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Rights of the tenant versus rights of the landlord

“There are good and bad aspects of the Greens’ Residential Tenancies (Safe and Secure Rentals) Amendment Bill which was selected from the ballot today” says Andrew King, Executive Officer of the NZ Property Investors’ Federation.

It will assist both parties to have a clear understanding between a tenant and a landlord regarding how rental price increases are calculated. Restricting rent increases from six months to twelve months may lead to higher rental increases and budgeting difficulties for tenants, but it does create better certainty around when increases will occur.

However other aspects of the Bill will likely discourage the provision of rental property at a time when many tenants are struggling to find accommodation.

While the majority of rental property owners would also like longer term tenancies, policies cannot provide tenants with higher rights than owners. If a tenant on a fixed term tenancy was given the right to remain in a property for as long as they wanted, it is likely that landlords will simply stop offering fixed term tenancies.

"Most tenants actually prefer periodic tenancies so they just have to give three weeks' notice if they want to move" says King. "There are probably changes that could be made to provide tenants who want longer tenancies to achieve these without taking away the rights of the owner."

Andrew King
Executive Officer, NZ Property Investors’ Federation