# RENTAL GUIDE FOR LANDLORDS

THE COMPLETE RENTAL HANDBOOK

LUX LIV

# CON TENTS



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# COMPANY PROFILE

## About Us

At LUXLIV, our passion for real estate drives us to deliver exceptional service tailored to your needs. What sets us apart is our commitment to not only meet your property requirements but also support your personal goals.

With extensive experience in real estate sales, our knowledgeable team utilises cutting-edge technology and innovative marketing strategies to connect your property with active buyers. Our success is built on client satisfaction; we take pride in our honest, hardworking approach and consistently strive to exceed expectations.

Beyond our industry expertise, we believe in empowering future real estate professionals through mentorship. We're dedicated to helping others succeed, and we celebrate their achievements.

**When you choose LUXLIV, you can expect personalised service, unmatched market insight, strong negotiation skills, and exclusive marketing strategies. We are committed to your success and eager to help you reach your real estate goals.**

# LANDLORDS

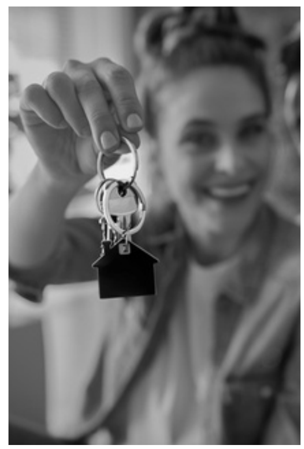
**Navigating the Path to Renting out Your Property**

LUXLIV PROPERTY GROUP

# BENEFITS OF RENTING OUT YOUR PROPERTY?

### STABLE INCOME

Renting your property ensures a steady income stream, providing financial stability amidst market volatility. This income can help cover loan payments, property taxes, and maintenance costs, reducing financial strain during uncertain times.



### MINIMISE COSTS

By renting out your property, you can offset some of the expenses associated with property ownership, such as mortgage payments, insurance premiums, and maintenance costs.
This can help minimize your overall holding costs while waiting for the market to stabilize.

### AVOID SELLING AT A LOSS

Renting allows you to hold onto your property until market conditions improve,
potentially enabling you to sell at a more favorable price in the future. This strategy helps avoid selling
the property at a loss during a downturn in the market.

### FLEXIBILITY TO SELL LATER

Renting gives you the flexibility to sell your property when the market stabilizes
and conditions become more favorable. By renting with the right tenant in place, you can maintain
control over the property while waiting for the opportune moment to sell.

### PRESERVE A LONG TERM INVESTMENT

Renting allows you to preserve your long-term investment in the property while waiting for market conditions to improve. Instead of hastily selling in a sluggish market,
renting enables you to hold onto the asset and potentially benefit from future appreciation.

BENEFITS OF WORKING WITH LUXLIV

# WHY WORK WITH LUXLIV

**Accurate Accounting:** our software is updated in real time and the trust account is audit ready at all times. Your rent and property costs are paid timeously and accurately.

## Value-Added Services Include:


1 **Efficient Tenant and Lease Management:**
From monthly invoicing and rental collections to managing 3rd party payments and administering comprehensive statements, we handle every aspect of tenant management. Our proactive lease renewal process and interim inspections ensure continuous occupancy and property upkeep.

2 **Proactive Maintenance:** Our platform allows landlords to track maintenance progress, providing a seamless experience for addressing property needs, and ensuring your asset remains in top condition.

3 **Embrace the Future of Property Management:**
With LuxLiv, you're not just getting a property manager; you're partnering with a team dedicated to maximizing your investment's potential.
Our adoption of **WeConnectU** and **RedRabbit** technology sets us apart,offering unparalleled efficiency,transparency, and results.
Let us transform the way you manage your rental portfolio, ensuring peace of mind and a more profitable investment.

# WHY WORK WITH LUXLIV

## MAXIMIZE YOUR PROPERTY'S POTENTIAL WITH LUXLIV'S ADVANCED PROPERTY MANAGEMENT SOLUTIONS

AT LUXLIV, WE LEVERAGE OUR EXTENSIVE EXPERIENCE AND EXPERTISE IN THE PROPERTY INDUSTRY TO ELEVATE YOUR RENTAL PORTFOLIO MANAGEMENT. UTILIZING CUTTING-EDGE SOFTWARE SOLUTIONS LIKE WECONNECTU AND REDRABBIT, WE OFFER A COMPREHENSIVE SUITE OF RENTAL MANAGEMENT SERVICES DESIGNED TO ENHANCE YOUR INVESTMENT'S VALUE AND STREAMLINE OPERATIONS.

## WHY CHOOSE LUXLIV TO MANAGE YOUR RENTAL PROPERTY?

1. **Market Leadership:** Our strategic marketing attracts high-quality tenants, reducing vacancies and securing competitive rental rates.

2. **Maintenance Management:** Powered by Red Rabbit, our system enables fast and accurate property inspections, efficient maintenance issue tracking, and online maintenance requests. With all records securely saved in the cloud, we ensure timely updates and effective turnaround times for both landlords and tenants.

3. **Legal Administration:** Our contracts are meticulously crafted to be watertight, and fully compliant with the Consumer Protection Act and related legislation, ensuring timely legal actions and advanced negotiations in case of non-payment.

4. **Financial Management:** We guarantee prompt payments, rigorous reconciliations, and adherence to regulatory compliance, including FICA, with detailed monthly reporting to keep you informed every step of the way.

# LUXLIV TENANCY MANAGEMENT SERVICES

**Payments to Landlord:**
- Transfer all rental and ancillary expenses, including VAT, to the Landlord's nominated bank account.

**In the Event of Non-Payment:**
- Instruct attorneys for legal proceedings (applications, summons, defense, settlements, evictions) after:
- Contacting and informing the Landlord of the situation.
- Providing the Landlord with the preferred attorney's contact details.
- Obtaining the Landlord's consent to refer the matter to the attorney.

**Lease Agreement Administration and Premises Management:**
- Ensure all lease conditions are fulfilled, receive and transfer the Deposit to the Trust Account.
- Collect all payments due to the Landlord, maintaining accurate records.
- Address tenant queries and complaints promptly, informing the Landlord when necessary.
- Address lease defaults and breaches, informing the Landlord promptly.
- Conduct property inspections as per the lease agreement.

**Maintenance:**
- Obtain quotes, get owner's acceptance, and pay contractors directly from the monthly rent.

**Inspections:**
- Regular property inspections with feedback to the owner.

**Tenant Profile Management:**
- Create and maintain a tenant profile on Tenant Profile Network (TPN), recording payment history and flagging for late/non-payment.

**Late Payment Penalties:**
- Charge tenants penalties for late payment via the Rental Management System if payment is not received by the 3rd of the month.

**Utility and Account Management:**
- Collect rent and utility accounts, pay municipal accounts, levies (if applicable), and contractors.
- Email monthly statements to both Tenant and Landlord.

**Liability:**
- The Property Practitioner is not liable for any losses or damages, including unpaid rent or early vacancy by the Tenant.

**Legal Proceedings Costs:**
- Legal costs appointed by the Property Practitioner are borne by the Landlord. A power of attorney may allow the Property Practitioner to represent the Landlord

**Deposit Management:**
- If only managing the Lease Agreement, transfer the Deposit to the Trust Account after procuring it.

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# MANAGED VS UNMANAGED RENTAL

| | MANAGED | UNMANAGED |
|---|---|---|
| **Tenant placement :** | | |
| • Marketing your property for rent | ✓ | ✓ |
| • Vetting potential tenants through rigorous background checks, | ✓ | ✓ |
| • Facilitating the lease agreement. | ✓ | ✓ |
| • Deposit, first month’s rent collection | ✓ | ✓ |
| • Move in inspection | ✓ | ✓ |
| • Move out inspection | ✓ | |
| • Regular inspections with feedback | ✓ | |
| **Payments:** | | |
| • Collect and pay rent, utility accounts, and municipal bills, transfer to landlord | ✓ | |
| • Email monthly statements to Tenant and Landlord. | ✓ | |
| • Charge penalties if rent is unpaid by the 3rd of the month. | ✓ | |
| • Notify Landlord of non-payment and obtain consent for legal action. | ✓ | |
| • Instruct attorneys and provide Landlord with contact details. | ✓ | |
| **Lease Administration & Premises Management:** | | |
| • Fulfill lease conditions and manage Deposit transfer. | ✓ | |
| • Collect payments and maintain accurate records. | ✓ | |
| • Address tenant issues and inform Landlord of defaults. | ✓ | |
| • Conduct property inspections as per the lease. | ✓ | |
| **Maintenance Management:** | | |
| • Obtain quotes, get owner’s approval, and pay contractors from rent. | ✓ | |
| **Tenant Profile Management:** | | |
| • Maintain tenant profiles, record payment history, and flag issues. | ✓ | |
| **Deposit Management:** | | |
| • Transfer Deposit to Trust Account if managing the Lease Agreement. | ✓ | |

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**Rentals administrator - admin5@luxlivproperty.com**
**admin2@luxlivproperty.com, +27 64 515 3625**

UNDERSTANDING THE

# PROCESS

We're here to support you every step of the way, from outlining your property rental goals to handing over the keys to your new tenant. Our mission is to provide you with the essential information, resources, and guidance to help you make well-informed decisions and assist in finding you the perfect tenant.

# FOR LANDLORDS

Navigating the rental process can be daunting for landlords. Let's break down how it works to help you secure an ideal tenant.

1

## ADVERTISING AND LEASING

Advertise properties honestly.
Screen potential tenants thoroughly using credit checks and references (e.g., TPN Credit Bureau).
Ensure the property complies with safety and health regulations.

2

## LEASE AGREEMENTS

Provide a written lease agreement.
Include all necessary terms such as rental amount, payment schedule, lease duration, maintenance responsibilities, and house rules.
Make sure the lease complies with the Rental Housing Act.

3

## DEPOSITS

Collect a security deposit and place it in an interest-bearing account.
Provide the tenant with a receipt for the deposit.
Return the deposit with interest at the end of the lease, minus any deductions for damages.
Provide an itemized list of any deductions.

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4

## MAINTENANCE AND REPAIRS

Keep the property in a habitable condition.
Respond to repair requests promptly.
Regularly inspect the property to ensure it is well-maintained.

5

## RENT COLLECTION

Collect rent on the agreed date.
Issue receipts for all payments.
Implement clear procedures for late payments and non-payment.

6

## INSPECTIONS

Conduct regular inspections to ensure the property is maintained.
Provide notice before entering the property for inspections, as required by law.Entry and exit inspections with the tenant is crucial to avoid disputes

7

## LEGAL AND COMPLIANCE

Adhere to all relevant laws and regulations, including the Rental Housing Act and the Consumer Protection Act.
Resolve disputes through negotiation or legal channels if necessary.

8

## EVICTIONS

Follow the legal process for evictions, including providing proper notice and obtaining a court order if necessary.
Avoid self-help measures, such as changing locks or disconnecting utilities, which are illegal.

# LEASE AGREEMENT CHECKLIST

## PROPERTY PRACTITIONER

- Signed mandate with mandatory disclosure form (Sec 67 PPA)
  Procurement mandate // Management mandate
- Full tenant vetting
  ID confirmation
  Credit checks including tenant payment profile
  Previous landlord confirmation do a deed search on tenant's previous address and obtain contact details of landlord to confirm
  Confirm employment Proof of income
  FICA
- Obtain written instruction from the landlord to place particular tenant
- Lease agreement to be signed by both landlord and tenant
- The Property Practitioner to act in accordance with the mandate received from the landlord
- Deposit secured and reflecting in account
- Hand over of keys
- Entry inspection to be done

## LANDLORD

- Landlord to approve tenant based on checks done by Property Practitioner - full tenant vetting done
- Mandatory disclosure form completed by Landlord and attached to Lease agreement
- Lease agreement signed by both parties - Landlord and tenant
- Deposit paid - to Property Practitioner and held in trust
- First months rent paid
- Commissions to Property Practitioner paid

## TENANT

- Provide true and correct information to Property Practitioner
- Lease agreement signed by both parties - Landlord and tenant
- Deposit paid
- First months rental paid
- Entry inspection done
- Take occupation of property

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THE FOLLOWING DOCUMENTS ARE REQUIRED TO BE PROVIDED BY THE FIC ACT 38 OF 2001 ,FOR THE ENTITY IN WHICH YOU WILL BE PURCHASING

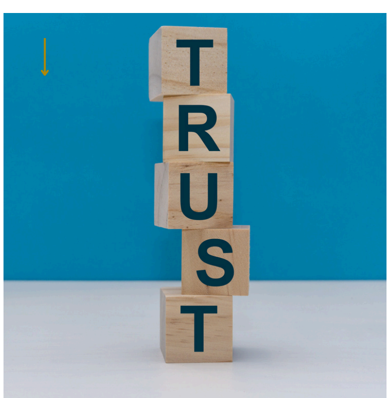
# FICA REQUIREMENT

## INDIVIDUALS

- COPY OF IDENTITY DOCUMENTS
- PROOF OF RESIDENCE (NOT OLDER THAN 3 MONTHS)
- CONFIRMATION OF MARITAL STATUS(MARRIAGE CERTIFICATE/CONTRACT)
- INCOME TAX NUMBER (PREFERABLY A SARS LETTERHEAD

## COMPANY

- COPY OF CC/ COMPANY DOCUMENTS
- PROOF OF RESIDENCE FOR THE COMPANY(NOT OLDER THAN 3 MONTHS
- COPY OF ALL MEMEBERS OR DIRECTORS IDENTITY DOCUMENTS
- PROOF OF RESIDENCE OF ALL MEMBERS/DIRECTORS (NOT OLDER THAN 3 MONTHS
- RESOLUTION BY MEMBERS/DIRECTORS AGREEING TO THE SALE AND DESIGNATING A SIGNATORY
- INCOME TAX NUMBER: CC OR COMPANY OR VAT NUMBERS (PREFERABLY BY A SARS LETTERHEAD)




## TRUST

- LETTER OF AUTHORITY
- COPY OF TRUST DEED
- COPY OF ALL TRUSTEES AND BENEFICIARIES IDENTITY DOCUMENTS
- PROOF OF RESIDENCE OF ALLTRUSTEES AND BENEFICIARIES (NOT OLDER THAN 3 MONTHS
- RESOLUTION BY TRUSTEES AND BENEFICIARIES TO THE SALE AND DESIGNATING A SIGNATORY
- INCOME TAX NUMBER (PREFERABLY BY A SARS LETTERHEAD

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# RESOURCES

**Rental Housing Act:** Understand the rights and responsibilities of both tenants and landlords.

**Consumer Protection Act:** Provides additional protection for tenants.

**TPN Credit Bureau:** Use this service to screen tenants and manage rental payments.

**Property Practioners Regulatory Authority (PPRA):** Offers resources and support for landlords and tenants.

**For more detailed information, you can visit TPN Credit Bureau or consult legal professionals.**

# CANCELLATION BY LANDLORD

## CAN A LANDLORD CANCEL A LEASE AGREEMENT?

Is the tenant in breach of the lease agreement?

No

Yes

Does the lease agreement contain a clause allowing for cancellation of the lease agreement by the landlord?

See breach and cancellation flowchart

No

Yes

No

Does the reason for cancellation constitute on unfair practice?

A landlord may never cancel a lease agreement following this route Where it is a way to get a tenant out,just because they don't get along

Yes

No

No

A landlord may cancel the lease agreement giving the tenant sufficient notice, as agreed to in terms of the lease agreement

Section 4(5)(c) of the Rental Housing Act that would constitute an unfair practice:
Can get higher rent from another tenant.

Does not want to allow the time period for the tenant to remedy the breach.

Wants to do renovations and not follow the correct process.

Reasons that will not constitute unfair practice :
The landlord wants to sell the property
The landlord wants to take occupation of the property

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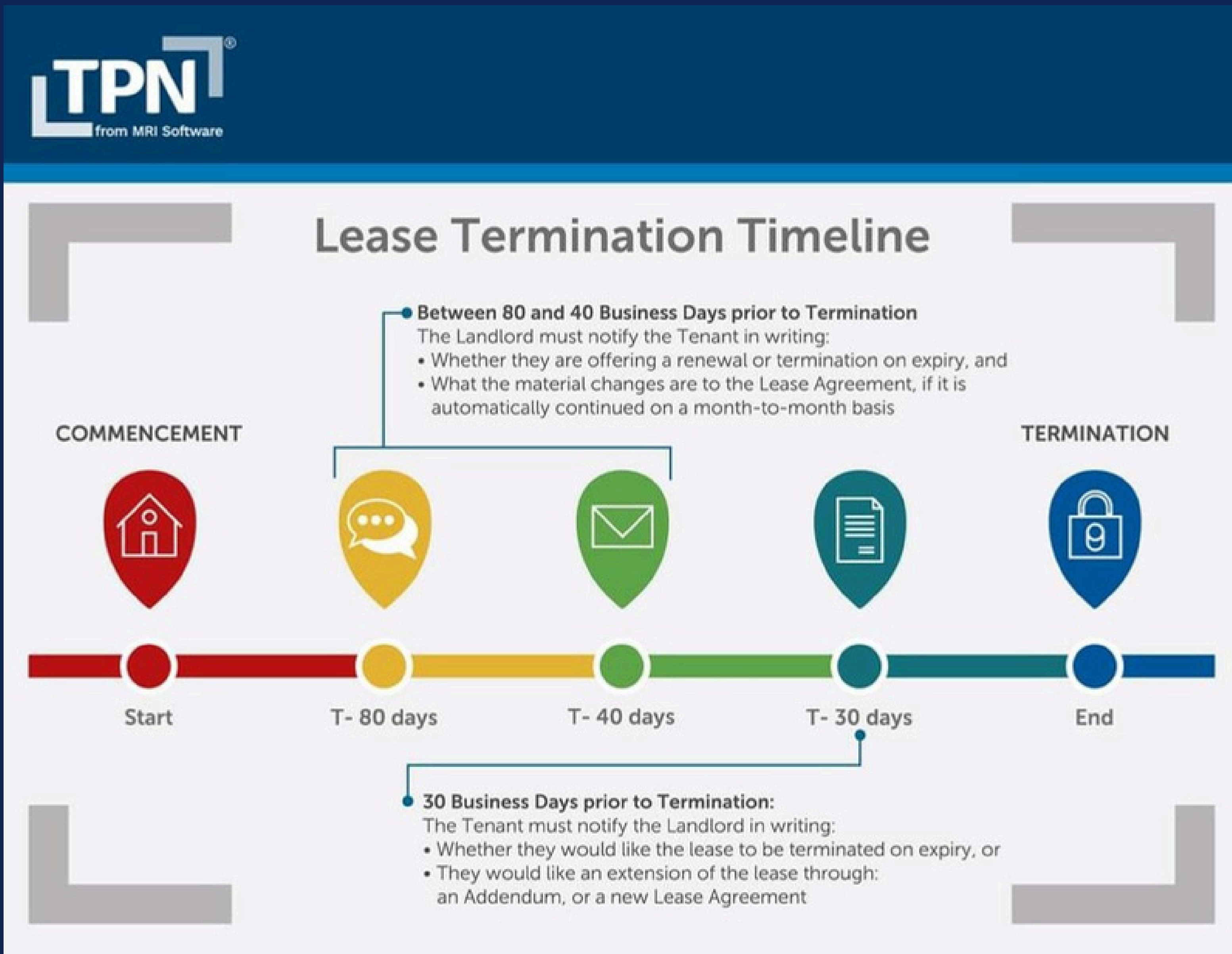
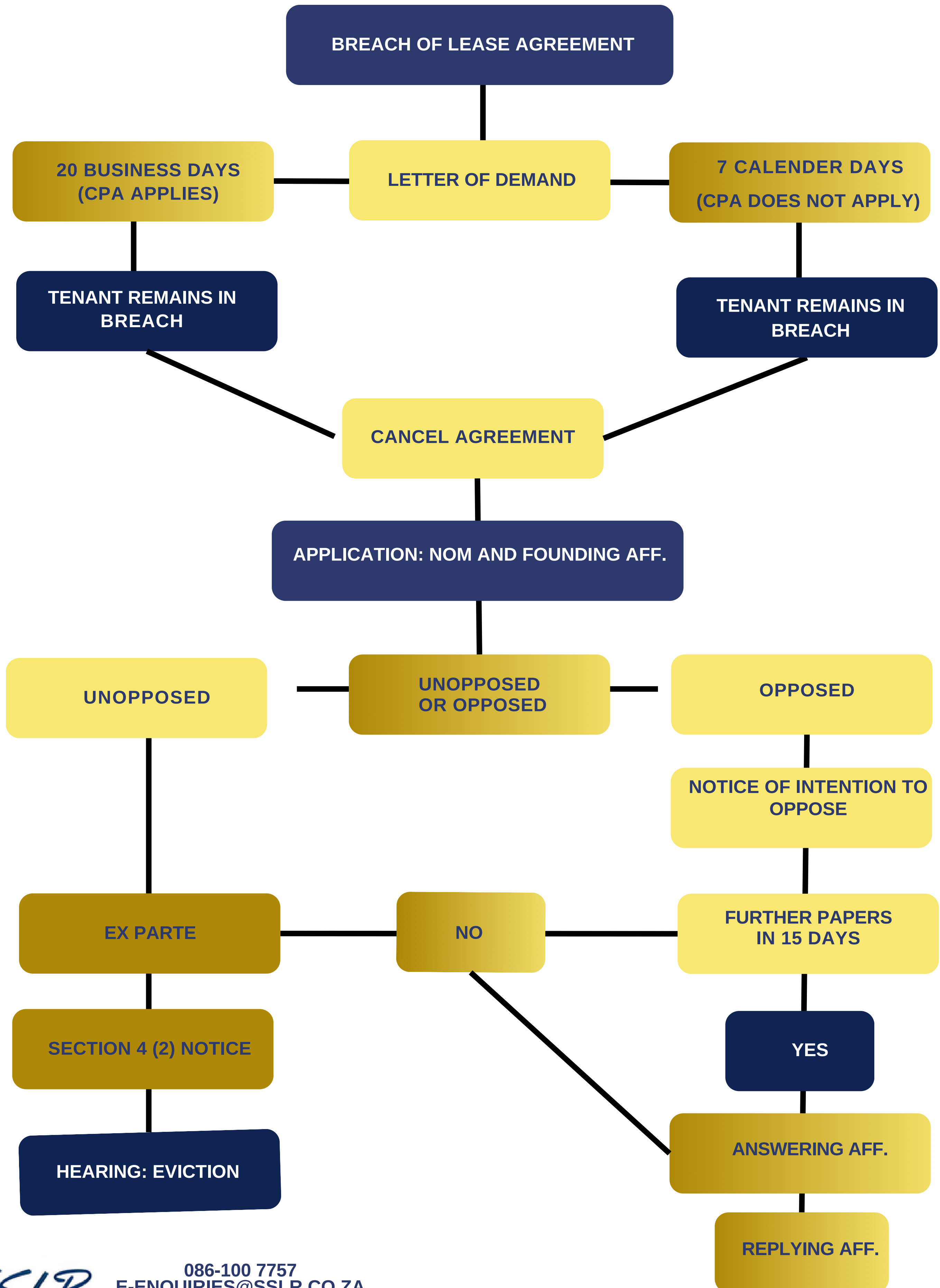

TPN
from MRI Software
Lease Termination Timeline
Between 80 and 40 Business Days prior to Termination
The Landlord must notify the Tenant in writing:
• Whether they are offering a renewal or termination on expiry, and
• What the material changes are to the Lease Agreement, if it is automatically continued on a month-to-month basis
COMMENCEMENT
TERMINATION
Start
T- 80 days
T- 40 days
T- 30 days
End
30 Business Days prior to Termination:
The Tenant must notify the Landlord in writing:
• Whether they would like the lease to be terminated on expiry, or
• They would like an extension of the lease through: an Addendum, or a new Lease Agreement

# CANCELLATION AND EVICTION

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# Eviction Process

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Attorneys, Notaries & Conveyancers

## Tenant in Breach

Section 14 of the CPA does not apply: 7 Calendar Days (or as indicated in the lease agreement)

**MORA LETTER**
(Terms Letter - also referred to as letter of demand)

Section 14 of the CPA applies: 20 Business Days

**CANCEL LEASE**

Illegal Occupation

Illegal Occupation

**APPLICATION**
**Notice of Motion and Founding Affidavit**

**OPPOSED**
+/- 6 Months

**UNOPPOSED**
6 - 8 Weeks (Depending on the specific Court)

**Notice of Intention to Oppose (5 Days)**

Answering Affidavit (15 Days - High Court) (10 Days - Magistrates Court)

Replying Affidavit (10 Days)

Heads of Argument

**Court Date**

**No Notice of Intention to Oppose**

Ex Parte Application Section 4(2)

**Court Date**

**There is no difference in costs, regardless of the Court.**

(SSLR expert legal team attends - resulting in cost benefit to the client)

UNDERSTANDING

# COSTS

Our mission is to provide you with the knowledge and insights necessary for making well-informed decisions, ensuring that your renting experience remains both rewarding and financially responsible. Whether it's understanding security deposits and lease terms, managing monthly rent payments, or budgeting for utilities and maintenance expenses, we're here to support you every step of the way.

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# UPFRONT COSTS FOR THE LANDLORD

- **INITIAL RENOVATIONS**
- **INITIAL REPAIRS**
- **PROFFESSIONAL CLEANING BEFORE OCCUPATION IF REQUESTED BY THE TENANT**
- **TENANT FINDERS FEE TO THE AGENT**
- **FURNITURE,APPLIANCES, LINEN, CUTLERY AND CROCKERY ( APPLICABLE IN A FULLY FURNISHED APARTMENT)**
- **ANY COSTS INVOLVED IN REGISTERING THE TENANT IE. UTILITIES ETC.**

# ONGOING MONTHLY COSTS

- **RATES AND TAXES**
- **HOME OWNERS LEVY**
- **BUILDING INSURANCE**
- **PEST TREATMENTS AND PREVENTION**
- **REGULAR ONGOING MAINTENANCE**

The term “utilities”encompasses a variety of essential services provided to households and businesses, not just electricity and water. Effluent and sewerage are also considered utilities, along with gas, refuse removal and potentially other services like internet and telecommunications, depending on the context. Therefore utilities are not by definition limited to electricity and water

UNDERSTANDING

# DEPOSITS

In South Africa, tenant deposits must be kept in an interest-bearing account and remain the tenant's property. Joint inspections before and after the tenancy document property conditions. The landlord must return the deposit plus interest within 14 days, or 21 days if repairs are needed, deducting only for damages beyond normal wear and tear. Case law reinforces tenant rights and landlord responsibilities.

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# UNDERSTANDING DEPOSITS

In South Africa, the legal framework regarding deposits and landlords' responsibilities is primarily governed by the Rental Housing Act, 1999 (Act No. 50 of 1999), and relevant case law. Here's an explanation based on South African law:

## Tenant's Deposit

**Ownership and Entitlement:**

The deposit remains the property of the tenant throughout the tenancy period. The landlord holds it in trust.
Upon termination of the lease, the tenant is entitled to the return of the deposit plus interest, minus any deductions for damages or unpaid rent.

## Landlord's Responsibilities

**Handling the Deposit:**

**Separate Account:** The landlord must place the deposit in an interest-bearing account. The interest earned should accrue to the tenant.
**Disclosure:** The landlord must inform the tenant in writing of the details of the interest-bearing account where the deposit is kept.

## Inspection and Return of Deposit:

**Pre-occupation Inspection:** At the start of the lease, both landlord and tenant should conduct a joint inspection of the property to note any existing damage.
**Post-occupation Inspection:** Upon termination of the lease, a joint inspection should be conducted to assess any damages caused during the tenancy.
**Repairs and Deductions:** The landlord can deduct costs for repairing damages caused by the tenant (excluding normal wear and tear) from the deposit. These deductions must be reasonable and justifiable.
**Timeline for Return:** The balance of the deposit plus interest, after deducting the cost of repairs, must be returned within 14 days if there are no damages or arrears. If repairs are needed, the landlord has up to 21 days after the restoration of the property to return the deposit.

## Summary

- **Deposit Ownership:** The deposit remains the tenant's property.
- **Interest and Account:** Must be kept in an interest-bearing account, with interest accruing to the tenant.
- **Inspection:** Pre- and post-occupation inspections are crucial.
- **Return Timeline:** The deposit must be returned within 14-21 days, depending on whether repairs are needed.
- **Case Law:** South African case law reinforces the tenant's rights regarding deposits and highlights the landlord's procedural responsibilities.

This framework ensures that tenants are protected from unfair practices and that landlords adhere to a transparent process when handling deposits.

LTPN from MRI Software

## RENTAL DEPOSITS DEMYSTIFIED: WHAT, WHEN, HOW AND WHY?

### On Expiry or Termination of a Lease Agreement

**INSPECTION WITHIN 3 DAYS OF TENANT VACATING**

| No damages or outstanding amounts owing. | Damages to be repaired. Amounts to be paid. | Tenant fails to attend inspection. Whether repairs are needed or not: |
|---|---|---|
| Refunded Within **7** Days after expiry of the lease agreement | Refunded Within **14** Days after restoration of the property | Refunded Within **21** Days after expiry of the lease agreement |

# DEPOSIT USE AND REFUND IN TERMS OF THE RENTAL HOUSING ACT

## LEASE AGREEMENT EXPIRATION

Incoming inspection done correctly?

YES

Exit inspection done correctly?

YES

Damage?

YES

14 days after restoration of property

NO

7 Days

Tenant fails to respond to request for exit inspection

Landlord inspects in 7 days-refund in 21 days

NO

7 Days

NO

7 Days

The tenant does not have the right to first attempt to do repairs himself after damages were established

It is strongly advised to keep a full record of the inspection with photos, attached to the lease agreement

The tenant does not have the right to see the invoices but only the receipts

The tenant does not have a right to see any quotations or choose the service provider, this is done at the sole discretion of the landlord

### DEPOSIT REFUND
**Sub-Section 5 (3)(g) - (n)**

### When: on expiration of lease agreement

**Proper Inspection - both landlord and tenant is present at the inspection and all damages recorded of the property:**

| | |
|---|---|
| No Damage | 7 Days |
| (a) Damage | 14 Days after restoration |

**Landlord doesn't Inspect:**

- Deemed No Damage pay in 7 Days

**Landlord calls for inspection and tenant doesn't respond:**

- Landlord must inspect within 7 Days refund within 21 Days

**Receipts for inspection**

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# WEAR AND TEAR GUIDELINES

Wear and tear in properties refer to the gradual deterioration that occurs from normal, everyday use. This process is inevitable and includes minor scuffs on walls, fading paint, carpet wear, and appliance aging. Unlike damage caused by neglect or misuse, wear and tear result from the natural aging of materials and fixtures. Tenants are responsible for taking reasonable care of the property and promptly reporting maintenance issues, while landlords are responsible for addressing these issues and performing regular upkeep to ensure the property remains in good condition. Regular maintenance and periodic updates can mitigate some effects, but all properties will exhibit signs of wear and tear over time.

# WEAR AND TEAR

## INDICATION OF TYPICAL WEAR AND TEAR VS DAMAGES

## Wear and tear

- Worn out keys
- Loose or stubborn door lock
- Loose hinges or handles on doors
- Worn and dirty carpeting
- Carpet seam unglued
- Scuffed wood floors
- Linoleum worn thin
- Worn countertop
- Stain on ceiling from rain or bad plumbing
- Plaster cracks from settling
- Faded, chipped or cracked paint
- Loose wallpaper
- Balky drapery rod
- Faded curtains and drapes
- Heat blistered blinds
- Dirty window or door screens
- Sticky window
- Loose or inoperable faucet handle
- Toilet runs or wobbles
- Closet bi-fold door off track

## Damages

- Lost Keys
- Broken or missing locks
- Damage to a door from forced entry
- Torn, stained or burned carpeting
- Rust or oil stains on carpet
- Badly scratched or gouged wood floors
- Linoleum with tears or holes
- Burns and cuts in countertop
- Stain on ceiling from overflowed tub
- Holes in walls from kids or carelessness
- Unapproved (bad) tenant paint job
- Ripped or marked-up wallpaper
- Broken drapery rod
- Torn or missing curtains and drapes
- Blinds with bent slats
- Torn or missing screens
- Broken window
- Broken or missing faucet handle
- Broken toilet seat or tank top
- Damaged or missing bi-fold door

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# Wear and Tear guidelines

**IT IS ADVISABLE THAT ENTRY AND EXIT INSPECTIONS ARE CRUCIAL WITH THE LESSEE AND LESSOR PRESENT TO AVOID DISPUTES.**

## Responsibilities of Landlords and Tenants in Rental Properties

**Landlord Responsibilities:**

- Landlords are responsible for maintaining rental properties.
- Normal wear and tear, which occurs naturally as the property ages, is the landlord's responsibility and is not the fault of the tenant.

**Tenant Responsibilities:**

- Tenants must promptly report any damages or maintenance issues to the landlord or managing agent.
- If a tenant fails to report an issue and the condition worsens, the tenant may be responsible for the resulting damage. For example, if a leak under the bathroom sink is not reported and it causes permanent damage to the bathroom cupboard, the tenant may be required to cover the cost of replacement.

**Normal Wear and Tear vs. Tenant-Caused Damage:**

- Normal Wear and Tear: This refers to the expected deterioration of the property over time due to regular use. The landlord is responsible for the costs associated with normal wear and tear.
- Tenant-Caused Damage: Damage caused by tenants due to negligence, carelessness, or abuse is the tenant's responsibility. The landlord is not liable for these damages.

**Calculating Tenant-Caused Damage:**

- When determining the cost for tenant-caused damage, consider the property damage and the cost of replacement.
- Deduct the depreciation value based on the item's useful life. The useful life refers to how long the item is expected to be usable.
- If the item was not brand new when the tenant moved in, calculate the natural depreciation before determining the repair fee.

Current South African Case Law: Recent South African case law supports these principles, emphasising the responsibilities of both landlords and tenants. Tenants are expected to maintain the property and report issues, while landlords must account for natural wear and tear without penalising tenants. Any disputes regarding damages versus wear and tear are typically resolved by examining the nature and extent of the damage and whether it resulted from normal use or tenant negligence.


## Charging a Tenant for Property Damage

1. Determine the original usable life of the item.
2. Calculate the remaining usable life of the item before the damage.
3. Obtain a replacement quote from a licensed contractor or store.
4. Multiply the remaining usable life percentage (from Step 2) by the replacement cost (from Step 3).

1. The result from Step 4 is the tenant's responsibility.

For full replacement, use the following example:

- Example 1:
  - Item: Carpet in a high-traffic area
  - Original Condition: 2 years old at tenant's occupation
  - Damage: Fully damaged by dogs after 1 year of lease
  - Replacement Cost: R13,500
  - Calculation:
    - Usable life: 5 years
    - Used up: 3 years (2 years prior + 1 year of lease)
    - Remaining: 2 years
    - Pro-rata cost per year: R2,700 (R13,500 / 5)
    - Tenant's responsibility: R5,400 (2 years * R2,700)
- Example 2:
  - Item: Carpet in a high-traffic area
  - Original Condition: 2 years old at tenant's occupation
  - Damage: Fully damaged by dogs after 3 years of lease
  - Calculation: No charge to tenant as the carpet's reasonable lifespan (5 years) is reached.

| ITEM | WEAR AND TEAR - LESSOR | TENANT RESPONSIBILITY |
| --- | --- | --- |
| **Countertops** | Light scratches and light watermarks | Countertops - burnt areas, chipped countertops, and/or multiple stains, kitchen counters scratched due to cutting |
| **Tiles - grout** | Dirty grout surrounding the tiles – Mildew forming in grout lines in the bathroom tiles Loose grout | broken pieces or missing tiles are damages |
| **Mould** | Mould caused by poor building ventilation issues | Mould caused by lack of regular cleaning or poor ventilation due to tenant closing windows |
| **Sinks and pipes** | Rust and clogging caused by age of sink and pipes | Rust and clogging caused by improper use and cleaning ie: pouring oil, fat, rice and other food items down the drain. |
| **Geyser** | bursts , malfunctioning, wear & tear | If tampered or damaged by lessee by negligence or direct action from lessee |
| **Electrical** | shorts, wear & tear, all standard maintenance | If tampered with /damaged by lessee either by negligence or direct action from lessee |
| **Lightbulbs / batteries** | | Replace allReplacement batteries for smoke detectors |
| **Carpets lifespan:5 years in high traffic areas, ie stairs, study, living areas10 years in low traffic areas, ie bedrooms** | The overall deterioration to the carpet from repeated cleanings or being walked onFurniture marks in carpet | Carpets - spilled liquids, cigarette burns, iron marks,  oil stains or mud tracked onto carpets, carpets discoloured due to pets or stains |
| **Floors – useful lifeWood - 100 yearsVinyl - 50 yearsCarpet – 10 years Laminate wood – 10 yearsScreed, cement – 5 years – normal for cracks and chips to occurTile – 20 years** | Scuffed from normal use, faded from sunlight | Large chips or gouged floors. Missing tiles or boards. Water stains on wood. |
| **Walls – 5 years on paint** | plaster that has cracked as a building settlesDents in walls from door handles Small nicks, cracks, smudges, scuffs from daily use | Large holes; missing walls, missing cornices. Excessive number of nail holes requiring patchwork |
| **Paint – lifespan of 5 years** | Faded paint or wallpaperFaded paint or wallpaper due to sunlight. | Water damage from indoor plants, unapproved paint or wallpaper, rubbing from furnitureNails, pictures, walls damaged due to nails or screws, paint discoloured as a result of cigarette or candle smoke |

| ITEM | WEAR AND TEAR - LESSOR | TENANT RESPONSIBILITY |
|---|---|---|
| **Windows, doors, and frames** | old, warped window frames – maintenance Warped doors caused by age, temperature or moisture Warped windows caused by the flow of the glass, age, temperature or moisture Sticking doors .Cracked window pane or sill from normal use and environmental factorsDirty or faded window treatments | windows damaged as a result of being slammed Broken window or windowsill from tenant abuseMissing or ruined window treatmentsBroken latches and handles from failure to close window when the wind blowsDoors and frames damaged by trying to open it without a keyDoor handles and locks broken or keys missing |
| **Curtains / blinds - approximate useful life – 10 years** | Faded curtains | Dirty, torn, missing, accessories missing/broken |
| **Plumbing** | Broken plumbing caused by normal use. Drains blocked due to tree roots | blocked drains caused by flushing nappies, sanitary pads etc. |
| **Appliances – approximate useful life – 10 years** | Broken appliances if not from misuse Filter changes, gasket replacement, small part replacement, which is normal through regular use | Broken parts, accidental dents, missing appliances |
| **Fixtures, handles** | Tarnish on bathroom fixtures Steam damage – bad air ventilation design in bathroomLoose handles or doors on kitchen or bathroom cabinets | Steam damage – not airing bathroomBath plug missingBath rails missing / damagedToilet roll holders missing / damaged |
| **Garden and plants** | Big trees and shrubs pruning, if necessary and in danger of falling over or damaging the walls, etc. | General maintenance - edging, mowing, watering, pruning and weeding, compost, maintaining existing plants and trees. If plants have perished during the tenancy, the tenant is to replace with similar or cover the cost for a landscaper to replace. Only exception if water restrictions prevented from watering for extended periods of time. |
| **General** | If reported issue was not attended to by the Lessor, any resulting damage will be for Lessor's account | Any damage to the structure and fixtures because of the tenants' negligence, or failing to report issues, or by not looking after the premises, will result in liability for the tenants to repair. |
| **Gutters and Pipes** | If blockage caused by trees' roots or overgrown trees that need pruning by the Lessor, this will be their responsibility | keeping all gutters and pipes free from obstruction.Blocked drains and roof leaks due to gutters that were not regularly cleaned will be for the tenant's account. |
| **Swimming Pool - Kreepy Krauly** | If perished or broken | If maliciously or negligently damaged or neglected |
| **Pests** | None if property was pest free at inception of lease | All pests including ants, rats, snakes, cockroaches |

UNDERSTANDING

# FULLY FURNISHED APARTMENTS

**Furnishing a fully furnished apartment for rent can be overwhelming for landlords. To help, we've created a checklist outlining essential items expected in such apartments. The quantity of items will vary based on the number of occupants, but this guide provides a helpful starting point for what to purchase.**

LUX LIV

# SUGGESTED INVENTORY FOR FULLY FURNISHED HOMES

## LOUNGE

| | |
|---|---|
| LOUNGE SUITE | 1 |
| COFFEE TABLE | 1 |
| SIDE TABLE | 2 |
| TV AND UNIT | 1 |
| FLOOR RUG | 1 |

## DINING ROOM

| | |
|---|---|
| DINING TABLE (WOOD) | 1 |
| CHAIRS | 4-8 |
| SERVER/SIDE TABLE | 1 |
| FLOOR RUG | 1 |

## PATIO

| | |
|---|---|
| PATIO FURNITURE SET | 1 |
| BRAAI (IF NOT BUILD IN) | 1 |

## KITCHEN

| | |
|---|---|
| AUTO WASH MACHINE | 1 |
| DOUBLE DOOR FRIDGE / FREEZER | 1 |
| DISHWASHER | 1 |
| TUMBELDRYER | 1 |
| MICROWAVE | 1 |
| KETTLE | 1 |
| IRON | 1 |
| IRONING BOARD | 1 |
| TOASTER | 1 |
| VACUUM CLEANER | 1 |

# BEDROOM

| | |
|---|---|
| QUEEN SIZE BED | 1 |
| QUEEN SIZE HEADBOARD | 1 |
| BEDSIDE PEDESTALS | 2 |
| BEDSIDE LAMPS | 2 |

| | |
|---|---|
| FITTED SHEET | 2 |
| FLAT SHEET | 2 |
| DUVET COVER | 1 |
| PILLOW CASES STANDARD | 4 |
| PILLOWS STANDARD | 2 |
| HANGERS | 20 |
| DUVET | 1 |
| BLANKETS | 1 |
| CURTAINS | 2 |
| FAN AND HEATER | 1 |
| FLOOR RUG | 1 |

# BATHROOM

| | |
|---|---|
| BATHMAT | 1 |
| TOILET BRUSH | 1 |
| BIG TOWELS | 2 |
| MEDIUM TOWELS | 2 |
| SMALL TOWELS | 2 |
| BIN | 1 |
| LAUNDRY BASKET | 1 |

# GUEST TOILET

| | |
|---|---|
| BATHMAT | 1 |
| TOWELS | 2 |

SUGGESTED QUANTITIES PER BEDROOM AND BATHROOM

# KITCHEN INVENTORY

| | |
|---|---|
| BROOM | 1 |
| MOP & BUCKET | 1 |
| KITCHEN BIN | 1 |
| DUST PAN AND BROOM | 1 |
| CUTTING BOARD | 2 |
| DISH DRIP DRY RACK | 2 |
| TEA POT | 1 |
| COOKING POTS | 3 |
| COOKING PANS | 3 |
| COLANDER | 1 |
| CHEESE GRATER | 1 |
| TEA CUPS | 6 |
| SAUCERS | 6 |
| COFFEE MUGS | 6 |
| SUGAR BOWL | 1 |
| MILK JUG | 1 |
| SERVING SPOONS | 4 |
| SALAD SPOONS | 4 |
| SALT AND PEPPER CELLARS | 1 |
| DINNER PLATES | 8 |
| SIDE PLATES | 8 |
| SOUP BOWLS | 8 |
| DESERT BOWLS | 8 |
| TUMBLER GLASSES | 8 |
| WHITE WINE GLASSES | 8 |
| RED WINE GLASSES | 8 |
| COOL DRINK / TALL GLASSES | 8 |
| MIXING BOWLS: LARGE, MEDIUM,SMALL | 3 |
| CUTLERY DIVIDER | 1 |
| KNIVES | 8 |

| | |
|---|---|
| DESERTSPOONS | 8 |
| SOUP SPOONS | 8 |
| FORKS | 8 |
| TEA SPOONS | 8 |
| CAKE FORKS | 8 |
| STEAK KNIVES | 8 |
| BREAD KNIFE | 1 |
| CARVING KNIFE & FORK | 2 |
| VEGETABLE KNIFE | 1 |
| TIN OPENER | 1 |
| POTATOES PEELER | 1 |
| DISH TOWELS | 4 |
| OVEN GLOVES | 2 |
| CORK SCREW | 1 |
| WOODEN SPOONS | 3 |
| GLASS WATER JUG | 1 |
| TABLE CLOTH | 2 |
| PLACE MATS | 8 |
| SERVING DISHES | 4 |
| SALAD BOWLS | 3 |
| ROASTING DISHES | 3 |
| BRAAI UTENSILS SET - TONGS,BRUSH, FORK | |
| COFFEE PLUNGER | 1 |
| KITCHEN SCISSORS | 1 |
| SPATULA | 1 |
| POTATO MASHER | 1 |
| EGG WHISK | 1 |
| SOUP LADLE | 1 |
| SPAGHETTI SPOON | 1 |
| STRAINER (SPOON) | 1 |
| MEASURING SPOONS | 1 |
| MEASURING JUG | 1 |

QUANTITIES DEPENDANT ON NUMBER OF OCCUPANTS

# What every South African Landlord needs to know about problem Tenants


In this episode of On The Spot with LuxLiv, Marussia sits down with Armand from Xpello — South Africa's first dedicated eviction management solution — to unpack one of the biggest pain points in property rentals: what happens when your tenant stops paying or refuses to leave.

Whether you're a first-time landlord or building a serious portfolio, this conversation covers what you actually need to know.

In this episode:

- Why bad tenants don't have to mean financial disaster
- How Xpello handles the entire breach and eviction process on your behalf — legally, and at no extra cost when a tenant defaults
- The shocking reality of what a DIY eviction can cost (think R40,000+)
- Xpello's 98% resolution rate — most cases never even reach court
- How landlords can grow their portfolios confidently with proper protection in place
- The Good Faith Certificate — a game-changer for tenants with no credit history

About Xpello:

Xpello is South Africa's first eviction management solution, founded in 2017. For a low monthly fee, landlords and rental agents get access to a team of specialist attorneys and a proven legal process — so you're never caught off-guard when things go wrong with a tenant.

Watch our podcast to learn more:

**https://www.youtube.com/watch?v=afKjuUHX43s**

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## Professional and honest!

We are tenants vacating a rental property. Our landlady decided to appoint multiple agents which was a pain with multiple pushy of rude agents demanding visits at short notice. Nicole was exemplary, polite and courteous. If I was a landlord looking to rent out or a prospective tenant she was perfect in her conduct and charming.and she is the absolute best. She's extremely professional and honest. We have been very happy with her services and highly recommend her.

**IAN RALPH**

# Talk *of the* Town

## Above and Beyond!!

I could not have managed the process of selling my property without the help from her. I am not in the country and she went above and beyond for me. She managed every step in a calm and professional way. Thank you so very much.

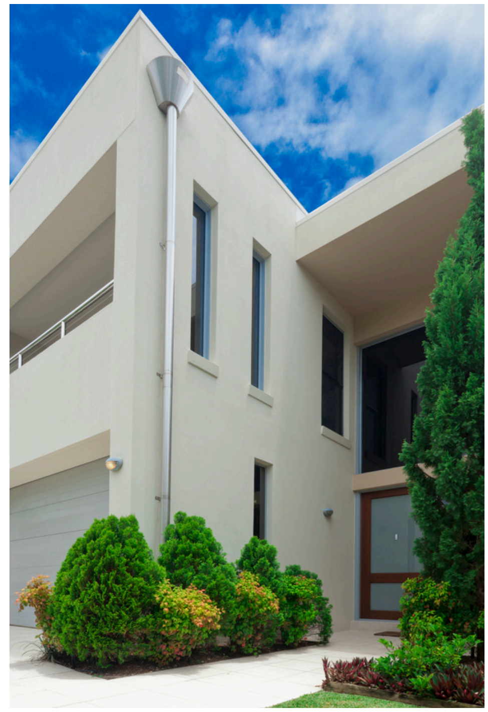
**MONICA E**

LUX LIV

## Knowledgable and Professional!

The journey to look and purchase our property was made so much easier. She tirelessly and patiently directed us to many houses that fit our family requirements until we finally made a decision.
We relied on her knowledge of the property market and legal requirements to complete our transaction with no difficulties.
Everything was done in a transparent and very professional way.

**PAULINE K**



*Crib goals!*

## Expertise and dedication !

I would like to express my deepest gratitude to my estate agent Nicole, who went above and beyond in helping me to try and sell my mother's home. Throughout the process she demonstrated a remarkable level of professionalism, expertise and dedication that made all the difference in trying to find and secure the perfect buyer.

**NATALIE STEPHAN**

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Property
WHO YOU WORK WITH MATTERS
A HOME IS NOT
A PLACE,ITS A
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