MEDIA RELEASE

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CHANGES IN COVID-19 RESIDENTIAL TENANCY SUPPORT

With the NSW economy on a path to recovery, the NSW Government has announced new plans to help the residential tenancy market transition back to pre COVID-19 conditions.

In April 2020, the NSW Government introduced temporary measures to support landlords and tenants adversely impacted by the pandemic, stabilise the housing market and limit unnecessary social movement.

Minister for Better Regulation and Innovation, Kevin Anderson, said the NSW Government will now make changes to these measures to allow the rental market to adjust to new circumstances and the current economic climate.

"NSW responded quickly to the challenges of COVID-19, providing support and assistance to tenants and landlords across the state. The measures we introduced kept a roof over people's heads during an incredibly uncertain time," Mr Anderson said.

In February 2021, Fair Trading reported an 85 per cent drop in requests for assistance and complaints relating to COVID-19 rent negotiations, compared to June last year.

"With the economy rebounding and the unemployment rate stabilising, the time is right to transition back to normal tenancy laws," Mr Anderson said.

"That's why I will introduce legislation in the next fortnight to start a six-month transition from 26 March, when the eviction moratorium and requirement for tenants and landlords to renegotiate rental payments will expire.

"We want to ensure tenants with COVID-induced rental arrears are protected from being evicted on March 27. So from 27 March, tenants and landlords will be supported to enter a repayment plan for any COVID-induced arrears and tenants can only be evicted if they fail to meet the terms of that plan.

"Our number one priority has always been to keep people safe and in accommodation, and introducing a transition process instead of bringing this support to an abrupt halt is by far the most fair way to ensure this happens."

These protections are especially important in regional NSW, where rental markets are tightening and alternative housing isn't always readily available.

"We've promised to create a stronger and safer regional NSW and these protections will go a long way to ensuring tenants aren't left in the lurch due to things outside of their control," Mr Anderson said.

From March 27;

- Current COVID-19 residential tenancy measures will be repealed;
- The NSW Government will introduce amendments to legislation to prevent tenants from being automatically evicted due to COVID-19 induced rental arrears:
- Landlords and tenants will be supported to draw up rental repayment plans that enable landlords to recoup COVID-induced arrears, while keeping tenants in their properties; and
- COVID-19 impacted tenants will be protected from being blacklisted on tenancy databases for arrears.

To find out more about the transitional residential tenancy measures, visit <u>Fair Trading.</u>

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