



Eastern Area Tenants Service

local tenancy information resource

number 1D

## Ending early with the landlord's permission

◆  
The easiest and least expensive way of getting out of a fixed term lease is with the agreement of the landlord

◆  
That agreement needs to be in writing

◆  
The agreement must stipulate that the tenant can leave without any financial penalty or liability.

If you have to end your residential tenancy agreement before the fixed term is up, the best way to do this is with the landlord's written permission. If you can do this, there is very low risk of you having to pay compensation to the landlord, provided you have written evidence that the landlord agreed you could move out without penalty.

Information about the other options for breaking your lease early, if the landlord refuses to release you are available on other resource sheets. It is advisable to speak to a tenant advocate after reading these.

Section 81 of the *Residential Tenancies Act 2010* allows the termination of residential tenancy agreement by the consent of the parties. Section 81(4)(e) of the Act says that a tenancy ends if "the tenant gives up possession of the residential premises with the landlord's consent, whether or not that consent is subsequently withdrawn".

It may be hard to convince the agent or landlord to consent to end the agreement early without compensating the landlord. If you need to end early because of financial hardship, for example, providing evidence to the agent may help persuade them. You may wish to show the agent a report from a Financial Counsellor.

If there are repairs that are required in the premises, you could give the agent the choice of attending to the repairs or giving you consent to leave. If you have been advised that you may be

entitled to a rent reduction because you have not been able to use any part of the premises, for example, as a result of repairs not being attended to, you could fax a letter to the agent giving them the choice of attending to the repairs and refunding part of the rent or giving you consent to move out under Section 81(4)(e) of the Act.

A sample letter illustrating this point is reproduced on the next page.

Tenants have other options that they could follow to get repairs done (see the relevant fact sheets at [www.tenants.org.au](http://www.tenants.org.au)). Tenants may also terminate an agreement by notice or ask the Tribunal to terminate it if the landlord refuses to carry out repairs. These options carry more risk for the tenant than leaving early with the agreement of the landlord. (See the relevant EATS factsheets on this site for more information.)

Consent must be given in writing, preferably in the form of a statement signed by the landlord. A sample statement is on the next page of this factsheet.

Before moving out, read the local resource sheet *Steps tenants can take to maximise their chances of getting all their bonds back* from EATS and the *Rental Bonds* factsheet from the Tenants Union of NSW. Contact EATS or another Tenants Advice Service if you have any questions.



Eastern Area Tenants Service

Call 9386 9147



The first sample letter suggests one way for tenants to obtain the landlord's agreement for them to leave a fixed term tenancy without penalty



The other letter is an example of what the landlord or agent needs to sign to make sure that the tenant is protected from claims for compensation in future



If you are considering breaking your lease during a fixed term, ALWAYS talk to a tenants advice service before you act



Eastern Area Tenants Service

Call 9386 9147

SAMPLE LETTER ONLY: Check with your tenant advocate

Your name and address  
Date

Landlord's name and address  
Fax No

Dear Mr. Landy,

Re Unit 33 of 44-45 Hatchwell Street, Bondi Junction

On 18th July 2011 the washing machines in the building's laundry were replaced by coin operated washing machines. When I signed my residential tenancy agreement, on 15th January 2011, the washing machines in the laundry were free.

The replacement of the washing machines constitutes a withdrawal or reduction of a service. If I were to use the recently installed coin operated washing machines, I would incur a monetary loss of at least \$100.00 per week. I have estimated that to wash all our clothes I would need to do 16 loads per week.

I would ask that you reduce the rent by \$100-00 per week from 18th July 2011 to the present day. I have calculated the reduction as follows:

No. of weeks between 8th July and August 2011 = 3 weeks and 1 day. = 3 1/7 weeks  
@ \$100 per week = \$314

I would appreciate you forwarding a cheque for \$157 within 7 days to me at my address.

I ask that the rent be reduced by \$100 per week from tomorrow, 9th August 2011, as this is the amount I need to spend per week on our laundry.

If you are not prepared to forward a cheque for \$314 and reduce the rent from 9th August 2011 by \$100, I will consider my options, including applying to the Consumer, Trader and Tenancy Tribunal for a rent reduction under Section 44(1) of the Residential Tenancies Act 2010.

Alternatively, I am prepared to vacate the above premises and not proceed with any request for a rent reduction, if you agree to a termination of the tenancy without any penalty for breaking the agreement. If agreeable I would ask that you sign the attached, "STATEMENT OF CONSENT TO TERMINATION" under Section 81(4) (e) of the Residential Tenancies Act 2010.

I trust this matter can be resolved without the need for a hearing of the tribunal.

I would appreciate you forwarding a response to this letter, in writing, within 7 days.

Yours sincerely

STATEMENT OF CONSENT TO TERMINATION

Sec. 81 (4) (e) of the Residential Tenancies Act 2010\*

I, \_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_ am the landlord/landlord's agent under a Residential Tenancy

Agreement dated \_\_\_\_\_ in relation to the premises at \_\_\_\_\_

I give consent for the tenant/s \_\_\_\_\_

to vacate the above premises on \_\_\_\_\_

and acknowledge that should the tenant vacate the premises on this date the Residential Tenancy Agreement will terminate in accordance with Section 81 (4) (e) of the Residential Tenancies Act 2010, the tenant is released from further performance of the terms of the Agreement and from any liability arising from the Agreement from the date of termination.

Signed \_\_\_\_\_ [Landlord/Agent]

Date \_\_\_\_\_

Witness \_\_\_\_\_

\*Section 81 (4) of the Residential Tenancies Act 2010 states that a residential tenancy agreement terminates if any of the following occurs "...(e) if the tenant gives up possession of the residential premises with the landlord's consent, whether or not that consent is subsequently withdrawn..."