nothing quite like local knowledge to ensure your property is managed with the care and attention it deserves. Being part of the community and always nearby when needed means they can respond quickly and effectively to any situation that may arise.



After the home has been rented, your property manager will take care of everything to do with your property including:

- Liaising with tenants.
- Checking rental and other payments have been paid on time, and follow ups where required.
- Ensuring the tenants comply with the tenancy agreement.
- Ensuring property compliance.
- Inspecting the property regularly and actioning any required maintenance.

# **PART OF A BIGGER TEAM**

When you choose to have your property managed by Oxygen, you can be assured your Property Manager has plenty of time to focus on your rental property.

With a well-oiled Finance team to carry out all payments and allocate rents, a Marketing team to promote the properties, and Team Leaders, Regional Managers and an Auditor ensuring quality customer care, your Property Manager will always have time for you and your property.

Your property manager will be specifically matched to you and your property.



# 2) Smart terraint solds... Onboarding with Oxygen Smart tenant selection:

We understand how important it is to find the right tenant - and how much more smoothly things go when the process is handled well from the start. That's why at Oxygen, we've designed our systems to be smart, simple, and stress-free. Here's what to expect when you join us, and why our thorough tenant checks set us apart.

# **UNDERSTANDING OUR PROCESSES**

Your journey with Oxygen begins with a clear rental appraisal and signing your management agreement. From there, a dedicated Property Manager takes care of everything - advertising your property, managing viewings and applications, and carefully screening tenants.

Once the right tenant is secured, we handle the lease, bond collection, and inspections. Throughout your time with us, you can expect regular updates, proactive rent monitoring, tenancy reviews, and a service experience built on transparency and trust. Our incredible cuttingedge technology streamlines these processes.

# OUR TENANT CHECK

We are proud to offer comprehensive checking to ensure a smooth rental process. In total, we carry out 17 different checks across six stages:

# Step 1

Covers the initial application review with supporting documents such as bank statements and proof of income requested.

### Step 2

Involves identity verification by matching the driver's licence against NZTA records, confirming name, date of birth, licence number, and version.

# Step 3

Consists of background checks including Tenancy Tribunal history, judicial decisions, Parole Board listings, and relevant Google and news searches.

# Step 4

Focuses on credit and financial checks via a Centrix report, which includes credit score, judgements and defaults, credit activity and applications, insolvency checks, and any property or company affiliations.

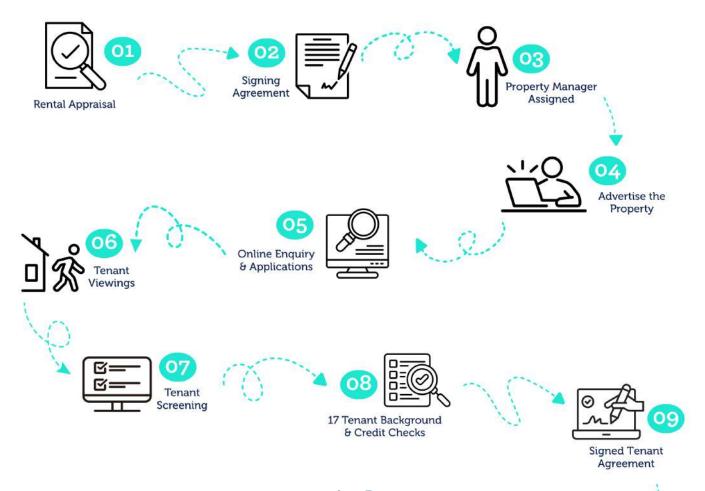
# Step 5

Assesses rent payment ability by reviewing income sources, whether from employment or WINZ, bank statements or rent subsidies, and the general capacity to cover rent.

# Step 6

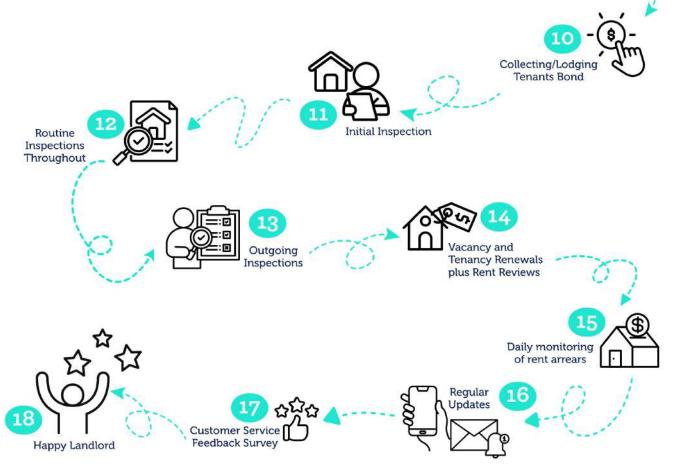
Completes the process with reference checks from current landlords and personal or employer referees.

This careful and thorough vetting process helps ensure a hassle-free tenancy for everyone involved.



# Your Journey with OXYG≣N

We make it easy — clear steps, expert support, and a tenant selection process you can trust



# Money matters

Managing your finances is an important part of owning a rental home and at Oxygen we aim to make this as easy for you as possible.

# **PAYMENTS TO OWNERS**

Oxygen offers a dedicated, experienced finance team. We deposit funds into your selected bank account on the last working day of each month. The amount deposited will be the full amount of rent collected during the prior month minus any expenses. All payments collected from tenants during the month are held in an audited trust account for your security. Please

note that if the last day of the month falls on a weekend or public holiday funds will be deposited the next working day.

We also offer the option of a midmonthly payment schedule if you prefer, at a small additional processing charge. No statement will be provided for the mid-monthly payment, but a full statement will be provided at the end of the month as per normal.



# LEASING COSTS

Oxygen charges a modest monthly administration fee that covers a wide range of costs associated with renting out and managing your property.

### THIS FEE INCLUDES:

- Advertising.
- Listing your property on a number of websites including OneRoof, Homes, HouGarden and the Oxygen website free of charge. Listing on Trademe and realestate.co.nz incurs an additional cost.
- Leasing agent service.
- Credit and reference checks.
- All documentation.
- Regular updates on the interest in your home.

This fee remains the same regardless of how many times your rental home needs to be let out, rather than charging a lump sum letting fee at the time. We have found that our clients prefer this certainty and the opportunity to spread these costs out over time, as well as reducing extra costs when your rental home is vacant and not generating income.



We aim to make managing your finances as easy for you as possible.



### **RENT REVIEWS**

Rental increases (in accordance with relevant legislation) are provided for in our tenancy agreements whether periodic or fixed term. We regularly track rental amounts to ensure they are at a fair market rate; these are reviewed annually as part of our internal auditing, where they form part of your Property Manager's KPIs.

When conducting rent reviews our Property Managers access market data from multiple sources and use their experience to make determinations on any proposed increase. Some of the sources they access are MBIE statistics, currently advertised properties on Trademe and realestate.co.nz, REINZ statistics, and the Oxygen database which is extensive throughout Wellington and Hawke's Bay. They also take into account the time of the year the rent increase will take effect and seasonal demand.

If you prefer, rent increase suggestions can be discussed with you prior to sending out any notification. Your tenant will be advised in writing, 60 days in advance of any rental increase.



Oxygen regularly reviews your rents to ensure they are a fair market rate.

# TRIBUNAL CASE PROCESS



# What happens when a tenant doesn't pay?

Our property managers keep a close eye on tenant payments and notify the tenant within **1-2 days** of rent arrears. On **day three** we send a 14-day breach notice and if by **day five** we haven't received payment, an application to the Tenancy Tribunal is made. At Oxygen we have a zero-tolerance policy to rent arrears as we make sure your tenant is fully informed of their obligations at the start of their tenancy. We find open communication and problem solving assist both you and your tenants to achieve a positive outcome. A similar process is followed for any overdue invoices the tenant may be required to pay.

# **TENANCY TRIBUNAL**

Your property manager will take care of any Tenancy Tribunal appearances for you including preparing applications and documentation to support your case as well as attending the Tribunal hearing. This is included as part of our service, with the only additional cost being the on-charging of the Tribunal application filing fee.

1.	A breach notice providing 14 days' notice is sent as soon as we become aware of a breach of the tenancy conditions, such as not paying rent when due.
2.	We will discuss the case with you as soon as this notice is sent, so you are fully aware of the situation.
3.	The Tribunal will set a mediation date for a date after the expiry of the 14 day notice period.
4.	We will attend the mediation meeting on your behalf. Our aim is always to resolve the issue at this point. We find in the majority of cases this is possible.
5.	If the issue cannot be resolved a Tribunal hearing date will be set.
6.	We will compile all relevant documentation. Oxygen also utilises third-party advisors as required who specialise in the RTA to ensure we are complying with all applicable regulations. Once again this service is at no charge to you.
7.	We attend the Tribunal hearing on your behalf and present your case.
8.	Once a decision is made, we follow up on your behalf including utilising the services of a specialist debt collection agency if necessary. Our tenancy agreement states that all debt collection costs are payable by the tenant so if there are additional costs regarding collection these will be added to the total recovered from the tenant, though they may need to be paid by you in the first instance.

# PRIORITISING MAINTENANCE

# Maintaining your rental home

Maintaining your rental home helps to protect your investment and attract high quality tenants who treat your investment well. Maintenance issues are typically identified at the time of property inspections. Sometimes, tenants notify us of items that require attention.

## **PROPERTY INSPECTIONS**

Property inspections are an important part of ensuring your rental home is monitored and maintained at all times. We conduct an ingoing and outgoing inspection at the time of tenancy changeovers. We find this helps to resolve any issues that may arise or any questions tenants might have, as well as providing a comprehensive record of the opening status of the property.

During the rental period, we make regular inspections of your property.

The frequency of inspections can be determined by you; however, please be aware of any stipulations in your insurance policy as to the frequency of inspections to ensure full cover. Legally, the maximum frequency for inspections is once every four weeks. At each inspection your property manager undertakes a full and thorough internal and external inspection of your property against a comprehensive check list. A full report is provided to you which incorporates photos, comments, and advice, including any recommended



maintenance actions. We log and retain the report in our system as well as sending you a copy. Copies of inspection reports can be critical in the case of an insurance claim, where insurers may want to see proof of inspection going back a number of years.

# DEDICATED CONCIERGE MAINTENANCE SOFTWARE

Oxygen operates a dedicated maintenance software programme, which logs all maintenance jobs for your property. Each party – you, your tenant and the contractor – receives a communication when a job is logged into the system. Our system allows us to review and complete checks at every stage of the job to ensure it is completed in a timely manner.

You have two options when it comes to paying for your maintenance:

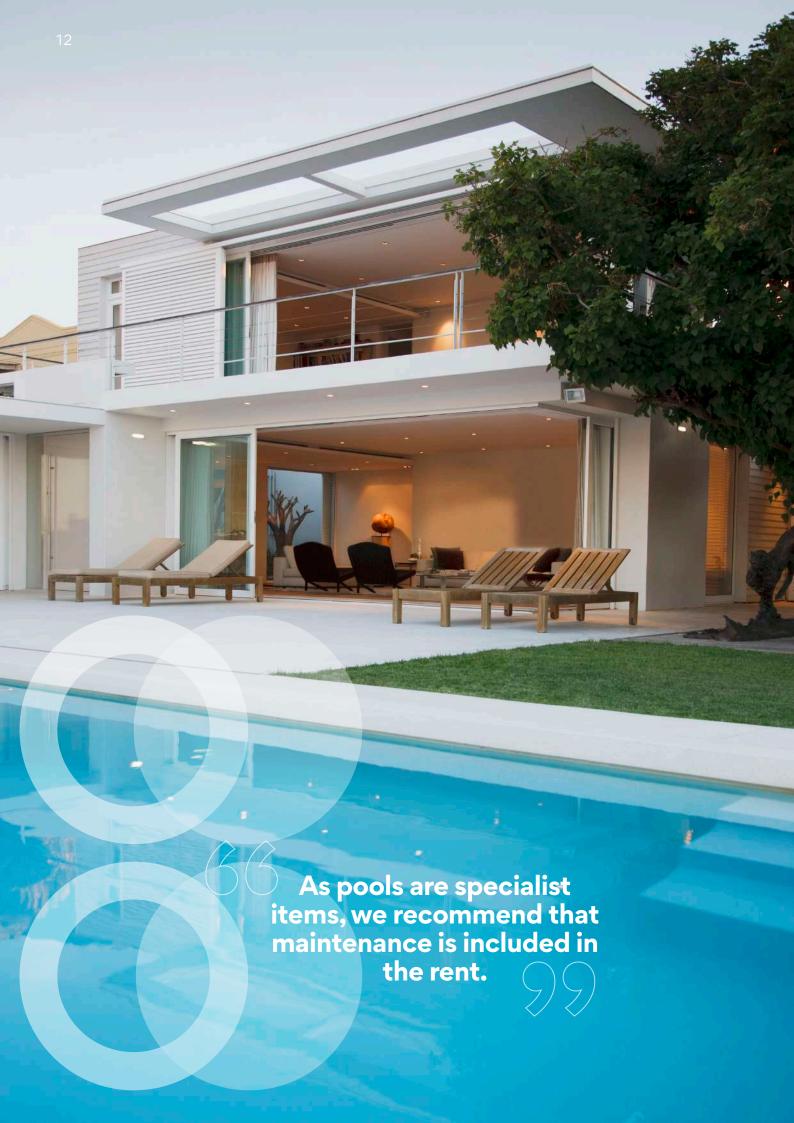
- You can set a limit for example, \$500. Any maintenance issues that fall on or under this threshold we will automatically take care of and then process the invoice for payment. For any items above your preferred limit you are contacted and asked for approval to proceed.
- You can ask us to call you to approve all maintenance jobs before we proceed.

For larger projects, for example, a renovation, Oxygen can provide quotes from the various contractors you might require and manage the job for you. We also offer an option where we can set aside funds from your rental income, allowing them to accumulate over time, so that when a large maintenance project crops up you are one step ahead.

If a maintenance issue is identified which is deemed to be the responsibility of the tenant, we will deduct the cost of the contractor invoice from your rental proceeds. Oxygen will then recover the cost on your behalf and pay this on to you.

# WHAT HAPPENS WHEN MY PROPERTY NEEDS MAINTENANCE AFTER HOURS?

We provide cover 24/7 with afterhours systems for emergencies. Importantly our managers are trained to differentiate between urgent and non-urgent maintenance jobs. This means we will only request a contractor outside of normal business hours where this is justified, avoiding unnecessary after-hours charges.



# O Who takes care of what?

Maintaining your rental home helps to protect your investment and attract high quality tenants who treat your investment well. Maintenance issues are typically identified at the time of property inspections. Sometimes, tenants notify us of items that require attention.

# **GARDENS, LAWNS AND TREES**

It is important that the outdoor area of your rental home is well maintained as this protects the value of your asset and helps you to attract the best tenants. Who is responsible depends on your requirements and the rental agreement with your tenant. For example, you may choose to take care of the lawn and garden yourself and include this in the rent. Alternatively you may write into the rental agreement that the tenant is in charge of taking care of these things. Generally it is reasonable to ask the tenant to take care of items such as gardens and lawns. Larger garden maintenance work, such as hedge and tree trimming or felling, will be your responsibility as a landlord.

### **POOLS**

If your rental home offers a spa or swimming pool you must ensure it meets all council and current safety regulations. As pools and spas are specialist items we recommend that any maintenance is included in the rent to make things easy and ensure the value of your asset is protected. If you do choose to ask the tenants to maintain these items it is your responsibility as a landlord to supply all chemicals and consumables that might be required.

## **BODY CORPORATES**

If your rental home is part of a body corporate, we are legally required to provide the tenants with a copy of the body corporate rules and advise them of any changes. Accordingly, we need to obtain a copy of these rules from you, and to be made aware of any changes.

Your property manager can also attend body corporate AGMs on your behalf if you require it. We simply require a proxy form signed by all owners of the property.

Given the number of people, all with different roles, involved in managing a rental home that is part of a body corporate, we are often asked who can assist when you have a question or problem. As a general rule of thumb, your property manager will be in charge of matters relating to the inside of your rental home. The building manager, (if there is one) will be in charge of the outside of the rental home and common areas. The body corporate manager works with the owners' committee to provide oversight and governance for the complex as a whole. Oxygen also has a body corporate management arm, and we have a number of experts available to us when we have queries in this area. At Oxygen we are extremely experienced in liaising with body corporate and building managers to ensure successful outcomes for our clients - and if you have need of an experienced body corporate manager, we are always happy to help.

# **MEETING REGULATIONS**

# Making your home healthy and compliant

There have been a number of changes recently to the rules relating to residential rental homes. As a landlord, you are required to provide a home to your tenant that is safe and healthy to live in. So, what do you need to do?

# **HEALTHY HOMES REGULATIONS**

The Healthy Homes Standards became law in 2019. The Standards introduced specific and minimum standards covering insulation, ventilation, heating, draft stopping, moisture ingress, and drainage. Your property manager will be able to advise what you need to do to ensure that your property meets the regulations.

## WHAT IS THE TIMELINE?

Landlords have had a duty to ensure all rental homes comply with the Standards within 90 days of any new, or renewed, tenancy since July 2021. Tenancy agreements must include a Landlord statement noting this compliance.

# NOW

1 July 2025

1 July 2021

PASSED

All rental homes must comply with the Standards, regardless of when the tenancy began.

# **INSULATION**

Ceiling and underfloor insulation became compulsory in all rental homes from 1 July 2019 (other than some limited exceptions). The new insulation standard builds on the current regulations and some existing insulation (generally, where it was installed prior to 2016) will need to be replaced or topped up.

Insulation requirements are measured by 'R-value'. The 'R' stands for 'resistance', or how well insulation resists heat flow.

There are different R levels for different part of the country; we focus in this book on zone 2 levels.

### **CEILINGS**

The required r-value standard for ceilings in zone 2 is at least 2.9. The regulations that came into effect in July 2019 provided that insulation installed before 2016 that was still in good condition met the requirements. The new Standard raises the requirement across all rental homes. So, if your ceiling insulation was installed prior to 2016 and is in good condition, it should meet the current requirements. However, you will need to check whether or not it meets the 2.9 level; if not, it will need to be topped up or replaced to meet the Standards.

# **UNDERFLOOR**

The new Standard remains the same as the 1 July 2019 requirement, so if your rental home was compliant with the 2019 underfloor Standard, nothing changes.

## **Insulation Exemptions**

Apartments | Areas of ceilings or floors where there are other habitable spaces directly above or below (e.g. another floor of the same property or another apartment) do not require insulation to meet the healthy homes insulation standard.

Access is "not reasonably practicable" or unsafe to access due to design or limited access, for example:

- Houses constructed on concrete slabs or very low to the ground where it is not feasible to install underfloor insulation.
- Houses with skillion/flat roofs where there is no ceiling above which to install insulation.

Installing insulation is considered 'not reasonably practicable' when an experienced professional insulation installer:

- Can't access the location to install insulation without removing any cladding or lining, carrying out other substantial building work, or causing substantial damage to the property.
- Can't install insulation without creating health or safety risks to people when these risks are greater than the normal level of risk when installing insulation.



Where access to the ceiling or underfloor can be achieved by carrying out minor work (e.g. temporarily removing baseboards from the exterior of the property to access the underfloor), the landlord is expected to do so.

If changes are made to an exempt property that then allows insulation to be fitted (for example a new roof), then it must be installed as soon as reasonably practicable.

# **VENTILATION**

The living room, dining room, kitchen and bedrooms must have an opening window, door or skylight that opens to the outdoors, allows flow of air into and out of the property, and can be fixed open while people are in the premises. The combined 'openable area' of the windows, door and skylights must be not less than 5% of the floor area of the room it is servicing.

# **Ventilation Exemptions**

There are some, very limited, exemptions to the ventilation standard based around whether the room was "lawful" at the time it was constructed or converted into a habitable space, and whether the home is still in compliance with any exemption that applied at that time – for example, through the provision of mechanical ventilation in a room intended as a study.

This requirement for external ventilation in habitable spaces came into effect in 1947, so most homes built since that time should comply - as long as they haven't been altered since construction. If, after checking, you realise that your rental home doesn't comply and you think it qualifies for this exemption, it would pay to take professional advice.

## **EXTRACTORS**

Kitchens and bathrooms must have extractor fans installed. The extractor fan for a kitchen must have an exhaust ducting of at least 150mm in diameter or the fan must be able to take a capacity of at least 50 litres per second. The bathroom fan's ducting must be at least 120mm in diameter or the fan must be able to take a capacity of at least 25 litres per second.

# **Extractor Exemptions**

Bathrooms or kitchens require extractor fans unless **all three** of these conditions apply:

- It is not reasonably practicable to install an extractor fan; and
- When the room was built or converted into a kitchen or bathroom not having an extractor fan was lawful; and
- The room meets other ventilation requirements, e.g. has an opening window(s).

### **DRAUGHT STOPPING**

Rental homes must not have 'unreasonable' gaps or holes in walls, ceilings, windows, skylights, floors or doors which cause noticeable draughts. All unused open fireplaces must be closed off or their chimneys must be blocked to prevent draughts.

The definition of 'unreasonable' takes into account the size and location of the gap/hole, the amount of draught, the total draughts from more than one gap/hole and the impact on heat loss; it does not take into account the age or condition of the property. That means that whether your rental home is new or old, the same rules apply.

# **Draught Stopping Exemptions**

If your rental home has an open fireplace, and the tenant does not want it to be blocked off, they may request this in writing. If you agree, then the chimney does not need to be blocked off; however, you must make sure there are no gaps or holes that are not necessary for safe operation. The rest of the home must still comply.



### **MOISTURE INGRESS**

Where the rental home has an enclosed sub floor space, it must have a ground moisture barrier.

A moisture barrier must be installed if there is a suspended floor and the suspended part of the floor is 50% or more enclosed by anything that restricts or obstructs airflow under the property, unless installation is 'not reasonably practicable'. The Standards set out the minimum requirements for these barriers; professional assistance is advisable.

### DRAINAGE

Rental homes must have efficient drainage for the removal of storm, surface and ground water to an appropriate outfall. The drainage system must ensure that the rental home, including the land it sits on, is not subject to periodic flooding during or after normal or heavy rain.

That generally requires that gutters are present and not blocked or broken; that all spouting, downpipes and drains are in good condition and effectively removing water from the building and grounds of the property.

# **Moisture Ingress & Drainage Exemptions**

Installation of a moisture barrier is considered 'not reasonably practicable' when an experienced professional installer:

- Can't access the location to install the barrier without substantial building work or causing substantial damage to the property.
- Can't install the barrier without creating health or safety risks to people when these risks are greater than the normal level of risk when installing.

There are no specific exemptions from the drainage standard.

# **HEATING**

A heater must be affixed to a wall in the main living room area and be sufficient to heat the room to a minimum of 18 degrees.

Properties with multiple living areas are only required to heat the largest area. If using an electric heater or fixed heat pump, it must have a thermostat.

A compliant closed fireplace or flued combustion heater (e.g. pellet, gas) does not require a thermostat.

An electric heater on its own will not meet the standard if it needs to be over 2.4kW to heat the room. It also must be fixed and not portable, and each heater must each be at least 1.5kW in heating capacity.

Your heater must not be an open fire or an unflued combustion heater, e.g. portable LPG bottle heaters.

In most cases, the right type of heater will be a larger fixed heating device like an electric heater, heat pump, wood burner, pellet burner or flued gas heater.

There is an online calculator available to determine the level of heating required to meet the standards. This calculator can be located at: www.tenancy.govt.nz/heating-tool/.

The Healthy Homes Standards treat heat pumps differently from other electric heaters. Where the tool refers to an 'electric heater', this means an electric heater that is not a heat pump.

# **Heating Exemptions**

If you're dealing with a complex room layout or are uncertain about which figures to input into the Heating Assessment Tool, seeking guidance from a professional is recommended. Industry professionals may be able to use the formulae outlined in schedule 2 of the Residential Tenancies (Healthy Homes Standards) Regulations 2019 to calculate the heating capacity for you.

The formulae can be located at: https://www.legislation.govt.nz/regulation/public/2019/0088/latest/whole.html#LMS160629#LMS160629

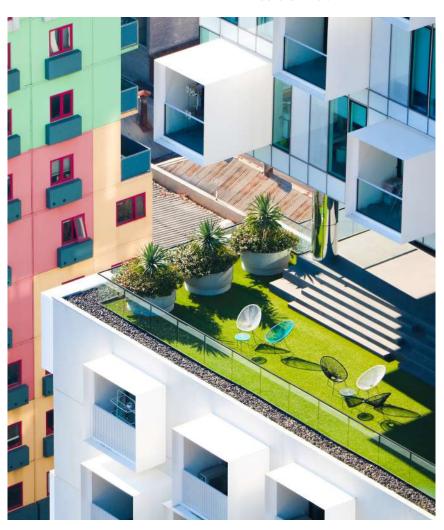
There are no specific exemptions from the heating standard.



# **General Exemptions**

There are some **general exemptions** that can apply to all of these standards; they are quite specific and limited, and we recommend you take advice on whether your situation meets these tests.

- If a rental home is part of a building and the landlord does not own the entire building (for example, if a landlord owns an apartment), the landlord may be partially exempt from complying with parts of the standards if their ability to comply with the Healthy Homes Standards is not possible because:
  - they need to install or provide something in a part of the building where the landlord is not the sole owner, or
  - they need access to a part of the building of which they are not the sole owner.



For example, if a portion of the guttering serving an apartment is faulty but is on common property, the landlord can't fix it themselves. The landlord will need to talk to the Body Corporate about effecting the repair.

However, your obligation then becomes to use best endeavours to comply – so it's important to check your specific circumstances if you think this may apply to your rental home.

- If the landlord intends to demolish or substantially rebuild the rental home and has applied for the relevant resource or building consent before the Healthy Homes compliance date, there may be an exemption for up to 12 months from the Healthy Homes compliance date – however, it may end earlier in certain circumstances.
- If the tenant is the immediate former owner of the rental property and the tenancy started immediately after the landlord acquired the property from the tenant. In this situation, an exemption will apply for 12 months from the date the tenancy commences.





The HSW Act came into force on 1 April 2016 and as a landlord, you are considered a 'person conducting a business or undertaking' (PCBU). This means that you must ensure your property provides a safe and healthy environment for tenants and you are responsible for the health and safety of anyone engaged in work on the property. Some of your obligations include:

- If you become aware of an issue at your property, you must take all reasonably practicable steps to remedy the issue as soon as possible in a competent manner.
- Contractors and anyone else entering the property for business purposes must be informed of any Health and Safety risks such as a dangerous dog or difficult access.
- You must ensure that contractors undertaking any maintenance are qualified to do the job.



At Oxygen, we keep a database of contractors specially selected and prequalified to ensure that anyone carrying out maintenance work at your property holds current qualifications to do the job. Our systems and processes for logging maintenance jobs also helps to protect our clients and ensure they are meeting their obligations under the Act.

If a landlord fails to meet their obligations under the Act, the maximum fines or penalties are up to \$3 million for a PCBU and \$600,000 and/or a five-year imprisonment term for an individual or officer of a PCBU.

This is why it is important to choose a professional property management company such as Oxygen to manage your property, as our property managers are trained in all aspects of the Act, and know what is required for compliance.



1. Smoke alarms must be installed	Within 3 metres of each bedroom door or in every room where a person sleeps  In each level or story of a multi-storey or multi-level home  In all rental homes, boarding houses, rental caravans, and self-contained sleep-outs
2. All new smoke alarms must	Be photoelectric  Have a battery life of at least eight years or be hard-wired  Be installed according to the manufacturer's instructions  Meet international standards
<b>3.</b> Interconnected smoke alarms	Are required since November 2024 in all new builds and major renovations  Are devices that simultaneously activate when a single alarm senses fire, despite the alarms being in separate rooms of the home  Will be required in every new bedroom and living space in new builds and major renovations

Existing (already installed) older-style alarms in good condition do not need to be replaced if they are working and have not passed the manufacturer's expiry date, but when due for replacement they must be replaced with photoelectric detectors.

Landlords must ensure smoke alarms are in working order at the start of each new tenancy Landlords can be fined up to \$7,200 for not meeting their obligations.

### **METHAMPHETAMINE**

Check your insurance policy as to whether baseline testing needs to be done and tests between tenancies to meet your current policy requirements. Landlords are permitted to test for methamphetamine contamination during a tenancy without having specific wording to this effect in tenancy agreements, but:

- A minimum of 48 hours' notice must be given (as with all inspections).
- The tenant must be advised that the property will be tested for methamphetamine contamination.
- The results of the testing must be shared with the tenant as soon as reasonably practicable.

# **ASBESTOS**

Virtually every house built prior to 2016 is likely to have asbestos in some shape or form (door handles, tile waterproofing membrane, pipe heat proofing, etc). Landlords are required to identify where there is asbestos present and the risk level, then rectify any high-risk areas. This means that an asbestos survey should be undertaken on your property to ascertain if there is asbestos present or not. This will allow you to put a plan in place to notify anyone working or residing at the property of the risks and follow up in future to check for risk changes. Your property manager will keep the survey and plan on file and ensure that it is supplied to tenants and contractors when relevant. If you are planning more intrusive works then you will need to complete a 'renovation/destruction' survey.

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As a landlord, you are essentially running a business and supplying a service to your tenants. You have certain obligations under the Residential Tenancies Act and failure to meet these obligations can result in penalties.

Responsibilities have increased under the Residential Tenancies Amendment Act 2020. Owners are now required to keep records and represent these upon request. There are also strict timeframes around tenancy enforcement - if these are not abided to, a notice cannot be legally enforced. Another area where we have seen a change is that minor changes to properties must not be unreasonably declined. This is an area where using an experienced property manager such as Oxygen will pay dividends, as the law around what is considered to be a minor change is open to interpretation.

The Tenancy Tribunal exists to resolve issues that tenants and landlords can't solve themselves. The Tribunal will hear both sides of the argument

and can issue an order that is legally binding. Under the Residential Tenancies Amendment Act 2020 the Tribunal can hear cases and make awards up to \$100,000. Landlords with six or more tenancies are seen to be making a living from being a landlord and are subject to higher infringement fees.

As a landlord it is important not to breach the Residential Tenancies Act. Breaches are taken seriously and there is even a Tenancy Services Compliance and Investigations Team whose sole duty is to monitor and enforce compliance with The Act.

Management by Oxygen will help to mitigate many of the risks mentioned, but it is good to be aware of your important obligations as a responsible landlord.

# PROTECTING YOUR PROPERTY

# Ensuring you're insured

Insurance is a very important part of protecting your asset and most providers offer normal house owner insurance and rental property insurance. Many also offer specialist landlord insurance. It is important that you ask your insurance provider to explain the difference, select carefully and fully disclose all matters related to your rental property to your insurance provider to ensure full coverage. Please inform your property manager of any stipulations in your insurance policy they need to be aware of, for example, the frequency of property inspections. Body corporates often have their own insurance policies so make sure you read these carefully and are aware of what is and isn't covered under the policy and if there is any additional insurance you need to take out to be fully covered.



The Residential Tenancies Amendment Act 2019 made tenants liable for the lesser of four weeks rent or the landlord's insurance excess for careless damage at the property.

In order that tenants can understand just how much they would need to pay in the event of careless damage, landlords now need to provide their insurance information, including details of the excess and any exclusions, on all new Tenancy Agreements and renewal documents.

Landlords also need to advise tenants that a copy of their insurance policy is available on request and provide it in a timely manner on request. We collect this information from you when your management agreement starts.

# When tenants move out

Sometimes tenants will move out of your property – either because they wish to or because your requirements have changed with regards to your rental home.

# IF YOU REQUIRE A TENANT TO VACATE

Depending on the reason for you requiring them to vacate the length of notice varies. In general, with a periodic tenancy, you must give tenants 90 days' notice if you wish them to vacate the property with 'no cause'. The notice period reduces to 42 days if you or your family is to occupy the property, there is an unconditional sales agreement that specifically requires vacant possession, or for the use of employees. Please note this exception does not apply to companies or public trusts, but it does apply to family trusts

For fixed-term tenancies, either party can give notice that the tenancy will not be renewed at the end of the tenancy by providing between 21-and 90-days' notice.

Your tenant can ask for permission to assign or sublet the premises to a third party, or to find a replacement tenant. A tenant can be asked to pay the reasonable costs of finding a replacement and a landlord cannot unreasonably deny their consent. The Tenancy Tribunal may take into account tenant hardship when a tenant wants to end a fixed-term arrangement by Tribunal Order.

# WHEN A TENANT WISHES TO VACATE

Whether a tenant is on a periodic or fixed-term tenancy, the notice period required to end the tenancy depends on the type of agreement. For a periodic tenancy, a tenant must give at least 21 days' written notice to end the tenancy. This notice can be given at any time.

For all expired fixed-term tenancies, tenants must give written notice between 90 and 21 days before the end of the term if they do not want the tenancy to continue. If no notice is given, the tenancy will automatically convert to a periodic tenancy. The previous rule requiring at least 28 days' notice no longer applies.

# HOW CLEAN DOES A TENANT NEED TO LEAVE YOUR PROPERTY?

When a tenant vacates your rental home they are expected to leave it in a "reasonably clean and tidy condition". Usually, through careful tenant selection and management this is exactly what happens. In the rare instance that this does not occur and a case needs to proceed to the Tenancy Tribunal, there can be some debate as to what constitutes "reasonably clean and tidy". The Tenancy Tribunal has established precedent that it expects landlords will have to do "some" cleaning between tenants. This means that the Tribunal sometimes won't award full payment of a cleaning invoice, as a professional clean is more than tenants' obligations even if they leave the property dirty. This stresses the importance of Oxygen' thorough ingoing inspection report to prove that the property was in tip-top condition when the tenant moved in and we aim to always achieve the best outcome for you.

# OXYGEN

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