

## NEWSLETTER

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### • Contacts

#### **Lloyd Collins**

[lloyd@collinsmay.co.nz](mailto:lloyd@collinsmay.co.nz)

DD: 576 1403

#### **Paul May**

[paulm@collinsmay.co.nz](mailto:paulm@collinsmay.co.nz)

DD: 576 1400

#### **Eugene Collins**

[eugene@collinsmay.co.nz](mailto:eugene@collinsmay.co.nz)

DD: 576 1407

#### **Nicola Goss**

[nicola@collinsmay.co.nz](mailto:nicola@collinsmay.co.nz)

DD: 576 1404

#### **Paul Whitmarsh**

[paulw@collinsmay.co.nz](mailto:paulw@collinsmay.co.nz)

DD: 576 1409

#### **Davina Rowan**

[davina@collinsmay.co.nz](mailto:davina@collinsmay.co.nz)

DD: 576 1411

#### **Amy McLennan**

[amy@collinsmay.co.nz](mailto:amy@collinsmay.co.nz)

DD: 576 1405

#### **Michael Moohan**

[mike@collinsmay.co.nz](mailto:mike@collinsmay.co.nz)

DD: 576 1417

If you would like any of our previous newsletters or any of the our free booklets on Wills, Family Trusts, Relationship Property of Business Law please email us.

Most people will enter into a Tenancy Agreement at least once in their lifetime. As such, it is important to be familiar with your obligations under a Tenancy Agreement.

The Act that applies to tenancy agreements is the Residential Tenancies Act 1986. Generally this Act applies to all Residential Tenancies, however there are some exceptions.

The Act provides for two main types of tenancies: periodic and fixed term tenancies. A fixed term tenancy is where a tenant only moves into a property for a specific amount of time, whereas under a periodic tenancy, a tenant continues to live in the property until the Tenancy Agreement is terminated.

Under the Act, all Tenancy Agreements must be in writing and they must be signed by the landlord and the tenant. The landlord has an obligation to give the tenant a copy of the agreement before the tenancy begins.

A landlord can also require the tenant to pay a bond before the tenancy begins. This is security for the landlord in case the tenant does not perform their obligations under the agreement. The landlord must give the bond money to the Chief Executive of the Ministry of Housing and provide the tenant with a receipt. After the tenancy ends, the bond is either given back to the tenant or the landlord can use some or all of the money for unpaid rent or to repair any damage the tenant has caused to the property.



The landlord has several responsibilities during a tenancy. These include:

- Providing the premises in a reasonably clean condition;
- Keeping the premises in a reasonable state of repair and complying with all health, building and safety requirements;
- In certain circumstances, the landlord is required to compensate the tenant for any reasonable expenses if the tenant has carried out any urgent repairs because the landlord has not done so;
- Ensuring other tenants do not interfere with the tenants peace and privacy;
- Allowing the tenant to have quiet enjoyment of the premises;
- Providing and maintaining locks for the property.

The tenants general responsibilities during the tenancy include:

- Paying rent;
- Only using the property for residential purposes;
- Keeping the premises reasonably clean and tidy;
- Notifying the landlord as soon as possible of any damage or any need for repair;
- Not to cause any damage to the premises, whether intentional or careless;

- When the tenancy has terminated, moving out of the property, removing all belongings and leaving the premises in a reasonably clean and tidy condition.

If a tenant wishes to leave a tenancy, then the general rule is the tenant must give the landlord 21 days written notice. If a landlord wishes to end a tenancy they must give the tenant 90 days written notice. However, a landlord is only required to give 42 days notice if:

- The property will be used by the landlord or a member of the landlord's family;
- The property has been sold and it must be vacant on possession;
- The property will be used by the landlord's employees and this is stated in the agreement.

However, if it is a fixed term tenancy, the tenancy will expire at the end of the term. The tenant must continue to pay rent until the end of the fixed term and the landlord cannot give the tenant notice to end the tenancy.

If you have any queries regarding residential tenancies, please do not hesitate to contact us.

### **New Website**

Collins & May have now got a new website up and running [www.collinsmay.co.nz](http://www.collinsmay.co.nz). Please check out this site and give us your feedback. You can download old newsletters as well as information booklets.

The next issue of the Collins & May Law newsletter covers the Importance of Completing Trust Gifting Programme by Michael Moohan.