

No more letting fees for tenants

2 November 2018

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Currently tenants can be charged letting fees by letting agents or solicitors to cover costs such as:

- listing and advertising rentals
- showing houses
- vetting potential tenants.

The Residential Tenancies (Prohibiting Letting Fees) Amendment Act was passed to remove additional upfront financial barriers for tenants trying to rent homes.

Letting fees are normally the equivalent of one week's rent (excl. GST), and paid at the beginning of a tenancy as an upfront cost.

Charging letting fees to tenants will be an unlawful act from 12 December, and anyone who does so could be liable for up to \$1,000 in exemplary damages.

Any costs for letting agent services at the beginning of a tenancy may be covered by the landlord.

Landlords and their agents can still recover expenses reasonably incurred from a tenant if they wish to reassign, sublet, or part with possession of their rental home.

[About letting fees \(http://www.tenancy.govt.nz/rent-bond-and-bills/letting-fees-and-key-money/\)](http://www.tenancy.govt.nz/rent-bond-and-bills/letting-fees-and-key-money/)