

Answers to Questions on Notice – Ms Maria Milillo

Q1:

MS LEONG: In relation to that, Ms Millilo, my understanding is you have said that landlords will not always accept the tenant that is the highest offer of a bid. In the scenario we have heard that people who experienced discrimination may offer a higher bid.

MS MILILLO: Yes.

MS LEONG: As a desire to try and secure the property.

MS MILILLO: Yes.

MS LEONG: In that instance, do you see there's a risk to opening up agents or property managers to claims of discrimination, if someone, for example, who's disabled or experienced racism, offered a higher price and then their higher price is not accepted, and how do you see that playing out in terms of your situation?

Actual discrimination is quite rare in the industry as the landlord's motivation is to lease their investment property to the most suitable tenant with considerations such as; rent amount, length of lease, tenancy history, suitability of the property etc. An applicant who is not approved may feel they have been discriminated against; however in my experience this rarely happens. Landlords are not required to give a reason as to why they have approved or declined a tenant and it is very difficult to prove discrimination without a reason being provided. However, this legislation may even lead more tenants into believing they are being discriminated against if they are advised about higher offers, try to match or exceed them, and are still unsuccessful.

Q2:

MR GREENWICH: My quick question, and feel free to take it on notice, is for your opinion on whether the administrative burden of 22B could see more property owners and potentially property managers recommending to remove rental properties off the market and turn them into short-term rental properties where the administrative burden does not exist. Feel free to take that on notice.

MS MILILLO: OK. I will.

MR MCKIBBIN: Yeah. We do understand that is a hypothetical. Alright.

Yes however it will be less common that it would be a recommendation from their existing property manager as most Property Manager's don't do short term / holiday rentals. Landlords themselves may feel as though the increase in administration and governing oversight of their rentals properties is cause for them to consider other options. While I could not state volume with any certainty, some landlords may consider short term rental not to mention also putting their properties on the market for sale meaning a potential reduction in the total rental pool.

Raine&Horne

Maria Milillo
Head of Property Management, Raine & Horne Group

Level 11/447 Kent Street, Sydney
W : rh.com.au