

Advice for tenants approaching landlords to request rent reduction

What should this letter be used for?

- Coronavirus (COVID-19) has already had a significant impact on the economy, meaning some tenants are having difficulty keeping up with rent payments. The NSW Government is introducing measures to help landlords and tenants work together.
- The support package includes a six-month moratorium on landlords issuing termination notices or making applications for forced evictions due to rent arrears for tenants who are financially impacted by COVID-19 and unless landlords and tenants try to negotiate rental reductions in good-faith. If you are a tenant who is impacted by COVID-19, you may be eligible for this new process.
- You need to be able to demonstrate that you **are impacted by COVID-19**, meaning that:
 - One or more rent-paying members of a household have lost or reduced income due to COVID-19; or
 - One or more rent-paying members of a household have had to stop working or reduce work hours due to illness with COVID-19 or due to caring for household or family members ill with COVID-19; and
 - The matters above result in a reduction in the household income inclusive of any government assistance, of 25% or more.
- A tenant who is impacted by COVID-19 under the above criteria can request a rent review. If a tenant who is impacted by COVID-19 does not pay their full rent but does not attempt to negotiate a rent reduction may not be protected from eviction.
- A landlord will only be able to give a termination notice or apply for an eviction after the interim 60-day stop, if they have tried to negotiate a rent reduction with the tenant in good faith and seeking a termination is fair and reasonable in the circumstances of the specific case.
- If you are tenant impacted by COVID-19 you can use this sample letter to advise your landlord that your circumstances have changed and that you'd like to start a rent payment discussion.
- Make sure you have evidence documenting the current and previous financial arrangements for your household, including any income support received.

What should the letter include?

Personal information and contact details

Start your letter with your name, contact information, the address of the property you are currently renting from the landlord and your current rent.

Your original household income

Please outline your household income before your change in circumstances due to COVID-19. For example, the income you were earning per week (including hours per week if you were doing casual or contract work). Please also include any income support received.

Please attach supporting documents e.g. payslips, work agreement.

Your change in circumstances due to COVID-19 and how this has impacted on your household income

Please outline how this household income has changed due to COVID-19. For example, this may be because you (or your partner or other household tenants) lost your employment or have a reduction in hours which has led to a substantial loss in household income. You will need to meet each of the criteria in the above **COVID-19 impact test**.

Don't forget to explain the reasons for your household income reduction, for example, if you work at a public place banned under the [COVID-19 Public Health Order](#) such as a gallery, cinema, gymnasium or beauty salon. Include the date that your situation changed.

Please attach supporting documents e.g. employment termination notice, communication from employer.

Any income support you receive

Please outline any support you or your partner, or other household members receive or intend to apply for from the government, such as the Youth Allowance, JobSeeker Payment, JobKeeper Payment or Parenting Payment.

Please attach supporting documents e.g. statement from Commonwealth Government department.

Rent payment that you would be able to meet under your new household income

Please outline the rent repayments that you believe you would be able to meet. For example, if you are still in full time employment but your partner's hours have been reduced by 50%, you might request a 25% reduction in rent payments.

Your Name
Your Address

Date

Name of Landlord Or Agent
Their Address as Printed on lease or tenancy documents

Request to negotiate rent payments due to COVID-19

Dear [Mr/Mrs/Ms Landlord's name]

[I am/We are] contacting you about our [weekly/fortnightly/monthly] rent payments for [property address].

[My/Our] financial circumstances have changed significantly due to COVID-19 because of [reasons for income reduction]. My/Our household income per week was originally [outline your household's original work income / work hours, include any Government payments received]. Following [reasons for household income reduction], my work income is now [outline what your household's income is and include any Government payments received]. This change happened on [date of change in circumstances due to COVID-19].

Please find attached documentation outlining [my/our] previous and current household income.

Because of this, [I/we] would like to discuss the possibility of reducing rent payments to [\$xxx] for the next [month/fortnight].

[We/I] appreciate that you may also be experiencing financial hardship at this time and look forward to discussing this matter further with you.

Kind Regards,

Your Name and Signature
Your Phone Number
Your Email Address

Scenario

Mr Stack works as a fitness instructor at a gymnasium in Tamworth. Due to the temporary closure of gymnasiums across the country due to the public health orders, Mr Stack's usual hours of 30 per week have reduced to 10 hours of virtual classes per week.

Mr Stack's income has significantly reduced to 30% of his former salary. He has therefore chosen to approach his landlord to see whether a rent reduction would be possible until he can return to his normal hours.

Example letter

Mr Stack
123 Second Lane, Tamworth NSW

Thursday 2 April, 2020

Ms Jones
345 Owners Close, Tamworth NSW

Request to negotiate rent payments due to COVID-19

Dear Ms Jones,

I am contacting you about my weekly rent payments for 123 Second Lane in Tamworth.

My financial circumstances have changed significantly because of COVID-19 due to the Government advice to close all gymnasiums. I worked as a fitness instructor and recently lost my employment. My original income was \$800 per week for 30 hours per week. I am now receiving \$450 per week through the JobSeeker allowance. My overall income has reduced by \$350 per week.

Because of this, I would like to discuss the possibility of reducing my weekly rent payments by \$250 per week for the next two months.

Please find attached proof of reduced hours from my employer, the fortnightly JobSeeker allowance and proof of prior income upon signing the lease.

I appreciate that you may also be experiencing financial hardship at this time and look forward to discussing this matter further with you.

Kind Regards,

Mr Stack
stack@email.com.au
0412 345 678