

Management Plan for Short Term Dwelling

August 2018

Property: 8 Moir St Perth 6000 (Lot 38 on Plan 4576)

Contact Details

Owner: Boaz Kogon,
Contact details redeacted for privacy purposes.

Agent: Contact details redeacted for privacy purposes.

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1 Background and Objective

The current owner of the house purchased the property in February 2002. The house was the owner's principal residence for a number of years until the owner moved overseas, at which point the owner commenced renting out the property.

Until November 2017 the house was rented to long-term tenants, self-managed by the owner remotely with the support of family members who live in Perth. This arrangement worked well initially but in recent years has given increasing problems, including:

- Tenants not keeping up with their rent, and associated difficulties in recovering owing rent
- Tenants not properly cleaning and maintaining the property
- More frequent cycling of tenants (tenants taking shorter leases, requiring more frequent searching for new tenants)
- Tenants keeping unauthorised pets at the property
- Tenants having partners stay over on a semi-permanent basis despite the rooms being leased as single-occupancy
- Tenants with domestic issues such as violent partners (internal doors have been broken, police called, etc.)

Due to the above situations and the difficulty in getting regular access to the house to undertake maintenance, the owner observed that the state of the house was gradually deteriorating year on year and that this in turn was affecting the ability to attract and retain quality tenants.

Furthermore, with the house always rented out, the owner was unable to make personal use of the property when visiting Perth.

The decision was therefore made to trial an alternative method of managing the property; contracting a professional agent to manage short-term letting. The advantages expected are:

- The expected higher gross rental income will enable the owner to pay a professional agent to manage the property and professional cleaners to regularly clean the property, thereby reducing the management burden on the owner's family members and achieving a better result with a cleaner, better-kept property.
- Natural spacings between short-term lettings will provide ample opportunity for regular maintenance to the property.
- The nature of short-term lets and the guarantees provided by the online booking platforms will significantly reduce the financial risk of tenants not paying rent.
- The owner can self-book the property for his personal use when visiting Perth.

The objective is to create a high quality offering that will attract high-end / professional visitors willing to pay a premium price, in particular families with children who would be attracted to staying in a house with a secure rear garden, or tourists wishing to enjoy a residential experience in a Heritage property. It is hoped that this type of clientele will respect the house and its environs, minimising any problems related to noise or rubbish that may disturb the neighbours.

2 Safety

The safety of tenants is paramount and is of first priority. The owner has instructed the agent to always take immediate action to correct any problem that may endanger tenants.

2.1 Emergency Contacts

Emergency contact numbers are clearly displayed on the refrigerator door, and are provided to all tenants in their Welcome Pack.

2.2 First Aid

A first aid kit is located in the laundry area. Emergency contact numbers for ambulance and other services are prominently displayed on the refrigerator door. Locations and contact details of nearby hospitals, clinics and pharmacies are given in the Welcome Pack.

2.3 Fire Safety

Exits. The house is single storey and has two main exits, front and rear, which are opened with the same key (given to the tenants on check-in). The house also has multiple large windows without security grills, which could be easily broken and used as exits in case of emergency.

Alarms. The house is fitted with two wired smoke alarms as per building codes, one in the main hallway and the other in the main living area.

Fire Extinguisher. A fire extinguisher and fire blanket are located in the laundry area.

Prevention. Smoking is not permitted in the house and tenants are requested not to light candles or any other naked flames in the house. Flammable material in the garden is kept to a minimum - garden litter and weeds are regularly collected by the agent and deposited in the bin for weekly collection. Larger branches are collected at the rear fence, far away from the building, and disposed of in the twice yearly council greens collections.

Gas appliances: A gas heater is located in the living room and the kitchen has gas hotplates. Both are in good working order.

Fireplaces: The original fireplaces are no longer in use and are decorative only.

2.4 Child Safety

The objective is to make the home attractive and safe for families. Whilst it is not practical to fully child-proof the house as might be done when a toddler is full-time resident in a home, basic security measures have been enacted in order to provide a reasonable level of safety.

Secured Furniture: All bookcases and chests of drawers are secured by screws to the walls. There are no decorative objects on shelves or tables that could fall and shatter or otherwise injure a child.

Babies: A baby high chair is provided for babies and toddlers to sit at the table. A cot is also available on request. The house is all at ground level so there are no stairs or high areas from which a toddler could fall.

Secure garden area: The rear garden is surrounded by 6' fence on all sides. The front garden has 6' vertical railing a gate that is kept locked by padlock. There are no water features in the garden. The garden area is therefore a safe area for children to play.

Chemicals: All strong cleaning chemicals and insecticide poisons are kept in a high cupboard in the laundry area, well out of the reach of small children. Garden chemicals are kept on a high shelf in the garden shed.

3 Code of Conduct

Tenants are advised upon booking, and again in the house code of conduct in the Welcome Pack, that the area is residential and they should respect neighbours' rights to quiet and cleanliness.

Tenants are advised that:

1. No loud music should be played between 9pm and 8am.
2. No loud music or conversations should be held in the garden area after 9pm
3. No rubbish or cigarette butts should be discarded on the street or thrown across a fence into neighbouring property.
4. Tenants should be quiet when returning to the house in the evenings, and avoid loud conversations in the street, as the sound carries into neighbouring houses at night.
5. No additional tenants beyond those detailed in the reservation (maximum of 6) are permitted to stay at the house.
6. No parking on the verge is permitted. One car may be parked in the driveway. Should tenants have a second car they must use one of the nearby public car parks. Northbridge Central Parking is just 3 minutes away, is open 24/7 and has inexpensive day rates.

Failure to abide by these requirements can result in immediate termination of the reservation and the imposition of fines that may be deducted immediately from the tenants' security deposit.

3.1 Noise/Nuisance Control

The advertisements for the house clearly state that the house is in a residential area and that parties or other functions are not permitted. Tenants are requested to be considerate of neighbours and not generate undue noise.

There is no stereo system located at the house. The flat-screen TV has only internal speakers and is located in an internal room with no windows.

Should the license for Short-term Dwelling be approved, the owner will invest in a noise monitoring system, such as Sound Alarm (<https://roomonitor.com/product/sound-alarm/>) which has been especially designed for AirBnB properties. These devices do not record sounds (therefore respecting guests' privacy) but rather keep a log of sound levels, and can be set to send automatic SMS and email alerts when sound levels are exceeded, with different levels set for different times of day. In this manner the property manager and owner will be instantly alerted of any issue, without needing to wait for neighbours to complain.

The owner has also written to all neighbours in January 2019 (see letter annexed) providing them with contact details of both the agent and the owner and advising them that they should notify

immediately of any issue, no matter the time of day or night, so that we may take action to rectify the problem.

3.2 Parking

It is expected that the vast majority of tenants will have at maximum only one car, and this may be parked on the property in the driveway. Experience operating from December 2017 to August 2018 (when council requested we cease operating as short-term dwelling) is that in that time period only 5 guests had a second car. i.e. 95% of guests have only one car which can be parked on the property.

In the case where tenants have a second car, the agent will provide tenants with a special information pamphlet that describes the parking rules in the streets around the house and gives recommendations for nearby paid parking options where the car may be parked for longer periods. Northbridge Central Carpark, just two streets away, is open 24/7 and is only 2 minutes drive and 3 minutes easy walk from the house. The rates are very reasonable (\$16/day during the week and \$8.50/day during the weekend) and are minor compared to the costs of renting the car and the house. There is therefore no reason to expect that tenants will hunt for a space on local streets and risk a high fine, when such a simple and affordable solution is just 2 blocks away.

The need for street parking is expected to be significantly reduced compared to when the property was leased long-term and tenants had 2 or 3 cars, and therefore no negative impact on neighbours is foreseen.

See the Parking Management Plan for more details.

3.3 Rubbish

Details of the procedures for management of rubbish are given in the section devoted to the issue.

In the Code of Conduct, tenants are clearly advised of how rubbish should be placed in the general bin and the recycling bin. They are requested to be considerate of the house and neighbours and to not generate any undue mess and that under no conditions should the outside bins be overfilled or rubbish left in the front yard or on the street.

Should there be excess rubbish, tenants must place it in the extra bins kept in the shed at the rear of the house, and notify the agent so that he may remove the excess rubbish to avoid undue smells or other problems developing.

Tenants are clearly advised that failure to abide by these requirements can result in a penalty being deducted from the bond.

3.4 Violations

The implications of any violations of the Code of Conduct are clearly indicated on the Code itself, and communicated to the tenants at time of booking.

Should any incident occur, upon learning of the violation the agent will immediately contact the tenant and ask them to rectify the situation. If they are found to have been in gross violation of the Code of Conduct then the agent may act to impose a fine and/or terminate the booking with 24 hours notice to the tenant.

4 Rubbish Disposal

We acknowledge that there were some issues with rubbish management when the agent first took over the property, but these have been dealt with by improving processes and creating checklists and training for new cleaners. Over the last 3-4 months of operation there were no rubbish issues.

The procedures that are currently in place are as follows:

- Tenants are clearly advised of how rubbish should be placed in the general bin and the recycling bin. They are requested to be considerate of the house and neighbours and to not generate any undue mess and that under no conditions should the outside bins be overfilled or rubbish left in the front yard or on the street. Failure to abide by this requirement can result in a penalty being deducted from the bond.
- Additional bins have been purchased and placed in the shed in the rear courtyard. Should tenants or cleaners fill up the front bins before collection day, the extra rubbish is placed in these bins and the property manager will take it away for disposal.
- Following each tenant's departure, the professional cleaners are responsible for clearing all rubbish both from the various bins inside the house to the external bins. Cleaners are trained in the appropriate rubbish to put in each bin, and have on their task checklist to ensure that the bins, front yard and footpath are clean and tidy.
- Whereas previously it required to make a different arrangement each week to have the bins put out and brought in depending on whether cleaners were scheduled or not for that day, and this sometimes resulted in miscommunications that resulted in the bins not being moved appropriately, the current system is that a cleaner who lives nearby is paid a monthly fee to put the bins out the night before collection and bring them in during the day following collection. If she cannot do it for whatever reason then she notifies the agent who organises someone else to do it. This arrangement has completely solved the problem and now the bins are always moved according to council requirements.

It took some months of operation to understand the different volumes of rubbish that could be generated and to trial different arrangements for putting out and bringing in the bins. But the above described measures worked very well during our final months of operation and there should be no future incidents related to rubbish.

5 House Facilities and Services

The objective is to provide a fully-furnished and equipped home, with quality furnishings and amenities in order to attract a high level clientele and extremely positive reviews. Providing a top quality establishment is expected to attract better quality tenants, thereby minimising tenant-related issues including any negative impacts on neighbours.

A long-term plan has been made to renovate and upgrade the various room in the house. An initial investment was made when the previous long-term tenants departed in November 2017:

- The interior of the house was completely repainted,
- Additional furniture was purchased for the bedrooms
- Hotel quality linen was purchased for the bedrooms and bathroom,

- Numerous small repairs were carried out throughout the house, including new shower fittings, replacing torn flyscreens, fixing gutters, new TV antenna, etc.
- New sets of kitchen cutlery and dishware were purchased,
- Light fittings were repaired and upgraded,
- A lockbox for keys was installed by the front door,
- Internet connection and TV were upgraded,
- The garden was pruned and cleared,
- Paintings, books and other decorations were purchased and installed.

Further repairs and upgrades will be effected in the future as access to the house and funds permit, including:

- Repainting of the front fence,
- Renovation of kitchen cabinets,
- Improvements to the garden area,
- Repair work on worn floors,
- Renovation of living room furniture.

Current arrangements for accessing the house using physical keys will be reviewed after several months of operation, and if unsatisfactory then an electronic system will be installed.

5.1 Bedrooms

The house has three bedrooms, each equipped with a queen-size bed, bedside drawers, a wardrobe and a tallboy or equivalent. All beds have high quality mattresses, and the bedding includes mattress protector and hotel-quality linen.

Each bedroom has a ceiling fan, individual air-conditioning, exterior window with security grill and sun-block curtains.

5.2 Parking

Off-street parking for one car is available in the driveway. As described in the Parking Management Plan, on the rare occasions when guests have more than one vehicle then they are given information on nearby parking facilities, in particular Northbridge Central Parking which is only 3 minutes walk from the house and has very reasonable day rates.

Tenants are clearly informed that parking on the verge is not permitted and that they should not block the footpath.

5.3 Security

The aim of security arrangements at the house is to provide a good level of security for both tenants and the house itself, while minimising potential for problems (lost keys, windows left open, etc) and any disturbances to neighbours (false alarms, etc)

The house has two doors, front and back. The front door is deadbolt and requires a key to open. Both the front and back doors also have security screens. Doors and security screens are all operated with the same key.

Tenants are provided with a single copy of the key when checking in and must return the key when checking out. If the agent is not able to be present at checkin or checkout then the key is left in a coded security box which is bolted to the wall next to the front door. Tenants may also use this box to pass the key amongst themselves if they are entering and leaving the house at different times.

The code on the box is changed between each tenant, therefore providing an added level of security.

All windows in the house that open either have a security grill installed and/or have a lockable chain so that the window cannot be forced open further. The keys to the window chains are not generally given to the tenants so they cannot be inadvertently left open.

The house has an alarm system installed however it has been deactivated so as to avoid false alarms that would disturb the neighbours.

The gate to the front garden has a padlock and is kept closed at all times, except when the agent is doing maintenance or gardening. The tenants are not provided with a key to this gate unless they wish to use this access to store bicycles in the yard.

Both the agent and the owner's family have spare keys to the house. Contact numbers are provided to the tenants in case of lost keys or other security issues.

5.4 Internet and Phone

Broadband wireless via ADSL is available in the house. Tenants are provided with the password upon checkin.

There is no landline phone at the house.

5.5 TV

A large flatscreen TV is installed in the living room, which is a completely internal room with no external windows. There are no TVs in any of the bedrooms nor are there any stereo music systems in the house.

Tenants can therefore enjoy watching TV or a movie if they desire but the potential for loud noise and disturbance to neighbours is minimised.

5.6 Kitchen

The kitchen is fully equipped with cutlery, cooking utensils, toaster, microwave, oven, kettle, rice cooker, dishwasher and a large fridge/freezer. The pantry is regularly restocked with basics such as tea, coffee, sugar, spices, etc.

5.7 Laundry

The laundry has a washing machine, large sink, iron, ironing board and cleaning materials. It is regularly restocked with washing detergent and soaps.

An outside clothes line is available in the back garden, and an internal clothes rack is available for drying indoors when the outside weather is wet.

The fire extinguisher and fire blanket are also kept in the laundry area as it is near the rear door to the house and also close to the kitchen area.

5.8 Bathroom

The house has one bathroom with bath and shower, and a separate toilet. The bathroom is regularly restocked with soap and shampoo. Hotel quality towels are provided.

5.9 Cleaning

The house is professionally cleaned and all linen changed over following each tenancy. The linen is laundered off-site.

Tenants may also request additional cleans at any time (costs of additional cleans are clearly communicated at the time of booking).

In addition to regular cleaning of floors, kitchen and wet areas, the cleaners have a list of additional items that must be progressively done over a three month period, such that, for example, windows, flyscreens, pantry cupboards, fridge, oven, exhaust fans, hard to reach areas, etc. are kept in good condition.

5.10 Gardening

The garden comprises mainly mature evergreen plants and so is relatively low maintenance. The key tasks are to regularly remove fallen leaf litter, keep weeds from growing in the paved areas and prune the plants.

The agent is responsible for maintaining the garden. Occasional support is provided by the owner's family members who enjoy gardening.

Should it be required, professional gardeners may be occasionally employed to tackle bigger jobs.

6 Complaints Procedures

6.1 For tenants

Tenants are provided with phone and email contacts for the agent, and are advised in the Welcome Pack to notify the agent of any problems or malfunctions at the house immediately.

The agent is authorised by the owner to undertake immediate and urgent action, including calling professional tradesmen for any issues that impact tenant safety and/or the integrity of the house. These include, but are not limited to:

- Faulty locks, doors or windows that prevent the house being secured,
- Faulty electricals that pose a risk to persons and/or a fire hazard,
- Plumbing faults that cause continuous leaks or sanitation problems,
- Gas leaks.

6.2 For neighbours

Neighbours were sent a letter in January 2018, requesting them to immediately inform the agent of any excessive noise, rubbish or other issue caused by tenants staying at the house.

Should an incident occur, the agent will directly contact the tenants and attempt to resolve the issue amicably. Where tenants are found to be in violation of the house code of conduct, the agent will

take action as described in the booking conditions, which may include 24 hour eviction of the tenants and/or impositions of fines.

A similar letter will be issued annually to ensure that neighbours always have the correct contact details at hand.