

Short notes on:

WHY IS IT IMPORTANT FOR A LANDLORD TO CONDUCT AN ENTRY AND EXIT INSPECTION?

Introduction

Imagine that you have achieved your dream of owning several properties and becoming a successful landlord. Now your feed is buzzing with queries regarding the properties to rent! Here are some sections you may need to consider before signing a lease agreement!

The Law

The Rental Housing Act, 50 of 1999 governs the relationship between the landlord and the tenant. It gives guidance and protects both parties in order to preserve the relationship. Many landlords have run a loss and suffered financially due to ignorance of the law. It is therefore extremely important to familiarise yourself with the relevant sections of the Rental Housing Act ('the Act').

It is imperative to conduct a joint entry and exit inspection before the tenant moves into the dwelling. Section 5(3) of the Act makes provision for the entry inspection and further provides that this is done to avoid incurring any financial loss at a later stage when the tenant decides to leave upon expiration of the lease agreement or cancellation thereof. The entry inspection allows the landlord to determine whether any defects exist and further determines, based on the inspection, the extent of the landlord's responsibility to rectify the existing damages. The inspection is also done to note whether certain items are in good condition.

The same applies when the landlord receives a cancellation notice or when the lease expires. Section 5(3)(f) of the Act provides that a joint exit inspection should be conducted at a time convenient to both parties. The inspection should take place at least three days prior to the date of expiration or the last day as per the notice. The exit inspection record is compiled to ascertain whether the tenant needs to repair or fix any damage caused during the tenants' occupation.

The Act further provides that the landlord may use the deposit and deduct any amount owing to the landlord under the lease agreement. The deposit may also be used to repair any damages caused whilst the tenant occupied the dwelling. The landlord must ensure that receipts of the costs incurred whilst repairing the dwelling is available for inspection by the tenant. If the landlord fails to provide

these receipts, she or he places himself at risk of being sued by the tenant for the amounts deducted from the deposit by the landlord. Any remaining amount, after deductions from the deposit, should be refunded to the tenant no later than 14 days from the date of restoration of the dwelling.

The inspection must therefore be recorded in order to compare the exit inspection record to the entry inspection record. Both records must be signed by both the landlord and the tenant. Should the landlord fail to conduct the entry inspection, as per Section 5(3)(j) of the Act, the dwelling or items will be considered to be in good state of repair and the landlord will therefore have no further claim and the tenant must be refunded the full deposit plus interest. It is therefore important that both inspections are done in order to avoid facing the above challenge.

Conclusion

As a landlord, it is imperative you familiarise yourself with the above Act and to ensure that you follow proper procedure. Should you wish to clarify any of the above or have any questions relating to the above Act, visit our website to arrange a consultation!

