

MEDIA RELEASE

Friday 11 January 2019

When your home becomes a quasi-hotel: Government Policy stalls while short-term letting runs rampant in the Northern Beaches

The Summer holiday period brings a wave of tourism to the Northern Beaches, causing disruption to residents living in strata communities as short-term letting schemes, such as Airbnb, runs rampant.

While there are many ways to list a property for short-term letting, Airbnb is the most prolific.

In the Northern Beaches there are now 4786¹ homes or 5 per cent² of all dwellings listed on Airbnb, of which approximately 80 per cent³ are unhosted properties – that is, where entire homes or apartments are rented.

Yet government policies have stalled and there is no end or hope in sight for those who find themselves unwittingly living next to a ‘party home’ where previously there was a neighbour.

The Owners Corporation Network, representing strata communities around NSW, says the situation in the Northern Beaches shows the NSW Government needs to act to put proper regulation in place.

“The regulatory changes announced in June don’t have the support of strata communities who are most impacted,” said OCN spokesperson Stephen Goddard.

“The Department of Planning has not released the draft State Environmental Planning Policy amendments designed to deal with strata issues, the Fair Trading Department has not publicly consulted on the introduction of a Code of Conduct. And who knows the views of councils?”

“We need to push pause on this regulatory dog’s breakfast until we have all the information we need to be properly consulted at a proper time about the regulation of short-term letting in NSW.”

In the Northern Beaches around 30 per cent⁴ of Airbnb homes are properties listed by a host with multiple properties – most are likely investors who snap up local properties to create full-time accommodation businesses.

“Airbnb is no longer about hosts sharing their own home to supplement their income or to meet new people. It’s increasingly becoming about big business and investors making profits,” Mr Goddard said.

Of particular concern is the proposal that short-term letting would be classified as ‘exempt development’, opening the floodgates to turn apartment communities into quasi-hotels filled with backpackers and travellers.

Furthermore, the number of nights per year a property can be rented out will be capped at 180 days in the Greater Sydney area – but unlimited everywhere else.

¹ Inside Airbnb www.insideairbnb.com/sydney/

² Northern Beaches Community Profile <https://profile.id.com.au/northern-beaches>

³ Inside Airbnb www.insideairbnb.com/sydney/

⁴ Inside Airbnb www.insideairbnb.com/sydney/

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Local strata communities and Local Councils must be able to work together to determine a suitable number of nights for their communities and neighbourhoods.

The average unhosted Airbnb property on the Northern Beaches is rented for a staggering 245 days each year⁵.

With the average short-term rental term at four nights, a home may see 61 tenant changeovers in any one-year period, further contributing to wear and tear in shared areas.

“Every night that a property is filled with short-term tenants, the long-term residents need to worry about who is coming and going and what noise or damage might occur.

“We live here – including on weekends and public holidays!”

“Short-term letting has a place in NSW, but in strata complexes the interests of local, permanent residents need to come first and be protected,” said Mr Goddard.

“It’s not fair that the right for residents to enjoy the comfort and safety of their own homes is now competing with business owners using our strata community and facilities for their own personal profits.

“Individuals and families are increasingly subsidising the costs of these businesses through their strata fees.

“People who own homes in strata communities want to be able to have a say in whether short-term letting is suitable for their community.

“The NSW Government is systematically eroding the controls which have enabled strata communities to thrive since they were first introduced in the 1960’s.

“The situation right now in the Northern Beaches shows that we need better regulation, to put the various proposed changes on hold and have proper public consultation.

“Decisions can not be made until we have better information on how proposed changes will impact apartment owners’ lives.”

Fight for fairness: what the Owners Corporation Network wants considered by the NSW Government:

- **The draft amendments to the State Environment Planning Policy (Exempt and Complying Codes) 2008 (SEPP) to be publicly released.**
- **The Code of Conduct must be developed in alignment with the SEPP, and be assured an appropriate and transparent consultation process.**
- **Short Term Rental Accommodation must not be classified as “Exempt Development”.**
- **A state-wide registry to be implemented as part of the planning system, in order for Local Councils to effectively monitor short-term letting.**
- **Give strata owners a real choice in their own strata communities by adopting ‘opt in’ rather than ‘opt out’ mechanisms relating to by-laws.**

For more information or to get your strata involved visit the Owners Corporation Network website: www.ocn.org.au

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Stephen Goddard, Spokesperson for Owners Corporation Network is available for comment.

⁵ Inside Airbnb www.insideairbnb.com/sydney/

