



We put you first

RESIDENTIAL TENANCIES DURING COVID-19 EMERGENCY

29 MARCH - 29 SEPTEMBER

FOR THE DURATION OF THE COVID-19
EMERGENCY PERIOD, NATIONAL CABINET
HAS PLACED A MORATORIUM ON
EVICTIONS FOR RESIDENTIAL TENANCIES IN
FINANCIAL DISTRESS RELATED TO COVID-19.
IN SUMMARY, THE SITUATION IS AS FOLLOWS:

- If you are able to pay your rent, you must continue to do so
- If you are experiencing COVID-19 related financial difficulty, you may negotiate a reduced rent but you will be required to pay back any shortfall via a payment plan at the end of the emergency period
- If your fixed term lease ends during the COVID-19 pandemic, it will be extended until 30 September (unless you request otherwise)
- Break lease fees are capped for tenants with less than \$5,000 in savings who have lost at least 75% of their income
- Landlord obligations for routine repairs/inspections have been relayed.
- Tenants may refuse physical entry for non-essential repairs/ inspections but must agree to virtual inspections
- Tenants / landlords should attempt to reach agreements in the event of COVID-19 related hardship. If this isn't possible, parties are required to undertake conciliation

WHEN ARE YOU CONSIDERED TO BE SUFFERING 'EXCESSIVE HARDSHIP'?

If you have lost 25% or more of your income and the rent you pay is more than 30% of your income, and:

- You or someone you care for are afflicted by COVID-19
- You are subject to a quarantine direction
- A public health direction has closed your employment or restricted your employer's trade or business
- You are self-isolating because you / someone you live with is a primary carer for a vulnerable person
- You can't work because a travel restriction prevents you working or returning home
- You have been prevented from leaving or returning to Australia

When more than one person is on the lease, the tenancy is considered COVID-19 affected when 25% or more of the combined total income of all tenants has been lost OR the rent represents more than 30% of total household income.

WHAT PROOF OF HARDSHIP IS REQUIRED?

To be eligible for protection under the eviction moratorium:

- \bullet $\,$ You must prove you have lost 25% of income due to COVID-19, or
- Prove you are spending more than 30% of income on rent
- 75% loss of income is the threshold before you can end tenancy with a 7-day cap on break-lease fees

Your property manager can request evidence of reduced income, similar to the types of documentation requested at the beginning of your tenancy. They may not request bank statements / evidence of savings / or ask you to access superannuation.

RECOVERY OF DISCOUNTED RENT

Recovering of any discounted rent is subject to negotiations between individual parties. In the event of a dispute, parties will go to mandatory conciliation before the Residential Tenancies Authority, where both sides must supply full financial documentation. More information about mandatory conciliation is found here.

ENDING TENANCY AGREEMENTS

During the emergency period, tenants and property owners may only end a tenancy for an approved reason – after the required notice to leave - such as:

- The owner or their immediate family needs to move in
- The owner is preparing the property for sale, or the property has been sold and requires vacant possession
- The tenant is experiencing domestic violence
- The tenant finds the property is not in good repair when they move in (within first 7 days)

For eligible tenants who need to end a fixed-term lease early, break lease costs are capped at one week's rent. (Eligibility = lost 75% of income and less than \$5,000 in savings).

ENTRY PROVISIONS

Entry to tenanted properties must accord with public health directives and advice. Entry is considered necessary:

- When emergency repairs are needed
- To comply with regulatory obligations that assure tenant safety (smoke alarms/electrical safety etc.)
- When the owner/property manager reasonably believes it is necessary to protect the property from damage
- Tenants and owners/property managers should work together to allow entry while observing social distancing measures i.e. or allow inspections via video conference etc.

More information.

NEGOTIATING RENT VARIATIONS DUE TO COVID-19 IMPACTS

Parties should try to negotiate a new rent amount that is reasonable and affordable, based on their changed circumstances, as well as any conditions, including any rent repayments that need to be made and the timeframe for the rent adjustment. Before requesting a rent variation, eligible tenants should:

- Access all available income support
- Make the property manager aware of circumstances
- Provide supporting evidence (see above)
- Consider the impact on the property owner as well

Once a new rent amount is agreed, a <u>Tenancy Variation Form (RTA Form 18d)</u> must be completed.

Alternative General Tenancy COVID-19 variation agreements are <u>Form 18e</u> or <u>Form 18f.</u>

If your change in financial circumstances is not COVID-19 related, you must continue to pay full rent.

If parties cannot agree, applications must be made to QCAT for conciliation. Complete the online Residential Tenancies Self-Assessment tool before completing a Dispute Resolution Request Form (RTA Form 16 COVID-19) here and email a scanned version to covid@rta.qld.gov.au

EXTENSION OF TENANCIES

Extending the term of any tenancy agreement during the COVID19 emergency period is limited to September 30, 2020 unless agreed otherwise by the owner and tenant (or there's an appropriate ground to end tenancy).