

Terms and Conditions

Bayleys Rent Guarantee

1. Eligibility Criteria

1.1 To qualify for the Rent Guarantee, all of the following must apply:

- a. The tenant must be selected and placed solely by Bayleys.
- b. The tenancy must be a new agreement, not an inherited or owner-placed tenancy.
- c. The property must meet all Healthy Homes compliance standards, with supporting documentation on file.
- d. The property must meet Bayleys' internal suitability criteria, including presentation, marketability, and rental level.
- e. The owner must follow all maintenance and legal recommendations made by Bayleys.

1.2 Bayleys reserves the right, at its sole discretion, to approve or decline eligibility.

2. Coverage Provided

2.1 If the tenancy qualifies under Clause 1:

- a. Bayleys will pay the net rent due to the owner monthly, regardless of whether the tenant has paid.
- b. Payment will be made as one monthly disbursement on the 1st day of each month, less authorised expenses and management fees.
- c. Bayleys will manage all arrears recovery and retain any recovered rent to reimburse itself for amounts paid under the guarantee.

3. Payment Limits and Duration

3.1 The Rent Guarantee is subject to the following limits:

- a. Coverage applies for up to eight (8) consecutive weeks of unpaid rent per tenancy incident.
- b. An annual cap of \$5,000 including GST applies per property.

3.2 Payments will cease upon the earliest of:

- a. End of tenancy.
- b. Reaching the eight-week limit.
- c. Reaching the annual cap.
- d. The tenant vacating or abandoning the property.

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4. Exclusions

4.1 This guarantee will not apply where:

- a. The owner interferes with tenant selection, enforcement action, or legal proceedings.
 - b. The owner refuses or delays recommended works or legal compliance.
 - c. Rent is uncollectible due to:
 - i. Tribunal-mandated rent reduction.
 - ii. Natural disasters or emergency legislation.
 - iii. Tenant death, insolvency, or protection orders.
 - d. The property is non-compliant or required maintenance is not actioned.
 - e. The tenant is undergoing a hardship-related lease break, unless Bayleys is permitted to source a replacement tenant on revised terms.
- 4.2 The guarantee does not apply during vacancy periods before, between, or after tenancies.

5. Owner's Agreement

5.1 By activating this service, the owner agrees that:

- a. Bayleys will have the sole right to manage arrears, disputes, and enforcement proceedings.
- b. All recovered rent remains with Bayleys to offset amounts paid under the guarantee.
- c. Bayleys may withhold rent or reserve funds where future payments or costs may be due.
- d. The owner will not override Bayleys' advice relating to enforcement, termination, or replacement tenants.

6. Fee

6.1 The Rent Guarantee is charged at an additional 1.5% + GST on top of the agreed management fee.

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7. Termination and Amendments

7.1 Bayleys may withdraw or amend the Rent Guarantee with thirty (30) days' written notice.

7.2 Bayleys may cancel coverage immediately if:

- a. The property is sold.
- b. The owner breaches the Management Authority.
- c. False or misleading information is provided.
- d. The owner fails to meet legal or maintenance obligations.

8. Legal Disclaimer

8.1 This service is a discretionary benefit, not an insurance product, and should not be relied upon as such.

8.2 Acceptance and continuation are at Bayleys' sole discretion.

8.3 No representation is made as to the guarantee continuing beyond the specific tenancy for which it is approved.

9. Domestic Violence Provisions – Exclusion

9.1 Under the Residential Tenancies Amendment Act 2020, tenants affected by domestic violence may terminate their tenancy with two (2) days' notice and may be liable for a reduced rent of two (2) weeks at 50% of the usual weekly rent.

9.2 Such events do not constitute a rent default and will not trigger the Rent Guarantee.

9.3 Any loss of rent or shortfall due to early termination, reduced rent periods, or associated vacancy following such an event is borne by the owner.

9.4 Bayleys will assist in facilitating a new tenancy as soon as reasonably practical but accepts no liability for the period affected.

10. Summary Statement

10.1 The Rent Guarantee is designed to support high-quality properties and tenants where Bayleys controls the key risk factors.

10.2 It provides stable, uninterrupted income for qualifying owners and enables Bayleys to act decisively when tenancy issues arise.

10.3 Owners should contact their Bayleys Property Manager to discuss eligibility or activation.