



EXTRA RENT FOR DOGS CALLED UNFAIR

The Real Estate Institute of WA has denounced a dog rent being charged by some landlords in the tight residential rental market.

The emerging trend involves landlords charging dog owners higher rent than tenants who do not have a dog.

Landlords in three recent cases were asking an extra \$50 on rents of about \$500 a week for homes in Shenton Park, Subiaco and Maylands.

The Department of Consumer Protection said yesterday the surcharge reflected the potential risk of damage caused by dogs.

But REIWA's co-chair of the Property Managers Network Jenni Wood said it was not a fair surcharge because dog owners already had to pay a pet bond.

Ms Wood said it was an opportunistic money grab by some private landlords, who were taking advantage of the dwindling supply of rental homes.

The rental vacancy rate was currently 3.1 per cent, and is usually deemed to be in undersupply once it hits 3 per cent. Renter Caro Nye said she came across three landlords charging an extra \$50 a week for applicants with dogs, during a recent five-week search for a rental property.

Ms Nye, of Embleton, said it was unfair to force an extra \$2600 annual rental cost on dog owners, especially as her own pet was

well-behaved and lived outdoors.

"It's already expensive to rent a home," Ms Nye said.

"Where will it end? Will we have to pay extra for cats and budgies one day too?"

A western suburbs landlord who recently advertised the surcharge, who would not be named, said pet bonds were not big enough to cover potential damage caused by dogs. The pet bond is currently capped at \$100 but is set to rise to \$260 in June.



Northside Home Loans

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relax . celebrate . enjoy



VACANCIES DOWN, RENT LEVELS UP

Perth's residential rents increased \$10 to \$380 Per Week in December quarter 2010, bringing some good news for property investors in an otherwise stagnant market.

It was the first increase since the march quarter 2010 when university increased market demand and pushed median rents from \$360 Per Week to \$370 Per Week.

The vacancy rate for available Perth rental properties was 3.4% in the three months to January 2011, down from 4.1% in the March quarter 2010.

Perth's rental vacancy rate is now around 2.5% and many agents around the metropolitan area are reporting vacancies well below 1% on their books, increasing competition among tenants.

INVESTOR TEMPTATION

The upward pressure on rentals may tempt more investors into the property market because of higher yields, at the same time prompting more renters to buy a home because of the smaller differences between mortgage repayments and what they pay their landlords.

Economic forecaster BIS Shrapnel is predicting that due to employment growth within WA resources projects, rent levels in Perth will rise by 5% to 7% over the next two to three years.

Further increases in interest rates may also deter potential first homebuyers and cause them to rent instead of buy.

However, rental pressure may ease during 2011 if sellers struggling to find buyers choose to instead rent their properties for a while, increasing the vacancy rate and easing upward pressure on further rent rises.



Disclaimer

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**THE MARKET IS
IMPROVING RAPIDLY
AND WE NEED MORE
PROPERTIES!**

**TO KEEP UP WITH THE
CURRENT INCREASE IN
DEMAND, WE URGENTLY
REQUIRE MORE RENTAL
PROPERTIES TO MEET THE
NEEDS OF THE RAPIDLY
GROWING ENQUIRES
FROM AWAITING TENANTS**



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