

Admin, LACO

Subject: FW: AIR BNB's IN HIGH RISE BUILDING COMPLEXES- sub no. 200**From:****Sent:** Thursday, 28 February 2019 11:18 AM**To:** Committee, Economics & Industry Standing**Subject:** AIR BNB's IN HIGH RISE BUILDING COMPLEXES

FOR ATTENTION: DR DAVID WORTH

Good Morning Dr Worth

On The 16th February, I heard on the television, that it has been recommended to not be too harsh on air BNB's in WA because it could affect the Tourist Industry, I agree, we must encourage people to visit our beautiful State, and to stay! however, where you allow Air BNB's is another question.

I speak with a lot of experience, I have had over 12 years experience in hospitality. I ran the 'Continental Hotel' (now the Mercure Hotel) in Broome, and relieved at many other hotels in Perth and Kalgoorlie. My husband and I had a 'Homestay' in Sorento WA for 5 years, and when we moved to Port Mandurah we ran Mino's Retreat for 3 ½ years; Our property was in fact featured in the Channel 9's TV show 'Getaway'. I think air BNB's are a very good idea, and people should be encouraged when applying, to let rooms out in their homes to visitors, and if they have another vacant property to let out this property as an air BNB. My email is about explaining why apartments in high rise buildings should be restricted in this area, and in some cases why this is not working!

I live in WA and in a complex called the 'Point' we have several air BNB apartments, and we have had nothing but trouble with them. Just to point out, that these apartments are let for the weekend, people booking these apartments come for the 'good time' at the owner and other residence expense!.

I will give you some examples, people have booked in and have thrown wild parties, one couple had a big row, heard by everyone, and they threw pot plants at each other and over the balcony; People walking below could have been hurt or even worse killed! People in air BNB apartments have been known to throw furniture, wine glasses, food scraps, pour their drinks, cigarette butts and water, over the balcony to the detriment of balconies below. We have also had prostitutes booking in for 'short stays, and drug dealers. The area in the passage opposite another apartment is just two metres in width. so when someone parties, it is not very pleasant for the residents across the hall, and next door or in close proximity, the noise is bad!

The common areas in our complex have been severely damaged. Our spa has been drained THREE TIMES because of damage, and I am talking about serious damage to the surface of the spa (which had to be replaced) wine glasses thrown into the spa, and pebbles from the garden deliberately thrown into the spa. Even though there are large signs saying NO GLASS TO BE TAKEN IN THIS AREA. This has been very costly to the permanent residents, because if it is an insurance claim, our no claim bonus has gone sky high and so did our premiums, apart from this it was weeks before we could use this area, which we have paid for, we have also had to contribute to having the wall and gate extended to stop people getting in, as some of these air

BNB's say they have lost the key card, and came back to use the facilities; One person did this on and off for 3 years, and the complex is huge, it was hard to catch them so we had to dis-engage and reset our fobs and key cards in the end so this could stop.

Currently, we as owners are facing a bill of well over \$100,000 for lift damage done by short term tenants! We are still waiting to see if the Insurance Company will take on this claim, as it was wilful damage, and if they do premiums will rise again! This is because of air BNB guests? An owner let his apartment to a group of people, (the owner was not there) they were drunk, got in the lift, pushed a heap of buttons in the lift, then panicked, because the lift would not go down; They then hit the emergency button, and ignored the voice that was telling them how to get out, so they proceeded to 'kick the lift door in'. The other lift went out as well as a consequence, so residents had to come and go through the fire escape stairs? This is a 14 story building?. The police were called in, and have done nothing so far, this is all on CCTV, so they know who the culprits are? In my opinion they should be charged with criminal damage. Currently, the lift has been fixed temporary until parts arrive, but residents have been warned that the temporary fix could break down at any moment. They are looking at a few months before it is 100% operational? The end result is, it is going to be very costly to owners in this complex.

Another apartment, the owners had re-decorated it, to be let as a luxury standard apartment. The décor was stunning, with beautiful marble /glass table and matching marble vases, the best quality furniture; The apartment was 'let out' for the weekend, and the guests had a party, completely wrecked the furniture, broke marble tall vases and the marble and glass coffee table and the owner was so upset, she put her apartment up for sale, and it was sold a short time later. Another example of dis-respect, an apartment was rented out for the weekend, and the guests had a party, they did not have enough chairs for their party guests (bearing in mind it was a two bedroom apartment' they came downstairs to the foyer, and carried the two leather lounges that were in the foyer for people to sit on, took these lounges up to their rented apartment for their party guests to sit on? This is not an act an owner occupier would do? We thought the lounges had been stolen, but they were found in this apartment?

80% of these air BNB's owners in this complex, do not give a dam about damage noise or the disruption, they do not live here? in the case of the lift damage, , the owner of the apartment where is tenants did the damage has said, 'it is not my problem, not paying?' even though there is CCTV evidence to prove it was his guest! So this is going to be very costly in legal fees, damage costs etc., t to every owner across the complex to sort this mess out.

Another story I can relate (and there are plenty) My husband and I have been living here for over seven years. A two bedroom apartment was let to two 17 year old 'schoolies', it got very noisy and 14 people were found to be in there? This could be stopped 'perhaps' if a ruling was made, that if an apartment has a queen bed and one other bed, then the number of people letting this apartment is limited to three people. What I am saying is two bedroom 3 people one bedroom 2 people etc limit the number of people in this apartment as to the number of beds! (this of course would not stop the partying?)

Our gym equipment at the complex has been damaged and replaced several times, the area has been left looking like a disaster zone all through short term tenants; the residing owners of apartments look after the equipment, it is there for their benefit and we know we have to pay for damage if we damage it! It is very costly to us 'the permanent residents' who have to pay for the cleaning up of these messes through short term tenants.

We have found that most owners of air BNB's in our complex, never attend an AGM, they do not care about damage, all they care about is how many nights their apartment is let and how much money they can make from it! I do think a ruling should also be suggested and made that ALL owners of apartments whether they reside on the premises or do not live in the building, should be made to attend at least one AGM a year; Do you know, even in a complex this size, the Strata sometimes has to count the numbers of owners attending to get a quorum, to open the meeting, and in one instance, we had to go to another meeting the following week, because the quorum numbers were not there the first week?

If the owners of rental air BNB's were made to attend meetings, they would get to hear the problems some of their air BNB's tenants cause, and maybe then they would understand how their guests are affecting (in some cases) each and every other owner across the complex.

Attending an AGM can be policed as every owner has to register at an AGM and give their lot number. and perhaps a rule could be made that owners who do not attend an AGM at least once a year, should be warned that they face a hefty fine if they do not attend. This fines imposed, if not paid would attract interest and payment enforced, by adding the fine to their strata fees, and add interest paid to this to this fine the longer it stays unpaid! If owners were made to attend an AGM, I feel by hearing the problems that their short term guests are causing, some of them may have a little bit more respect for the people that actually live here full time.

I am not saying **not to have air BNB's in high rise buildings**, what I am saying is the Government to consider make a ruling that high rise air BNB's are different, to having air BNB' in your home where an owner is actually living there to control people, or letting a vacant house, where you are not annoying anyone 2 metres from your door to theirs? This should be a real problem and really be considered by the committee reviewing air BNB's. As an owner, in a high rise apartment we pay high Strata fees, rates and taxes like all home owners, so we deserve to be able to live in peace, can do without paying extra charges for other peoples damage to our property.

I would suggest, rules set by the Government renting air BNB's in high rise apartment buildings be different to a vacant house or home where owners 'live in' and can manage disruptions. I would suggest the shortest time in an high rise apartment be set to minimum days, perhaps for three months and then, the people renting the apartments would not be booking in there for just a 'good time' over the weekends! This high rise accommodation would be aimed at people in business, coming for short stays for work, or longer stays for many reasons. If an owner who is actually living in his /her apartment wants to 'let out a room' his apartment to people for short term up to to three days, I think this would work, as they are on the property themselves to monitor behaviour (similar to homestay) but letting an apartment out where no owner is present for two to three days, honestly it is party time, and these people do not have any regard for other owner permanent residents. In our complex here at 'The Point' in Mandurah, we have 'THE SEBEL' Hotel, this is suitable accommodation for short term accommodation that works, although the hotel has **zero tolerance for parties** in the room! and they are strict on this and consideration is made, because, there are residents living above permanently above this hotel.

I would also suggest that the Government committee making these decisions suggest that a hefty bond is applied to an apartment / house let by an owner or letting agent before they get the key, because the same rule applies if the house is insured, and it is trashed, then the insurance company will pay out, but it will in the end cost the owners of these properties in higher premiums

and undisclosed costs if an owner has to sue to get property fixed, if the people do not pay for the damage they have done.

I would suggest Dr Worth, that you ask other high rise buildings owners to submit stories such as I am giving you, you could write a book! I did not see where you asked for submissions to be in by the 29th January 2019, Paul Pappalia the Minister for Tourism told me when I wrote a similar letter to him about air BNB's, and it was his suggestion I write to you. Your committee do not know about these problems unless you hear about them when deciding on rules and regulations, and I would ask, that in high rise apartment buildings such as ours or bigger, that your Committee suggest and make a set of rules that are different to those applied air BNB letting in a private home, or a vacant home;

Air BNB's in high rise apartments are a very different circumstance, opposed to a private home/or vacant house. The damage, noise, cost and aftermath, affects each and every owner across the whole complex, by just one air BNB tenant going off the rails! ; Some of these guests show no respect at all, that this is our home and our backyard so to speak.

I repeat I Dr Worth, I would not like to see air BNB's stopped, this is not what saying or I am aiming at, we need Tourism in Western Australia, however, I think the committee reviewing this and making the recommendations for the ruling in WA on air BNB's, must view Air BBB's in high rise complexes such as ours differently, as opposed to homestays (where the owner lives on site), and vacant homes, where neighbours are on each side; My suggestion would be applying a strict rule, that for 'short term stays up to three days in high rise buildings, **the owner must also be living in the apartment with them**, this makes the owner responsible and more able to control their behaviour. For longer terms letting in high rise complexes, where the owner is not living in the apartment, the term be set for a **minimum** of two to maybe three months at a time. This would cut out the 'partying crowd' from booking into an empty apartment for an occasion to party only, and the consequence of this partying, making it hell for people that live here it is their home!

I do hope that you understand that I am not trying to 'stop' air BNB's in High Rise Complexes, but to enforce rules, so apartment owners who have their permanent home in the complex do not suffer at the expense of short term tenants having a 'fun filled weekend'?

Kind regards

Irene Minson

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