

# RENT ARREARS

Meraki Property Management has a ZERO Tolerance Policy towards rent arrears and follows a strict rent arrears procedure, in accordance with the *Residential Tenancies and Rooming Accommodation Act 2008*. This is to ensure effective management of arrears and to protect the Lessor's investment.

Days in Arrears	Action Taken
3+	Courtesy SMS
8+	Form 11 – Notice to Remedy Breach will be issued for Rent Arrears, giving 7 days to remedy breach and pay all necessary rent arrears.
12+	Follow up Phone Call and/or SMS
15+	Form 12 – Notice to Leave will be issued for Unremedied Breach for Rent Arrears, giving 7 days to vacate the premises. <b>Please Note: This terminates the tenancy and vacant possession is required by the expiry of the notice.</b>
22+	The tenant is required to hand over vacant possession to the Agent on or before the expiry of the Notice.  Where the Tenant fails to do so, the Agent will make an Urgent Application to QCAT (Queensland Civil and Administrative Tribunal) for termination and a Warrant of Possession.

## REPEATED BREACHES

In accordance with the Residential Tenancies and Rooming Accommodation Act 2008, the Lessor can apply to Tribunal for termination of the tenancy for repeated breaches by the tenant.

### **299 Application by lessor for termination for repeated breaches by tenant**

- (1) *This section applies if—*
  - (a) *the lessor gives **2 notices to remedy breach** to the tenant for breaches of a particular provision in relation to the agreement; and*
  - (b) *each notice relates to a separate breach of the particular provision; and*
  - (c) *the tenant remedies each breach within the relevant allowed remedy period; and*
  - (d) *the tenant commits a further breach of the particular provision after the breaches mentioned in paragraph (a); and*
  - (e) *all breaches happen within the period prescribed under a regulation for this section.*
- (2) *The lessor may apply to a tribunal for a termination order.*
- (3) *An application under this section is called an application made because of **repeated breaches**.*
- (4) *In this section— **provision** means—*
  - (a) *section 184 (Tenant's use of premises); or*
  - (b) *section 188 (Tenant's obligations generally); or*
  - (c) *section 189 (Tenant's obligations for facilities in moveable dwelling parks); or*
  - (d) *section 190 (Tenant's obligations for moveable dwelling site); or*
  - (e) *a provision of a section mentioned in paragraphs (a) to (d); or*
  - (f) ***a provision of an agreement providing for the payment of rent.***

## RENTAL HISTORY & FUTURE RENTING OPPORTUNITIES

When applying for rental properties, it is required that you provide evidence of your rental history and ability to pay rent. A copy of your tenant ledger will be requested by the next managing agent or landlord.

**Constant arrears depicted on your ledger may cause difficulty in the future for obtaining a rental property, as it shows that you are constantly in breach of your agreement and are unable to meet your tenant obligations, such as paying your rent on time.**

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## WAYS TO RECTIFY YOUR RENT ARREARS

It is important that you communicate with us so we can advise you on the best steps to take towards getting back on track with your rental payments.

If you fall into financial hardship and are unable to rectify your arrears in full, we recommend paying your weekly rent as a minimum, with an additional payment of 1-2 days rent **each week**.


Trust Accounting Software for rental properties uses 2 methods for calculating your rent arrears:

1. Paid to Date – Weekly Rent Amount
2. Effective Paid to Date – Daily Rent Amount

### Example:



Paid to 7 Oct	Part paid \$122.00	Deposits \$0.00	Rent history 
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**\$255.14**  
Rent arrears

Your Paid to Date is calculated on receipt of a full week's rent amount. The above tenant is paid to 07/10/2018 with a credit of \$122.00. This means that the tenant has paid an odd amount of \$122.00, which the system is not able to allocate to the paid to date, as it requires the full weekly rent amount of \$240.00 towards the Paid to Date.

If this tenant was to take their weekly rent amount and subtract the current credit (\$240 - \$122.00 = \$118.00) and pay the gap of \$118.00, their paid to date will move forward a week to 14/10/2018 and have no part paid (credit) on their file.

However, as Rent Arrears is calculated with Daily Rent Amount, the credit is taken into consideration and their current rent arrears is only 7 days. The Paid to Date plus the Part Paid amount is also known as the Effective Paid to Date.

Paying your standard weekly rent amount plus an additional 1 or 2 day's rent will allow you to get up to date and in advance over a period of time and will allow you to rectify your arrears without causing further financial hardship.

**Please be advised that it is a standard term of your Tenancy Contract to pay your rent on time. Failure to pay your rent on time is a breach of your agreement.**

## HOW TO CALCULATE YOUR DAILY RENT AMOUNT

$$\text{Your Weekly Rent Amount} \div 7 \text{ days} = \text{Your Daily Rent Amount}$$

EXAMPLE	WEEKLY RENT AMOUNT							
	\$200	\$224	\$232	\$240	\$248	\$256	\$260	\$280
DAILY RENT	\$28.57	\$32.00	\$33.14	\$34.29	\$35.43	\$36.57	\$37.14	\$40.00
WEEKLY RENT + 1 DAY	\$228.57	\$256.00	\$265.14	\$274.29	\$283.43	\$292.57	\$297.14	\$320.00
WEEKLY RENT + 2 DAYS	\$257.14	\$288.00	\$298.29	\$308.57	\$318.86	\$329.14	\$334.29	\$360.00