Landlord Compensation Policy

At SBP Realty, we are committed to accountability in the management of your property. Where an administrative error on our part results in financial loss to you, we believe in doing the right thing. This document outlines the two compensation policies that apply to landlords whose properties are managed by SBP Realty, together with illustrative examples.

1. Rent Adjustment Oversight — Loss Compensation

What it covers

If a rent increase that you have authorised is delayed beyond a reasonable timeframe, and that delay is attributable entirely to SBP Realty's failure to issue the required notice to the tenant within the applicable Notice Period, we will compensate you for the reasonable rental income lost during the period between the date on which the increase would have taken effect had timely notice been given and the date on which the increase actually takes effect.

To be considered for compensation, all of the following conditions must be satisfied:

- you provided written instruction or approval for the increase before the expiry of the required notice period;
- the increased rent has been accepted and paid by the tenant;
- the delay was directly caused by an Administrative Error on the part of SBP Realty (e.g., missed deadline, clerical error), excluding any reasonable timeframe required by SBP Realty to process the notice; and
- the increase complies with the Residential Tenancies Act 2010 (NSW) and any other applicable residential tenancy legislation.

How compensation is calculated

(Increased Weekly Rent accepted and paid by the Tenant − Current Weekly Rent) × Number of Weeks Delayed = Maximum Compensation Payable

Case 1 — Alex's Rent Increase Delay

- Situation: Alex instructs SBP Realty to increase the rent on his investment property by $30/week. Our agency fails to issue the required notice to the tenant, causing a 4-week delay before the increase takes effect.
- Calculation: $30/week × 4 weeks
- Compensation to Alex: $120

Case 2 — Lily's Clerical Error

- Situation: Lily instructs a $20/week rent increase. A clerical error in preparing the notice delays the increase by 8 weeks.
- Calculation: $20/week × 8 weeks
- Compensation to Lily: $160

What's not covered

- Vacancy or delays caused by market conditions, tenant refusal, negotiations, disputes, or any delay not solely attributable to SBP Realty
- Increases prohibited or restricted by legislation
- Delays caused or contributed to by external factors (e.g., postal issues, tenant non-compliance, third-party service providers)

2. Vacancy Caused by Team Negligence — Full Rent Compensation

What it covers

If a property vacancy is solely caused by a verifiable administrative error or negligence on the part of our property management team, you may be eligible for compensation in respect of the rental income lost during the period of vacancy reasonably attributable to that error or negligence.

You may be eligible if:

- The vacancy directly resulted from a documented administrative failure by SBP Realty (e.g., failure to process a lease renewal in a timely manner, failure to respond to a qualified applicant within a reasonable timeframe, or delay in listing a vacant property for lease after obtaining clear instructions from you to do so).
- The property is managed under a current Management Agreement with SBP Realty.
- The property was vacant during the claimed period.
- The claim is supported by internal audit logs or documented communication trails.

How compensation is calculated

(Weekly Rent ÷ 7) × Number of Days Vacant due to Negligence = Maximum Compensation Payable

The rate used is the most recent agreed-upon market rent for the property as stated in the current residential tenancy agreement or Management Agreement.

Case 1 — Alex's Lease Renewal Error

- Situation: Alex instructs SBP Realty to send a lease renewal offer to his existing tenant. The property manager fails to do so, and the tenant vacates because they did not receive a renewal offer in time. The property is re-let 21 days later. The weekly rent is $700.
- Calculation: ($700/week ÷ 7) × 21 days
- Compensation to Alex: $2,100

Case 2 — Lily's Listing Delay

- Situation: Lily's property becomes vacant, but due to an administrative processing error, it is not advertised on the market for 10 days. The weekly rent is $560.
- Calculation: ($560/week ÷ 7) × 10 days
- Compensation to Lily: $800

What's not covered

- Vacancies due to a lack of qualified applicants despite standard advertising efforts
- Delays caused or contributed to by landlord decisions, inaction, or timing in responding to correspondence (e.g., slow approval on maintenance, pricing, or tenant applications)
- Tenants vacating for personal reasons or under standard notice
- External factors outside our control (e.g., utility outages, natural disasters, legal strikes)

How to Make a Claim

To submit a claim, contact your Property Manager or email pm1@sbprealty.com.au with the relevant details, including the property address, a description of the error, and any supporting documentation. All claims are assessed against the criteria set out above and verified through our internal records. We aim to respond within 2 business days of receipt of a complete claim; however, response times may vary depending on the complexity of the claim.

General Provisions

- These policies are supplementary to, and do not limit or exclude, any rights or remedies available to the parties under the Management Agreement, the Property and Stock Agents Act 2002 (NSW), the Residential Tenancies Act 2010 (NSW), or any other applicable law.
- SBP Realty may amend these policies at any time. The most current version will always be available on our website.

- All compensation determinations will be made by SBP Realty in accordance with the criteria set out above, at SBP Realty's sole discretion, acting reasonably and in good faith.

Questions? Contact SBP Realty at pm1@sbprealty.com.au.

Terms & Conditions — Landlord Compensation Guarantee

SBP Realty

Last updated: 22/Sep/2026

1. Introduction

These Terms & Conditions govern the SBP Realty Landlord Compensation Guarantee ("Guarantee"), comprising the Rent Adjustment Oversight — Loss Compensation policy and the Vacancy Caused by Team Negligence — Full Rent Compensation policy (together, the "Policies"). The Guarantee operates in conjunction with, and is subject to, the Property and Stock Agents Act 2002 (NSW), the Property and Stock Agents Regulation 2022 (NSW), and the Residential Tenancies Act 2010 (NSW).

By entering into or continuing a Management Agreement with SBP Realty, you acknowledge that you have read, understood, and agree to be bound by these Terms & Conditions.

2. Definitions

- "Agency," "we," "us," "our" means SBP Realty, being a licensed real estate agent within the meaning of the Property and Stock Agents Act 2002 (NSW).

- "Landlord," "you," "your" means the property owner who is a party to a current Management Agreement with SBP Realty.

- "Management Agreement" means the active property management agreement between you and SBP Realty.

- "Administrative Error" means a verifiable failure in SBP Realty's internal processes, including but not limited to missed statutory deadlines, clerical errors, failure to process

written instructions, or failure to respond to qualified applicants within a reasonable timeframe.

- "Compensation" means the financial amount payable under the Guarantee, calculated in accordance with the applicable Policy.

- "Notice Period" means the period required under the Residential Tenancies Act 2010 (NSW), or the applicable residential tenancy agreement, before a rent increase or other action may take effect.

- "Weekly Rent" means the most recent agreed-upon market rent for the property as stated in the current residential tenancy agreement or Management Agreement.

3. Eligibility

3.1 To be eligible for Compensation, you must:

(a) hold a current, active Management Agreement with SBP Realty at the time the relevant Administrative Error occurs;

(b) have provided written instruction or approval where required;

(c) demonstrate that the loss was directly caused by an Administrative Error by SBP Realty; and

(d) submit a claim in accordance with clause 6.

3.2 Eligibility is assessed solely against the criteria set out in the applicable Policy. Satisfaction of the eligibility criteria does not of itself entitle you to Compensation; all claims remain subject to assessment, verification, and determination by SBP Realty in accordance with clause 7.

4. Compensation

4.1 Compensation is calculated using the formula specified in the applicable Policy.

4.2 Compensation is limited to the direct and actual lost rental income reasonably attributable to the delay or vacancy caused by the Administrative Error. No allowance is made for prospective rental increases, investment returns, or other indirect or consequential losses.

4.3 Compensation will be paid by way of credit against future management fees, electronic funds transfer to your nominated account, or such other method as SBP Realty may determine in its reasonable discretion.

4.4 Compensation is not payable for any loss that is indirect, consequential, speculative, or not directly attributable to the Administrative Error, including but not limited to loss of opportunity, reputational loss, or emotional distress.

5. Exclusions

5.1 The Guarantee does not apply to any loss arising from:

(a) market conditions, including vacancy due to lack of qualified applicants despite standard advertising efforts;

(b) tenant decisions, including refusal to accept a rent increase or vacation for personal reasons;

(c) legislative restrictions, including rent increase frequency limits or legally prohibited increases;

(d) landlord-induced delays, including delays in approving maintenance, pricing, or recommendations;

(e) third-party or external factors outside SBP Realty's reasonable control, including postal or courier delays, utility outages, natural disasters, pandemics, government orders, or industrial action; or

(f) any event constituting force majeure.

5.2 The Guarantee does not cover loss of opportunity, loss of anticipated future rent beyond the delay or vacancy period, diminution in property value, or any tax or accounting consequences.

6. Claims Process

6.1 Claims must be submitted in writing to pm1@sbprealty.com.au within thirty (30) calendar days of the date on which you became aware, or ought reasonably to have become aware, of the loss. Late claims may be considered at SBP Realty's sole discretion.

6.2 Claims must include:

(a) the property address and Management Agreement reference;

(b) a description of the Administrative Error and the resulting loss;

(c) supporting documentation, including copies of written instructions, relevant correspondence, and any other evidence substantiating the claim; and

(d) the claimed Compensation amount and calculation.

6.3 SBP Realty will assess claims against its internal audit logs, communication records, and any other relevant documentation held by the Agency.

6.4 SBP Realty will use reasonable endeavours to resolve claims within fifteen (15) business days of receipt of a complete claim.

6.5 SBP Realty may request additional information or documentation in support of a claim and may defer assessment of the claim until such information or documentation is provided to its reasonable satisfaction.

7. Verification & Audit

7.1 By submitting a claim, you consent to SBP Realty accessing and reviewing its internal records, communication trails, audit logs, and any other documentation relevant to the assessment of the claim.

7.2 SBP Realty's determination of whether an Administrative Error occurred, and the quantum of Compensation payable (if any), is final and binding, subject to the dispute resolution process set out in clause 10.

8. Limitation of Liability

8.1 To the maximum extent permitted by law, SBP Realty's total aggregate liability under the Guarantee in respect of any single event or related series of events is limited to the Compensation amount calculated under the applicable Policy.

8.2 Nothing in these Terms & Conditions excludes, restricts, or modifies any right or remedy you may have under the Australian Consumer Law (Schedule 2 of the Competition and Consumer Act 2010 (Cth)), the Property and Stock Agents Act 2002 (NSW), the Residential Tenancies Act 2010 (NSW), or any other applicable law, to the extent that such right or remedy cannot lawfully be excluded, restricted, or modified.

8.3 Where any statutory guarantee, consumer right, or non-excludable obligation applies, SBP Realty's liability is limited to the maximum extent permitted by the applicable legislation.

9. Term, Amendment & Termination

9.1 The Guarantee applies for the duration of your active Management Agreement.

9.2 SBP Realty may amend these Terms & Conditions or the Policies at any time by publishing the amended version on its website. The amended version takes effect from the date of publication. SBP Realty will use reasonable endeavours to notify you of material amendments.

9.3 SBP Realty may withdraw or suspend the Guarantee upon not less than thirty (30) days' written notice to you. Withdrawal or suspension does not affect claims arising from Administrative Errors that occurred before the effective date of withdrawal or suspension.

9.4 The Guarantee automatically terminates upon the expiry or termination of your Management Agreement, provided that claims already submitted, or arising from events occurring during the term of the Management Agreement, survive such termination.

10. Dispute Resolution

10.1 If you disagree with a claim determination, you may request an internal review by writing to pm1@sbprealty.com.au within fourteen (14) days of receiving notification of the determination.

10.2 If the dispute remains unresolved following internal review, the parties agree to attempt resolution through mediation administered by a mediator agreed upon by the parties, or failing agreement, appointed by the President of the Law Society of New South Wales, before pursuing any other remedy.

10.3 Nothing in this clause prevents either party from exercising rights available under applicable law.

11. Illustrative Examples

The following examples are provided for illustration purposes only. They do not form part of these Terms & Conditions, are not exhaustive, and do not give rise to any entitlement or expectation of a particular outcome. Actual Compensation, if any, is determined on the facts and circumstances of each individual case at SBP Realty's discretion.

11.1 Rent Adjustment Oversight

Case 1 — Alex's Rent Increase Delay

- Situation: Alex instructs SBP Realty to increase the rent on his investment property by $30/week. Our agency fails to issue the required notice to the tenant, causing a 4-week delay before the increase takes effect.

- Calculation: $30/week × 4 weeks

- Compensation to Alex: $120

Case 2 — Lily's Clerical Error

- Situation: Lily instructs a $20/week rent increase. A clerical error in preparing the notice delays the increase by 8 weeks.

- Calculation: $20/week × 8 weeks

- Compensation to Lily: $160

11.2 Vacancy Caused by Team Negligence

Case 1 — Alex's Lease Renewal Error

- Situation: Alex instructs SBP Realty to send a lease renewal offer to his existing tenant. The property manager fails to do so, and the tenant vacates because they did not receive a renewal offer in time. The property is re-let 21 days later. The weekly rent is $700.

- Calculation: ($700/week ÷ 7) × 21 days

- Compensation to Alex: $2,100

Case 2 — Lily's Listing Delay

- Situation: Lily's property becomes vacant, but due to an administrative processing error, it is not advertised on the market for 10 days. The weekly rent is $560.

- Calculation: ($560/week ÷ 7) × 10 days

- Compensation to Lily: $800

12. General

12.1 Entire Agreement: These Terms & Conditions, together with the Policies and your Management Agreement, constitute the entire agreement between you and SBP Realty in relation to the Guarantee and supersede all prior representations, understandings, and agreements in respect of the subject matter hereof.

12.2 No Waiver: Failure by SBP Realty to enforce any provision does not constitute a waiver of that provision.

12.3 Severability: If any provision is found unenforceable, the remaining provisions continue in full force.

12.4 Governing Law: These Terms & Conditions are governed by and construed in accordance with the laws of New South Wales, Australia, and the parties submit to the exclusive jurisdiction of the courts of New South Wales.

12.5 Relationship: Nothing in these Terms & Conditions creates a partnership, joint venture, employment relationship, or fiduciary relationship beyond that which already exists under the Management Agreement or at law.

For questions about these Terms & Conditions, contact SBP Realty at pm1@sbprealty.com.au.