Landlords will need more help as rental law changes

Some amendments to the Rental Housing Act that are about to be passed by Parliament will make it all the more necessary for residential landlords to seek professional help to manage their properties.

That's the word from Andrew Schaefer, MD of leading national property management company Trafalgar, who says the amendments will mean, for example, that every property lease has to be in writing and has to be correctly drafted to comply with certain statutory requirements as regards landlord and tenant rights and responsibilities.

"This alone is a major departure from the current Act, which states that a lease only needs to be in writing if the tenant requires it and has led to many thousands of tenants and landlords, especially in informal housing settlements, living without any sort of legal document stipulating what their respective rights and responsibilities may be.

"However, most landlords do not have the know-how to draft a fully compliant lease themselves - nor the time to handle the many other administrative tasks imposed by the Rental Housing Act.

"These include the issuing of detailed receipts for every payment made by the tenant, the management of tenants' deposits and provision of proof of the interest earned on these deposits as well as receipts for damages repaired, and the organisation and documentation of inspections every time a tenant moves in or out."

He says that in order to comply with the amendments, landlords will need help from professional rental property managers with access to standardised documentation, automated administration systems and, if necessary, advice from specialist attorneys.

The Rental Housing Amendment Bill, which is due to be enacted later this year, will also make it mandatory for landlords to provide tenants and their households with safe, weatherproof, accommodation of adequate size; to keep the property in a state of good repair and, where possible "to facilitate the provision of utilities to the property".

Schaefer says this clause is obviously intended to prevent people from letting backyard structures that violate most building and planning regulations, "but it also applies to landlords in the formal sector and holds the potential for serious disputes if their tenants and properties are not regularly monitored and inspected by professional rental property managers".

And speaking of disputes, he says, one excellent aspect of the new law is that it will make it mandatory for every local authority to establish a rental housing information office, and for every province to establish a Rental Housing Tribunal, as opposed to the current arrangement where this function is left to the provinces to decide. "This will give many more landlords and tenants access to impartial advice and assistance when it comes to resolving disputes."

This is in line, Schaefer says, with that Department of Human Settlements' stated objectives in introducing the new legislation, which is to create a "fair and equitable" rental housing landscape for an estimated 2,5m to 3m SA households that rent their primary accommodation and their landlords.

"But much as we applaud this objective, the fact remains that increased regulation of the rental property market will result in an increased administrative and managerial burden that will largely fall on landlords, and that many more of them are likely to fall foul of the law as a result unless they engage professional assistance."

Issued by the Trafalgar Property Group For more information contact Andrew Schaefer on 011 214 5228

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