



Department of  
Building and Housing  
*Te Tari Kaupapa Whare*



# Renting out your property – a landlord's introduction to the law

0800 TENANCY (0800 83 62 62)  
[www.dbh.govt.nz](http://www.dbh.govt.nz)



**KIA ORA...**

**AND WELCOME TO THE DEPARTMENT OF  
BUILDING AND HOUSING.**

**We are here to help anyone who is renting.**

**We offer free advice and information.**

**We can help you if you are the person paying  
the rent or if you are the landlord.**

**We can explain the law about renting to you.**

**We can help tenants and landlords sort  
problems out.**

**We can also help you with any questions  
about bond money.**

### **Who this brochure is for**

This brochure is especially for landlords.

It talks about some of the main things you should know about renting law, and the rights and responsibilities it gives you when you are renting out a residential property.

A brochure like this can't cover every situation that might happen, but we are here to help if you need more information or assistance. You can also ask for our more detailed guide called *Renting and You* or read it on our website: [www.dbh.govt.nz](http://www.dbh.govt.nz)

Call us free on 0800 TENANCY (0800 83 62 62) for advice. If you have a question about bond money, call us on 0800 737 666.

### **We can help when you...**

- are a new landlord
- need advice about renting law
- need help to sort out problems with your tenant.

If you and your tenant can't agree, give us a call.

**0800 TENANCY**

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# Getting started

The Residential Tenancies Act 1986 is the law that covers the relationships between residential landlords and tenants in New Zealand. It sets out rules for both of you. As a landlord you have some important obligations, as well as protections, under this law.

- **You must have a written tenancy agreement with your tenant.**

You should both agree to and sign this before your tenant moves in. The Department of Building and Housing has a tenancy agreement form that many landlords use. For a free copy call 0800 TENANCY or visit [www.dbh.govt.nz](http://www.dbh.govt.nz)

You can offer your tenant a periodic tenancy (which lasts until either of you give notice) or a fixed-term tenancy (which lasts for a set time and neither of you can give notice).

- **An 'Address for Service' is an important piece of information recorded on your tenancy agreement.**

It is an address where you can send mail about the tenancy at any time, even after the renting relationship has finished. It is important that you write an Address for Service on the tenancy agreement for both you and your tenant. It is a good idea to get an Address for Service for your tenant that is not the address of the rental property – perhaps a relative's or a next of kin's.

- **You should check the condition of the property with your tenant when they start renting the property from you.**

There is a property inspection report to help you do this in our tenancy agreement. Doing a property inspection at the start can help sort out any hassles that might come up when your tenant moves out. The inspection form will help you check if any damage is new.

# Money

- **How much rent can I charge?**

'Market rent' is a useful guide when you are deciding what the rent will be. It needs to be comparable to the rent charged for other properties of a similar type, size and location. The Department of Building and Housing's website has a section on current market rents for different parts of the country. If you are charging significantly higher rent than for other similar properties, the Tenancy Tribunal can order you to reduce it.

- **When your tenant moves in you can ask them for:**

- **One or two weeks' rent in advance** (but not more than two weeks' rent). This is the first one or two weeks' rent, depending on whether the tenant is going to pay you weekly (one week in advance) or fortnightly (two weeks in advance). Once the advance rent runs out, more rent is due. You can't ask for the next rent payment until all the paid rent has been used up.

- **Bond money** up to the equivalent of four weeks' rent. You must send any bond money to the Department of Building and Housing, along with the official Bond Lodgement form, within 23 working days. This money is retained until the tenancy ends.

You don't have to ask for a bond, but this money is one of the protections you are entitled to under the law. If things go wrong later, and your tenant doesn't pay rent or causes damage to your property, you can ask to keep some or all of this money to cover your costs.

- **Managing the rent money.**

The law says you must keep rent records throughout the tenancy. Keeping good records helps you keep on top of your tenant's payments. If they ever fall behind, you can do something sooner rather than later.

If your tenant pays you in cash, you must give them receipts.

- **What if there are problems with rent payments, or other things?**

Talk to your tenant and see if you can sort something out together. Call us for advice about how to sort things out. If there is still a problem, you can give your tenant a letter allowing them 10 working days to fix the problem. For examples of these letters visit [www.dbh.govt.nz](http://www.dbh.govt.nz) or call 0800 TENANCY.

**Still got a problem? Get help from us by applying to the Tenancy Tribunal. It costs \$20 to apply.**

Our mediators can help you and your tenant talk about the problem and sort it out without having to go to court. Mediators know a lot about tenancy issues, but don't decide anything for you. An agreement made in mediation can be legally binding.

If you'd like more information about how mediation can work for you, read our *Sorting it out* brochure or our mediation information sheet.

If for some reason the problem can't be sorted out at mediation, then you can go to the Tenancy Tribunal. An adjudicator will make the decision for you.

# Some of the rules

## **You can:**

- inspect the property with 48 hours' notice – but not more than once every four weeks
- do repairs with 24 hours' notice
- show buyers or prospective tenants the property, with the tenant's agreement.

## **You have to:**

- maintain the property and do any necessary repairs
- allow the tenant peace and privacy
- give your tenant 60 days' written notice before any rent increase (you can't increase the rent more than once every 6 months)
- give the tenant 90 days' notice if you want them to leave (only in a periodic tenancy). If you or a member of your family needs to move in, you can give 42 days' notice.
- tell your tenant if you put the property on the market
- give your tenant at least 42 days' notice when the property has been sold, unless it's a fixed-term tenancy.

## **The tenant has to:**

- pay the rent on time
- keep the place clean
- tell you if things need fixing
- give you 21 days' notice to leave (if they have a periodic tenancy)
- leave things reasonably clean and tidy when they move out.

**It's a good idea to put everything in writing and keep all your records about the tenancy.**

## Other useful things to know

You can't base your decision on who to rent to or whether to continue a tenancy on things like a person's marital status, religion or colour. If this does happen, you could be taken to the Tenancy Tribunal or the Human Rights Commission for discrimination.

Other people who can help you manage your property include your local Property Investors Association (see [www.nzpif.org.nz](http://www.nzpif.org.nz)) and the Real Estate Institute of New Zealand ([www.reinz.co.nz](http://www.reinz.co.nz)). Inland Revenue ([www.ird.govt.nz](http://www.ird.govt.nz)) publishes information on renting and tax.

### **[www.dbh.govt.nz](http://www.dbh.govt.nz)**

Our website offers quick access to further renting information and all the tenancy forms you will need. This includes bond lodgement forms and tenancy agreements.

The website also includes information sheets with more detail about specific problems some people have when they are renting. You can read them online or call us to receive a copy.

While we have tried to make this educational information as accurate as possible, it does not cover every situation and should not be regarded as legal advice. If you wish to get advice specific to a particular situation, please phone us on 0800 83 62 62 (0800 TENANCY).

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