

From the Tribunal: **BREAKING A LEASE**

Article from 'Open House', a Newsletter produced by the RTA for Property Managers & Owners

The end of the year and Holiday's can bring about planned or unexpected change in many aspects of life, including accommodation arrangements.

QCAT Adjudicator

Jeremy Gordon says tenants, lessors and property managers should be aware of their responsibilities and the legal consequences associated with broken lease arrangements.



He says the main issues to consider are:

- termination of the tenancy
- monetary compensation to the lessor.

The *Residential Tenancies and Rooming Accommodation Act 2008* (the Act) sets out the need for some formality in terminating a tenancy. By far the easiest way to terminate or break a lease is by a written termination agreement signed by both the tenant and the lessor (or property manager).

Most property managers will use a standard form of termination agreement. Some care needs to be taken with these. Most are perfectly fair, but if they try to impose further obligations upon the tenant than are provided by the Act those provisions may be void. An example would be a provision that the tenant pay fees greater than the reasonable costs of re-letting the premises.

Termination agreements also often include a provision that a tenancy (or at least the obligation to pay rent) continues until the premises are re-let. It is likely that it would be implied in such agreements that the lessor or property manager must use reasonable efforts to re-let the premises quickly.

Informal agreements to terminate are not recognised under the Act and can cause trouble. They may mean that in law a tenancy continues even after vacant possession is given, contrary to the intentions of both sides.

A tenant with grounds to terminate (for example excessive hardship), can apply to QCAT for a termination order. This will be an [urgent application](#) and come to hearing quite quickly, but the tribunal cannot backdate the termination order, and meanwhile the tenant will be responsible for the rent and other obligations under the tenancy agreement.

If QCAT makes a termination order then a tenant will not be in breach of the tenancy agreement and no further monetary compensation will be payable to the lessor from the date of termination.

Otherwise the tenant should compensate the lessor for the loss of rent arising from the break lease. This will be an amount equal to the rent until the end of the fixed term or earlier re-letting. The lessor and property manager must use reasonable efforts to re-let the premises quickly. A break lease fee will usually be charged by the property manager to the lessor, as will the cost of advertising, and these charges in so far as reasonable will also be payable by the tenant.

If recovery of monetary compensation from the tenant is required or there is a dispute about the amount of compensation, an attempt to conciliate the issue must first be made with the RTA ahead of an application being made to QCAT. The tribunal cannot deal with the matter unless this has occurred and a *Notice of unresolved dispute* has been issued.

For more information about residential tenancy and QCAT visit www.qcat.qld.gov.au

Jeremy Gordon is a QCAT Adjudicator specialising in hearing of residential tenancy cases.

LEASED IN DEC/ JAN

Claverton Dve, Deception Bay	3 Bed House, Carport	\$270 (new)
Kipling St, Caboolture	3 Bed Hi-Set House, DLUG	\$270 (inc \$5)
Choir Ct, Caboolture	3 Bed House, Double carport	\$275 (same)
Bolte Cres, Kallangur	2 Bed Duplex, Carport, yard	\$285 (same)
O'Brien Rd, Burpengary	3 Bed House, Carport	\$290 (inc \$10)
Tourmaline Cl, Mango Hill	3 Bed T/House, ens, DLUG	\$320 (same)
Station Rd, Burpengary	3 Bed Hi-set House, DLUG	\$320 (new)
Goshawk Ct, Caboolture	4 Bed House, ens, DLUG	\$325 (new)
Parkridge Ave, Up. Caboolture	4 Bed House, ens, DLUG	\$325 (same)
Board St, Deagan	3 Bed House	\$330 (new)
Gallipoli Ct, Caboolture South	4 Bed House, ens, DLUG	\$330 (same)
Kristen Ct, Bellmere	4 Bed House, ens, DLUG	\$330 (same)
Tysoe St, Deception Bay	3 Bed House, SLUG, Shed	\$335 (new)
Dunlop Lane, Kurwongbah	3 Bed Duplex, Carport	\$340 (inc \$30)
Clementine St, Bellmere	4 Bed House, ens, DLUG	\$340 (same)
Nancybell Ct, Bellmere	4 Bed House, ens, DLUG	\$345 (same)
Michael David Dve, Warner	3 Bed Duplex, ens, DLUG	\$345 (inc \$5)
Seabiscuit Cres, Kallangur	3 Bed Duplex, ens, DLUG	\$350 (inc \$5)
Woodlands Ave, Petrie	4 Bed House, Double carport	\$365 (new)
Reddy Dve, Caboolture	4 Bed House, ens, DLUG	\$370 (new)
Lennon Blvd, Narangba	4 Bed House, ens, DLUG	\$375 (same)
Ferny Cres, Burpengary	4 Bed House, ens, DLUG	\$380 (inc \$10)
Friarbird Dve, Narangba	4 Bed House, ens, DLUG	\$385 (same)
Mowbray Ct, Kallangur	4 Bed House, ens, DLUG	\$390 (new)
Elof Rd, Caboolture	5 Bed House, ens, DLUG	\$420 (same)
Dunbeath Dve, Burpengary	3 Bed House, pool, DB C/port, Shed	\$420 (same)
Burgundy Dve, Morayfield	5 Bed House, ens, DLUG with Office, ¾ acre	\$580 (same)
Kendale St, Stafford	4 Bed 2-storey contemporary House, ens, DLUG	\$700 (same)

CALENDAR DATES FOR FEBRUARY

Wed 5th Feb
Wed 12th Feb
Wed 19th Feb
Wed 26th Feb

Monthly Statement
Issued

Wed 26th Feb

DISBURSEMENTS

OFFICE HOLIDAYS

Do you know
someone who needs
a good managing
agent?



Tell them to STOP
COMPLAINING and
give us a call!

They will LOVE you
for it.

Changing your Bank Account??



Please note that any changes to payment details need to be in writing via our **Change of Details Form**, which needs to be signed by ALL owners of the property.

You can download this form from our website (under the Landlords tab), or call our office and Carol will post it out to you.

This form is also useful to inform us of other changes such as your address or phone numbers.