

Case Study -Communicating rent increases

Relevant Facts

The Complainant had been renting a property through the Real Estate Agency in excess of a decade. During this timeframe the Complainant indicated the property had been managed by a number of different property agents employed at the Real Estate Agency.

The information provided by both the Complainant and the Property Agent indicated that the owner of the Property sought to increase the rent by \$50.00 per week.

The Complainant stated that she had requested the property agent managing the property at the time try to negotiate with the owner for a lower increase.

The owner agreed to an increase of \$10.00 per week.

The Complainant alleged that the Real Estate Agency did not communicate the amount of the rent increase or when the increase was to commence.

The Complainant alleged that because she was not notified of how much the rent was to increase or and when the increase was to commence, she had not adjusted the direct debit amount. The Complainant stated because of this the additional rent had over time depleted the rent paid in advance.

Ground of Complaint

The ground of complaint was that the Property Agent failed to act in a fair, honest and reasonable manner in that a rent increase was not communicated to the Complainant.

Discussion

The Property Agent posted a letter and lease renewal on 7 December 2017, indicating that the rent would be increasing by \$50.00 effective on 6 March 2018.

The Complainant asked the property representative if a lower rent could be negotiated.

The Real Estate Agency records indicated that the Property Agent negotiated a lower increase of \$10.00 per week on 8 February 2018 and the Complainant agreed that this occurred.

On 21 February 2018 the property representative prepared an amended lease renewal and letter which indicated the rent increase was due to commence on 6 March 2018. This lease was hand delivered to the Complainant.

As there was a delay of the lease being returned by the Complainant (and as the date of the renewal had passed), therefore a new lease was prepared with a start date of 3 April 2018 which was signed and returned by the Complainant on 9 April 2018. The rent was increased by \$10.00 per week.

The Real Estate Agency provided to the Board signed copies of Residential Tenancy Agreements and lease extension schedules. The Board noted that the lease extension schedules were signed and dated by the Complainant and each set of documents indicated the amount of rent to be paid and the date the agreement was to take effect. The Board noted that there was only one increase in rent during the period of the complaint and that was an increase of \$10.00 per week.

Finding by the Board and action taken

The Board considered the Complainant was notified of the rental increase and the date on which the increase was to take effect.

The Board also considered that the Complainant was provided with enough notification of the increase in rent to enable a change to her payment arrangements.

Accordingly, the Board determined that the Complaint against the Property Agent be dismissed pursuant to section 92 of the *Property Agents and Land Transactions Act 2016* as the complaint was lacking in substance.