

Key fair tenancy recommendations

The Fair Tenancy Framework Industry Committee, representing five business associations, has recommended new laws to govern the landlord-tenant relationship.

-
- If a retail tenant is required to provide sales or turnover data, the landlord must provide mall-level information.
-
- Landlords should release anonymised lease data.
-
- For payment other than rent, the tenant should not have to pay until given a copy of expenses-related accounts.
-
- Where a leasing agreement requires tenants to pay for ancillary services, the landlord and tenant should agree in advance on these services and how to split payment, with the tenant not having to pay more than half.
-
- Pre-termination of a retail lease due to actions within a landlord's control should not be allowed, with exceptions for renovations. Pre-termination by tenants should always be allowed, subject to conditions.
-
- Any provision that allows termination if a certain sales or turnover level is not met should not be enforceable.
-
- If a leasing agreement includes lease renewal for a specified period, it must specify the maximum increase.
-
- Security deposits should be no more than one month's base rent per year of tenure, up to a maximum of three months.
-
- Any provision that excludes landlords for liability regarding building maintenance should not be enforceable.
-
- Retail rental rates should comprise an objectively-calculated base rent, and a gross turnover component that can be negotiated.
-
- A Fair Tenancy Commission should be set up.
-