

## Case Study - COVID-19 - release from lease due to severe hardship

### Relevant Facts

The Complainant was renting a property (the Property) that was managed by the Real Estate Agency with the Property Agent who managed the day to day management of the Property being the subject of the complaint.

By way of background, the Complainant and the Landlord had agreed for a rent reduction in relation to COVID-19 of approximately \$200.00 for the period from 8 April 2020 to 30 June 2020. The rent as agreed under the lease was \$850.00/week.

In May 2020, the Complainant and a fellow tenant met with the Property Agent at the Real Estate Agency's office in an attempt to formally re-negotiate their rental agreement or seek to have the lease agreement terminated due to severe financial hardship.

The Complainant said that she had limited savings and could no longer afford to reside at the Property. At the time of this meeting no rent had been paid for a period of 5 weeks.

The Property Agent said she discussed the Government assistance that was available to the tenants and directed them to apply to the Residential Tenancy Commissioner (the RTC) in order for an assessment of whether or not they could be released from the lease due to severe financial hardship.

The Property Agent advised the Complainant there was nothing more she could do to assist until they received a determination from the RTC.

The Complainant claimed that the Property Agent and other Real Estate Agency staff were quite rude to her during the meeting and felt abused as the Property Agent yelled at them.

The Property Agent alleged that the Complainant presented to the office in an agitated state and that the Complainant yelled at her and other staff and refused to leave but were eventually escorted off the premises by agency staff.

The Complainant and the other tenant then blocked the entrance to the office and Tasmania Police had to be called.

### Ground of complaint

The ground of complaint was that the Property Agent failed to act in a fair, honest and reasonable manner.

### Discussion

The Board agreed that the Property Agent's conduct, depending on the way she spoke to the Complainant, may have amounted to poor customer service.

However, the Board considered that there was no material evidence to verify the conduct (which essentially came down to one party's word against the other) and that the alleged conduct would not have reached the threshold of amounting to misconduct.

The Board considered that the Property Agent acted appropriately in advising the Complainant of the options available under COVID-19 and based on the evidence it was clear that the situation was frustrating for all concerned.

The Board noted that the RTC made a determination that it was not satisfied that there was severe financial hardship caused by COVID-19 to warrant the lease agreement being terminated.

### Finding by the Board

The Board having considered the information provided to it determined to dismiss the complaint pursuant to Section 92 of the *Property Agents and Land Transactions Act 2016* as lacking in substance.