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CHANGES TO THE RESIDENTIAL TENANCIES ACT—HOW DO THEY AFFECT YOU?

Recent changes to the Residential Tenancies Act 1986 have imposed new requirements on landlords and tenants. These changes are as follows:

Smoke Alarms

Working smoke alarms are now compulsory in all residential rental properties. Smoke alarms must be installed in every bedroom or within 3 metres of each bedroom door. If the property is multi-storied, then there needs to be at least one smoke alarm installed on each storey.

Landlords must ensure that the smoke alarms are in working order at the start of a new tenancy and remain in working order during the tenancy. If the landlord fails to provide smoke alarms, then the landlord can be fined up to \$4,000.00.

The tenant is responsible for replacing any dead batteries during the tenancy and needs to let the landlord know if there are any issues with the smoke alarms. Tenants must also not damage, remove or disconnect a smoke alarm. If the tenant fails to comply with these requirements, they can be liable for a fine of up to \$3,000.00.

Insulation

Landlords must provide ceiling and underfloor insulation in rental properties by the 1st July 2019.

Certain properties are exempt from having to have insulation installed. These are properties that have:

- (a) Skillion ceiling and trusses;
- (b) Flat roof with bitumen membrane;
- (c) Low sub-floor; or
- (d) Concrete floor.

All new tenancy agreements need to have an insulation statement included which states:

- (a) Location of the insulation;
- (b) Type of insulation; and
- (c) Condition of the insulation currently installed.

If landlords do not install insulation by the 1st July 2019, then they can be liable for a fine of up to \$4,000.00.

Letting Fees

Standard practice has been for letting fees to be charged by property management companies to tenants when a tenancy commences in addition to rent in advance.

From 12 December landlords and property management companies could not charge letting fees (including charges to renew or extend a tenancy) to tenants. However, property management companies can charge a landlord these fees.

If property management companies or landlords charge these fees to tenants then they can be liable for a fine of up to \$1,000.00.

20 MINUTE FREE

WANT to review your Family Trust structure? THEN call us and take advantage of our 20 Minute Free interview