

Fact sheet

RayWhite

Rental legislation changes effective 23 March 2020

Minimum standards to clarify 'fit for habitation'

Landlords are currently required to provide the rented property in a reasonable state of cleanliness and 'fit for habitation'. The changes introduce seven minimum standards which clarify the meaning of 'fit for habitation'.

New smoke alarm obligations for landlords

All NSW landlords will need to ensure that smoke alarms installed in the rented property are in working order. The details on when a landlord must repair or replace a battery-operated or hardwired smoke alarm, and when a tenant may repair or replace a smoke alarm, is in the new Regulation.

Changes of a 'minor nature'

Under new legislation if the tenant's request for a fixture or alteration, addition or renovation is of a 'minor nature' then the landlord must not unreasonably withhold consent. The tenant must pay for the fixture they install or for any alteration, renovation or addition to the property that they make, unless the landlord agrees otherwise. The new regulation lists the kinds of fixtures or alterations, additions or renovations of a 'minor nature' for which it would be unreasonable for a landlord to withhold consent.

New mandatory set break fees for fixed term agreements

New break lease fees applicable to all leases signed AFTER 23 March 2020:

- Four weeks rent if less than 25 per cent of the lease had expired
- Three weeks rent if 25 per cent or more but less than 50 per cent of the lease had expired
- Two weeks rent if 50 per cent or more but less than 75 per cent of the lease had expired
- One weeks rent if 75 per cent or more of the lease had expired.

Strengthened information disclosure requirements and new material facts

The new laws expand the list of current material facts and information that prospective tenants must be told before entering into an agreement. The new laws also provide a remedy for tenants when material facts and information are not disclosed. The changes recognise the potential hardship tenants face if they are not provided with important information about a tenancy

Water efficiency measures

The new laws include changes to "separately metred" definition and additional water efficiency measures, including that all taps and toilets on the property need to be checked at the start of EACH tenancy so that any leaks are fixed. Taps and toilets must also be checked whenever any other water efficiency measures are installed, repaired or upgraded and any leaks fixed. This requirement applies to existing and new tenancy agreements from 23 March 2020.

New Residential Tenancies Agreement and Condition Report

The standard form of agreement has been updated to reflect the rights and obligations between landlords and tenants under the new laws. The changes aim to increase transparency between landlords and tenants about their rights and obligations and information relevant to the rented property. The condition report has been updated to reflect the new laws, including the minimum standards and smoke alarm requirements.

Landlord contact details

Landlords are required to give their name and a way for their tenant to contact them directly, even if they use an agent. The landlord's contact details can be a telephone number or other contact details such as an email address. A landlord cannot nominate their agent's contact details instead of their own.