

REAL ESTATE INSTITUTE OF TASMANIA
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TENANTS OBLIGATION TO PAY RENT

Due to the impacts of COVID-19, the Tasmanian Government have imposed obligations to protect the health of the community. Unfortunately, this has adversely impacted the Australian economy.

With the introduction of the Covid-19 Disease Emergency (Miscellaneous Provisions) Bill 2020, this has given tenants the ability to stop paying rent for potentially the next six months without the fear of being evicted from the property.

The intention of these provisions is to protect people who through no fault of their own have lost employment by either termination or being stood down who for a period of time find it impossible to pay rent. The Real Estate Institute of Tasmania (REIT) members get this, they are employers themselves. Some have had to stand staff down or reduce hours too, they feel the pain.

It is extremely important to highlight what the government have stated and have documented, and this is;

This Government's strong advice to tenants is to continue to pay rent. The emergency period amendments do not provide for a rent holiday.

Unfortunately, REIT members are reporting that there are tenants that prior to this crisis were not in employment and have not been made redundant or stood down from employment are using this situation as an opportunity not to pay rent. This may be a misunderstanding of the requirements as the message from the Federal Government has been very confusing and through no fault of their own believe they are not required to do so during this time. I say again, this is not a rent holiday. I will become due in the near future.

The REIT reiterates the Tasmanian Government position, which is supported by legislation, if you can pay rent, then continue to pay your rent. If you do not, then this debt will build up and at the end of this crisis you are putting yourself in a position where at some point in time you will be issued with a notice to vacate for rent arrears. This will then be compounded with a sizable debt that will be recovered through debt collection agencies.

For those tenants that have been severely affected by this situation and have been either terminated or stood down from employment and find themselves in a position that prevents them paying rent and you need assistance. Please speak with your property portfolio manager. Tell them of your situation and ask if they can help. All REIT members are professionals and not only want to assist you but also want to ensure their property owner is well informed and making the right decisions.

If appropriate and on your behalf, property portfolio managers will seek sensible and reasonable rent reductions with the property owner. If this is a possibility this not only protects tenants but also property owners who are also suffering during these unprecedented times.

If you are seeking advice, go to the source of the Tasmanian legislation - <https://www.cbos.tas.gov.au/topics/housing/residential-tenancies-covid-19-emergency-provisions>

END

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