

Breaking or Terminating a Lease - Policy Number 108

Edited April 2021

1. Purpose

This policy outlines what happens if a tenant breaks a lease agreement early or if Pacific Community Housing needs to terminate a lease and evict a tenant.

2. Scope

This policy applies to all Pacific Community Housing assets and its tenants.

3. Principles

Pacific Community Housing will work diligently to treat every person with the dignity and respect they deserve as a human being. This policy therefore is intended to:

- Honour and support tenants, should they struggle to fulfil their rental agreement.
- Highlight the rights Pacific Community Housing has should tenants fail to adhere to the 'Tenant Rights and Responsibilities' policy.

4. Breaking or Terminating a Lease

Should a tenant break a lease early a nominal break fee will be charged for administration purposes. Should there be any damage to the property or is left in an unsatisfactory way the tenant's bond will not be refunded. If a tenant intends to break a lease for any reason, Pacific Community Housing must be notified in writing at least 60 days prior. If notice is not given in the appropriate timeframe their bond will not be returned. The notice must specify:

- Why the tenant is breaking the lease agreement early.
- The day from which they will move out from the property.

Pacific Community Housing has the right to evict a tenant should they fail to adhere to the 'Tenant Rights and Responsibilities' policy. The following situations constitute a breach of agreement:

- Failure to pay rent.
- They are consistently late with payments.
- Damage is caused to the property.
- Being a nuisance to neighbours.
- Using the property for illegal purposes.
- Breach of any other obligations as outlined in the 'Tenant Rights and Responsibilities' policy.

If Pacific Community Housing intends to evict a tenant, they must:

- Provide an opportunity for the tenant to rectify the problem giving them a timeframe to reform.
- Highlight the opportunities under the Exit Strategies and Assistance of this policy.
- Give written notice at least 14 days prior to the eviction.
- Provide valid reasons for the eviction.
- Proceed to the appropriate governing body when necessary if a tenant does not respond to the request to vacate the property.
- Can get a warrant for possession from the tribunal if the tenant does not vacate. This warrant enables sheriff's officer to remove a tenant from the property.
- Keep written records of everything.

5. Exit Strategies and Assistance

Pacific Community Housing will work with tenants in a positive way to help them reach the end of their lease agreement. Any reached exit agreement should benefit and not hinder either the tenant or Pacific Community Housing.

Prior to an eviction for failure of rental payments Pacific Community Housing will first encourage the tenant to use government or third party budgeting programs (for example www.mybudget.com.au) to help with budgeting, paying rent, paying back any arrears owed and/or saving for home ownership.

6. Vacating a Property

Pacific Community Housing may organise an initial inspection to clarify any issues that may need to be resolved prior to the tenant moving out. Discussion with the tenant arising from the inspection may include, but is not limited to:

- Repayment of any rent owed
- Any other outstanding debts
- Work which need to be done to leave the property in a reasonable condition
- Removal of items/furniture/garbage
- Access to the property for viewings
- Forwarding address for mail
- Returning all keys

Pacific Community Housing and the tenant will then set a date for the final inspection of the premises when, or as soon as possible after, the tenancy has ended.

7. Legislative Framework and Related Policies

- Tenant Rights and Responsibilities – Policy 105
- Complaints and Appeals – Policy 110
- State Environmental Planning Policy (Housing) 2021
- Residential Tenancies Act 2010
- Community Housing Providers (Adoption of National Law) Act 2012 (NSW)