

SECOND CASE STUDY PMC 2018

Will and Lauren are a young couple who have recently sold their beautiful beachside home in Harbourside and are building their dream home nearby. They have a young boy, Marco, and Lauren is pregnant with their second child.

While their new home is being built they have rented a very beautiful home in their old neighbourhood at 14 Grey Street Harbourside, for \$2000 per week. Their lease is for 18 months as the construction of their architect designed home will be a long drawn out affair and Lauren wanted a stress free time as she prepares for the new baby.

The house is large and well appointed and consists of 3 bedrooms and a study, three bathrooms and extensive living spaces and a pool.

When Helen, the property manager, visited the property to conduct the first routine inspection she noticed that all the bathrooms were being used with one for Lauren, one for the little boy, Marco, and the third and smallest being used by Will.

Very sensible thought Helen to herself and wished that she could have her own bathroom.

Everything about the tenancy was great, Will and Lauren were the perfect tenants and sometimes, if Helen was in the neighbourhood, she would drop in and have a coffee with Lauren. She always rang ahead first, of course.

One day Helen was thinking to herself that Lauren was getting very close to her baby's due date when the phone rang, it was Lauren and she was in a panic.

She told Helen that she had been in the garage putting Marco into his car seat before going to a doctor's appointment when she noticed that there was water dripping from the ceiling of the garage right in the spot where Will's bathroom was. When she investigated it she found it to foul smelling water.

Lauren went up to the bathroom but found that there was no flooding and that the toilet wasn't blocked but there was a bad smell coming from it. She had turned off the tap to the cistern but she desperately need a plumber to get it fixed before Will came home from his business trip.

Helen got onto it immediately, she contact the landlord's preferred plumber who was on the spot within 30 minutes and reported back to Helen.

The news was not good!

The toilet would need to be replaced and, as the model that it would be replaced with was imported, there could be up to a month's wait, the bathroom could not be used until then as he would have to disconnect the water to that bathroom.

Oh well, thought Helen, at least they have 2 other bathrooms that they can use so the news is not all bad. Strangely Lauren didn't seem to see it that way!

True to his word the plumber had the bathroom up and running again within a month and there were no more complaints from Will and Lauren, although they were a little more distant in their dealings with Helen from that moment on.

About 6 weeks later, Helen receives a message to say that Lauren had rung and would like a quick call back. Helen thinks that she has probably had the baby and is thinking about sending flowers as she waits for Lauren to pick up.

Lauren tells Helen that yes she has have had a little girl called Maggie and that since they have been using the third bedroom as the nursery she has noticed that there is a musty smell in the room. At first she had thought that it was just that the room hadn't been used much, but this morning Lauren had noticed a discolouration on the ceiling, in the far corner of the room.

Lauren is panicking and has moved all the new baby's toys and clothes out of the room and is in the process of moving the furniture, she is very worried about the baby's health.

First the bathroom now this!

Helen has a think to herself, there was a big storm a couple of weeks back maybe there is a roof leak. Excellent, she thinks, she will send Bob, the handyman, around to have a look before she rings the landlord who lives in New York.

Bob, the handyman reports back to Helen that, yes a couple of tiles have moved and that might be one cause of the problem, but he thinks that the problem may be bigger as the baby's bedroom is nowhere near the area where the tiles have moved.

The handyman tells Helen that she will need to get someone who knows about these things into the roof.

Helen rings the landlord, he is not happy!

After 24 hours of heated phone calls between all parties including the builders of 14 Grey Street, it is established that the mould is the result of a combination a 2 things:

- the roof leak because of the storm and
- very poor quality insulation in the roof cavity which has allowed the water to pool in the ceiling above the third bedroom.

So what has to be done? A lot!

The tiling on the roof has to be secured, the insulation doesn't meet current building standards and has to be replaced and the ceiling in the third bedroom has to be replaced because it is very damp and can't be dried out.

The family will have to move out and store some their furniture to avoid damage!

Because they have no family in the area, Lauren and Will and the 2 children move into a 3 bedroom serviced apartment while the work is done. Helen hears very little from them except from the occasional phone call to ask if the work is finished yet and the answer is always "no".

Helen feels sorry for them but thinks that at least they don't have to pay the rent!

Finally the day arrives when the family can move back into their home, and Helen heaves a sigh of relief. She hears nothing from them for a few days and is happy with that, she really wants no more to do with that house.

But that is not to be the case because 2 weeks later Helen receives a notice of hearing relating to the property at 14 Grey Street, Harbourside.

Lauren and Will are claiming compensation of \$17,200!

The claim is as follows:

- \$1,600 for the loss of the third bathroom for a period of 4 weeks based on the bathroom representing 20% of the rent.
- \$10,000 for the cost of a serviced apartment for 4 weeks during the mould problem.
- \$1,600 removal and storage of some furniture during the restoration of the property.
- \$2,000 for loss of quiet enjoyment
- \$2,000 stress

Defend the claim using your state's legislation.