

Code of Conduct: Tenant Considerations

How to reach a fair rental relief agreement with your landlord



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To reach a fair and sustainable agreement with your landlord that will see your lease through the COVID-19 pandemic, we recommend that you observe the following:

- All communications should be clearly stated to be made “without prejudice” and confidential as between you and your landlord (or your landlord’s managing agent);
- You are required to honour the terms of your lease. Be prepared to address and resolve any rental arrears that existed prior to the COVID-19 pandemic;
- Consider whether you want to extend the term of your lease to cover the period that rent relief is to be given and if so, on what terms;
- Your landlord may request information in relation to the financial hardship that your business has suffered due to the COVID-19 pandemic. You should start preparing this information as soon as possible. This information may include BAS statements and other information generated from your accounting system and/or information received from a financial institution;
- To help your landlord determine what proportionate rental relief to provide, you may want to provide information regarding your turnover during the COVID-19 pandemic period and compare it with a comparable period in the previous financial year;
- You should confirm your eligibility and if eligible, apply for the Jobkeeper programme;
- Once you have reached an agreement with your landlord in relation to how much rent relief will be provided, you should carefully consider the following:
 - Whether you will be required to continue paying outgoings. Remember that the landlord is not required to provide relief in relation to outgoings;
 - Whether the rental relief will be by way of a waiver or a waiver plus a deferral. If the rental relief includes a deferral, whether the landlord will charge interest on that deferral;

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- When the rental relief arrangement will end, and what factors (if any) will be considered by the landlord when assessing whether to end or extend the arrangement; and
 - Whether you will be going back to the terms and conditions of your existing lease once the rental relief arrangement has expired.
- You should document the rental relief arrangement in writing in a deed of variation or a similar document;
 - Both you and the landlord should review the rental relief arrangement regularly; and
 - Ensure all financial and trading information is kept confidential.

It will be important that both you and your landlord work together, that you both consider your relative financial position, and reach an arrangement that is balanced and sustainable for both of you during the COVID-19 pandemic and for a reasonable period afterwards.

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