

Rent setting, rent reviews and Rent Pressure Zones (RPZ)

A Rent Pressure Zone is a designated area where rent can only be increased in either existing properties or properties being re-let by up to 4% per year, and the rent cannot be more than market rent. The 4% restriction applies to new and existing tenancies.

All existing Rent Pressure Zones have been extended until 31st December 2021 and there are new criteria in place for the designation of new Rent Pressure Zones. A number of new Rent Pressure Zone areas have met the new criteria and are now designated Rent Pressure Zone areas.

Landlords and tenants should use the **RTB Rent Calculator** which is a useful tool to check whether a tenancy is in a Rent Pressure Zone and what the correct rent amount should be.

Exemptions to Rent Pressure Zone measures

There are three exemptions to the Rent Pressure Zone limits that apply to:

- ▶ Properties that are new to the market and have not been let for two years prior to the start date of the tenancy.
- ▶ Properties that are (or are in) protected structures and have not been rented within the previous 12 months prior to the start date of the tenancy.
- ▶ Properties that have had a substantial change in the nature of the accommodation.

New rules

1. If a landlord wants to claim an exemption from the rent restriction in an RPZ area they must notify the RTB within one month of setting the rent by completing an RPZ Exemption Form and sending by email to registrations@rtb.ie or by post to **RTB, PO Box 47, Clonakilty, Co Cork**.
2. When reviewing the rent, a landlord must use a new prescribed Notice of Rent Review form available on www.rtb.ie

Properties that have had a substantial change in the nature of the accommodation

A 'substantial change' in the nature of the accommodation has been defined in law and an exemption will only apply where the below criteria is met:

A permanent extension to the property that increases the floor areas by not less than 25% **or** work that has improved the BER rating and it has increased by at least 7 energy ratings **or any 3 or more of the following:**

1. A permanent alteration of the internal layout of the property;
2. Adaptation of the property to provide for access and use by a person with a disability;
3. A permanent increase in the number of rooms in a dwelling;
4. An improvement in the BER rating by at least three energy ratings; or
5. The improvement by two energy ratings where the property had a BER of C3.

Outside Rent Pressure Zones

Outside Rent Pressure Zones landlords can only review the rent 24 months after the tenancy commencement date or 24 months after the date of service of the last valid rent review. The rent review notice that must be used when carrying out a rent review is available on www.rtb.ie

Other important changes

Investigation and Sanctions

Since **1st July 2019**, the RTB now has a more proactive regulatory role to directly investigate landlords and apply a proportionate sanction where appropriate for specific breaches of the law:

- ▶ not following Rent Pressure Zone rent restrictions;
- ▶ providing false and misleading information on notices of termination, or where properties have not been offered back to the tenant in certain circumstances;
- ▶ not registering a tenancy.

For more information you can contact us on our dedicated Investigations and Sanctions Information Helpline –

0818 77 62 97 or 023 883 2811

Student Specific Accommodation

All student specific accommodation provided by education authorities and private providers for students during the academic term are under the remit of the RTB. This means that all tenancies / licenses entered into on or after the **15th August 2019** must be registered with the RTB. It also means that both landlords and student tenants have access to the RTB Dispute Resolution Service including a free mediation service and have certain rights and responsibilities.

Changes still to come - Annual Registration

The new legislation will change how tenancies are registered in 2020 - moving from registering every new tenancy to registering a tenancy annually. The RTB will give landlords advanced notice of when this part of the legislation commences.

The existing system of registration remains in place, and all landlords should continue to register as normal. Landlords must continue to update any existing registrations where there are changes, by completing the Tenancy Registration Update form. Further information on registration and registration updates are at www.rtb.ie.

Visit www.rtb.ie to find out more information on the legislative changes and how they affect you, or contact us on **0818 30 30 37 (lo-call)** or **01 702 8100**.



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