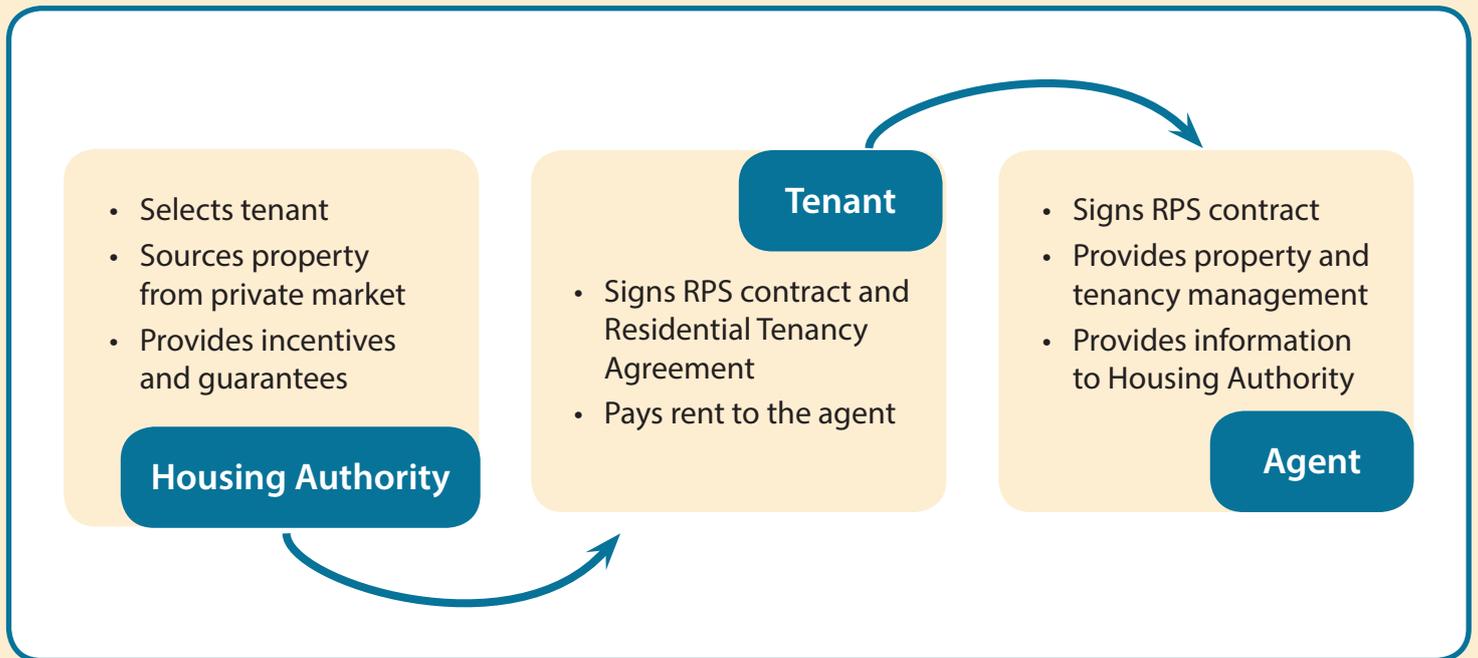




Rental Pathways Scheme (RPS) FREQUENTLY ASKED QUESTIONS ABOUT LEASING ARRANGEMENTS

What is the relationship between the Housing Authority, the tenant and the agent?



What contracts will the agent/owner sign?

1. Standard/REIWA tenancy agreement between the tenant and the agent/owner.
2. RPS Owner Contract between the agent/owner and Housing to ensure that:
 - The agent/owner agrees to take the tenant under the conditions of the RPS
 - In the first year of the tenancy, Housing will pay up to 20% of the annual rental costs upfront
 - In the second year of the tenancy (where the option is exercised) the up front rental contribution from Housing will be halved.
 - Housing will act as guarantor for rental payments and fund any property damage up to \$5,000 in excess of the bond, during the term of the lease (conditions apply)

Note - The RPS Owner Contract must be signed by the owner unless express authority is obtained from the owner to allow the agent to sign on their behalf.

What will the agent need to provide to the Housing Authority?

- A copy of the tenancy agreement between the tenant and the agent
- Copies of rental statements, inspection reports and any other correspondence with the tenant
- Immediate notice of any tenancy breaches/notices

Is the agent allowed to provide private documentation to the Housing Authority?

Yes, to satisfy privacy obligations we will ask tenants to sign a contract with the Housing Authority allowing the release of these documents. A copy can be provided to satisfy the real estate agent/owner.

What will happen at the end of the first 12 month lease term?

As per the RPS Owner Contract the owner agrees to grant the tenant an option to renew the tenancy agreement for a further 12 months if they meet their obligations under their tenancy agreement.

Specifically, the option will not be granted if the tenant fails to:

- Rectify any non-payment of rent within 14 days after the date any rent default notice is given to the tenant and/or;
- Rectify any damage specified in a property damage default notice within 7 days after any such notice is given to the tenant

If the tenant complies and agrees on a further 12 months tenancy, they will sign a new tenancy agreement to remain in the property for the new term.

A consumer price index (CPI) increase will be applied to the rental amount for the option term. Where an option period is granted, Housing will continue to act as guarantor for rental payments and fund any property damage (limited to \$5,000) throughout the option period.

Alternatively should the option not be exercised, the tenant will vacate the property at the end of the original 12 month lease term, upon being served with an appropriate notice.

A joint inspection of the property will be undertaken by the agent and the Housing Authority to establish the extent of tenant liability. The Housing Authority will pay for any damage to property in excess of the bond (up to \$5,000).

The aim of the scheme is to transition the tenant into the private rental market or home ownership.

A rental reference will be provided to the tenant at the conclusion of the tenancy.

What will happen at the end of the two-year lease term (where the option has been exercised)?

The tenant and agent will determine whether both parties wish to negotiate a new lease for a further fixed term period beyond the initial two-year term, if agreed a new tenancy agreement will be executed between the parties. Housing's involvement in the tenancy relationship ceases at the end of the two-year term.

A joint inspection of the property will be undertaken by the agent and Housing to establish the extent of tenant liability. Housing will pay for any damage to property in excess of the bond (up to \$5,000).

The aim of the scheme is to transition the tenant into the private rental market or home ownership.

A rental reference will be provided to the tenant at the conclusion of the tenancy.

A new lease can be privately negotiated with the tenant to remain in the property at the conclusion of the RPS.

What will happen if the tenant is no longer able to afford the rental payments?

If the tenant defaults on their rental payments the agent/owner must issue a breach notice for nonpayment of rent (as per normal procedures) and notify Housing immediately.

Under the conditions of the RPS Owner Contract, Housing guarantees rental payments to the agent/owner for the period of the lease. Once issued with a notice of demand from the agent/owner, Housing will pay the rent on behalf of the tenant.

Housing will support the tenant and assist them to recommence their rental payments. If this is not possible the agent/owner will be asked to terminate the tenancy agreement.

Where can I find more information?

To express your interest and/or find out more about the scheme please contact the Housing Authority's RPS Leasing Officer via email at rpsleasing@housing.wa.gov.au.

Additional information is also available on the Housing Authority website at www.housing.wa.gov.au.