Information notice - Form J

Residential Parks Act 2007

This notice sets out the general rights and responsibilities of park owners and residents in respect of residential park agreements. For full details on your rights and responsibilities, please refer to the *Residential Parks Act 2007* (the Act).

Section 14 of the Act *requires* a park owner to ensure a resident is given a copy of this information notice.

Types of agreements

There are 2 different types of residential park agreements:

a residential park tenancy agreement, which is when the resident rents a dwelling which is located on a site in the park from the park owner – they must receive this notice before or at the time the resident and park owner enter into an agreement, or

(2) a residential park **site** agreement, which is when the resident rents a site only from the park owner – **they must receive this notice at least 14 days before both parties enter into an agreement.**

An agreement can be:

(1) a **periodic agreement** - an agreement for an indefinite period *(that is, it has a start date, but no specified end date)* until it is lawfully terminated by either party or by the South Australian Civil & Administrative Tribunal (SACAT), or

(2) a **fixed term agreement** - an agreement for a specific time which is agreed upon at the beginning of the agreement (*i.e. it has a specified start date and a specified end date*).

While some park owners use the terms "tourists" and "permanents" there are only periodic or fixed term agreements under the Act. There are, however, differences in the park owners' and residents' rights in relation to site and tenancy agreements – e.g. rights of entry and ending *(terminating)* the agreement.

- **for a tenancy agreement**, before or at the time the park owner and resident enter into a residential park agreement
- **for a site agreement**, at least 14 days before the park owner and resident enter into a residential park agreement.

What park owners and residents need to know

The Act applies to all agreements which give a person (*a resident*) a right to occupy a dwelling (*whether or not it is owned by the resident*) in a residential park as their principal place of residence for 60 days or longer.

A residential park agreement is formed when a person (*park owner*) grants another person (*a resident*) a right to occupy the rented property for valuable consideration (for example, by



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paying rent). It applies to residents and owners of mixed-use caravan parks and dedicated residential parks. It does not apply to holiday accommodation agreements.

The Act states that a residential park is an area of land used or intended to be used in either or both of the following ways:

- (a) as a complex of sites of dwellings in respect of which rights of occupancy are conferred under various residential park tenancy agreements, together with common area bathroom, toilet and laundry facilities and other common areas
- (b) as a complex of sites in respect of which rights of occupancy are conferred under various residential park site agreements, together with common areas (which may, but need not, include bathroom, toilet and laundry facilities).

The Act is retrospective, which means that it applies to all residential park agreements, even if the agreements were entered into before the Act commenced.

This does not mean that you need to negotiate or enter into a new agreement, but recent changes to the Act require residents that have a periodic agreement and have lived in the park for 5 years or more, to have their agreement reviewed and reissued, with a fixed term, by the park owner.

Some of your rights and responsibilities under the Act cannot be changed, even if there is a mutual agreement made between the parties. A person who enters into an agreement or arrangement to defeat, evade or prevent the operation of the Act (directly or indirectly) is guilty of an offence.

All residential park agreements must be in writing. The park owner must pay any cost associated with the preparation of a written residential park agreement. There is to be no cost to the resident.

There are certain forms that parties to residential park agreements must (*by law*) use, these are the bond forms and forms A - E and G - J. Consumer and Business Services has developed other forms for use, if you choose, eg: model residential park agreement templates (site and tenancy agreements), notice of entry to rented property, notice of rent increase.

All the forms are available from the 'residential parks' section at www.sa.gov.au/renters.

Park owners' rights and responsibilities

- The park owner can make rules about the use, enjoyment, control and management of the park. For full details, please refer to section 6 of the Act and the Regulations which form part of the Act.
- The park owner can make a rule that residents are not allowed to enter into subtenancy agreements. For full details, please refer to sections 6 and 51 of the Act.

The park owner is required to:

- provide the rented property in a clean and reasonable state
- allow the resident peace, comfort and privacy
- keep the common areas of the park and any garden or other areas in the park in a reasonable state of cleanliness
- arrange for the regular collection of the residents' garbage and any other garbage in the park

- maintain and repair the rented property and common areas of the park (having regard to their age, character and prospective life)
- maintain all trees in the park in a condition that does not create any unreasonable risk to the safety of residents or their property
- provide and maintain locks and other devices to ensure the rented property is reasonably secure
- provide the resident with 24 hours' vehicular access to the rented property and other access as set out in section 33 of the Act
- provide a copy of a key, opening device or information required to open the security device at no cost to the resident if a security device is installed which restricts access to the park
- not charge fees for entry or exit, amenities, management or renewing or extending an agreement
- give proper receipts for any money received from the resident. If the resident pays rent into an account that is kept by the park owner at an ADI *(authorised deposit-taking institution)* and the park owner keeps a written record containing the information normally required on a receipt, a receipt does not have to be given to the resident
- provide the resident with a copy of the agreement
- provide a copy of this information notice to the resident at the commencement of the agreement (for tenancy agreements) or 14 days before (for site agreements), along with a copy of the park rules and any other information required under section 14 of the Act
- if electricity is supplied via an embedded network, provide required details listed in the disclosure statement.
- Note: The above details are not a complete list of the park owner's rights and obligations under the Act.

Residents' rights and responsibilities

- Residents from **at least** 5 different occupied sites in a residential park can form a residents committee to represent the interests they have in common as residents of the park.
- In larger parks where there are more than 20 fixed term site agreements, a residents committee is mandatory. Only one residents committee can be formed for this purpose.
- This does not mean that you are not allowed to form various social committees. But, for the purpose of consulting on park rules and reviewing the safety evacuation plan, the park owner is only obliged to consult and consider the views of the residents committee (if the residents have established one).

The resident is required to:

- pay the rent on time
- not give the park owner false information about your identity or your place of occupation
- obey the park rules
- keep the rented property in a reasonable state of cleanliness
- notify the park owner of damage to the rented property and common areas

- not intentionally or negligently cause or allow damage to be caused to the rented property
- notify the park owner when repairs to the rented property are needed
- not use or allow the rented property to be used for any illegal purpose
- not cause or allow a nuisance or interference with the reasonable peace, comfort or privacy of another resident's use of rented property or their enjoyment of common areas in the park
- not cause or allow a nuisance or interference with the reasonable peace, comfort or privacy of a person residing in the immediate vicinity of the park.

In addition, a resident with a tenancy agreement is required to:

- not attach fixtures, or make alterations to the rented property without the park owner's written consent
- not remove or alter a lock or other security device or add a lock or security device to the rented property without the park owner's consent
- not make any alteration or addition to the exterior of the dwelling installed or located on the site or add any structure to the site without the park owner's written consent
- give the rented property back to the park owner in a reasonable condition and in a reasonable state of cleanliness
- provide your forwarding address to the park owner if they ask for it
- ensure that you leave any keys or devices that have been provided to you at the beginning of the agreement with the park owner.

Site residents are not to add a permanent structure to the site, without written permission from the park owner.

Note: The above details are not a complete list of the resident's rights and obligations under the Act.

Park owners' right of entry to rented property

A park owner has different rights of entry to the rented property which depend on whether the agreement is a residential park tenancy agreement or a residential park site agreement.

Residential park tenancy agreement rights of entry:

- in the case of an emergency (including to carry out urgent repairs or avert danger to life or valuable property)
- at a time previously arranged with the resident, but not more frequently than once every week, to collect the rent (if the resident has agreed that the park owner can collect the rent from the rented property)
- for the purpose of reading the relevant meter, if the resident is required to pay any of the charges set out in Division 10 of the Act
- to inspect the rented property, but not more frequently than once every 3 months, at a time previously arranged with the resident
- to carry out necessary repairs or maintenance at a reasonable time, giving at least 48 hours' **written** notice
- to show the rented property to prospective residents, at a reasonable time and on a reasonable number of occasions during the last 14 days of the agreement, after giving reasonable notice to the resident

- to show the rented property to prospective purchasers, at a reasonable time and on a reasonable number of occasions, after giving reasonable notice to the resident
- for a purpose not referred to previously and the park owner gives the resident written notice stating the purpose and specifying the date and time of the proposed entry not less than 7 and not more than 14 days before entering the rented property
- with the consent of the resident
- the park owner believes the resident has abandoned the rented property.

Residential park site agreement rights of entry:

- to avert danger to life or valuable property
- for the purpose of reading the relevant meter, if the resident is required to pay any of the charges set out in Division 10 of the Act
- to ensure compliance by the park owner with statutory requirements relating to separation distances between structures on neighbouring sites and removal of hazardous materials, at a reasonable time and on a reasonable number of occasions
- to maintain a lawn or for grounds maintenance, at a reasonable time and on a reasonable number of occasions where the resident agreed to such an arrangement when they entered into the residential park agreement
- with the consent of the resident
- in accordance with the regulations.

Note: A park owner does not have any other rights of entry to the rented property.

Residents' vicarious liability

The resident is responsible for the behaviour of a person on the rented property at their invitation or with their consent.

A visitor's behaviour is effectively regarded as the resident's behaviour and if that behaviour breaches a term of the agreement, the park owner can serve a notice on the resident.

Bond and rent in advance

The park owner cannot ask for more than the equivalent of 4 weeks' rent as bond. Money received as a bond must be receipted within 48 hours. The receipt must show the date, the resident's name and the amount and address of the rented property for which the bond has been paid. All bonds must be paid into the Residential Tenancies Fund using a residential park bond lodgement form within seven days of receipt.

Housing SA issue bond guarantees to approved residents. This guarantee is used in the same way as a cash bond and provides the same security for park owners. Bond guarantees do not become valid until they have been lodged with CBS and have received a lodgement number. Housing SA will cancel a bond guarantee if it is not lodged with CBS by the 'lodge by' date shown on the front of the form.

As well as paying a bond at the beginning of the agreement, a resident can be required to pay the first 2 weeks' rent. If 2 weeks' rent is paid at the start of the agreement, no more rent is due until those 2 weeks have passed.

Besides a bond and 2 weeks' rent in advance the park owner cannot ask for any other money at the start of the agreement.

Note: Whether or not a bond is paid, the Act applies to all residential park agreements in South Australia.

Rent increases

The park owner can increase the rent under the following circumstances:

- where the terms of the agreement allow it (for example, fixed term agreements, provision for rent increases must be written into the agreement)
- where allowed, rent can only be increased after you have been in the agreement for 12 months or 12 months from the last rent increase
- the resident must be given 60 days' written notice of the park owner's intention to increase the rent
- If specific rent increases are set out in an agreement and the date on which the increases will occur are clearly defined, 60 days' written notice is not required.

Repairs and maintenance

It is the resident's responsibility not to cause damage to the rented property or common areas of the park. If damage does occur, the park owner should be notified as soon as possible. If a resident intentionally or carelessly causes, or allows, damage to be caused to the rented property or common areas of the park, it is their responsibility to repair the damage.

If damage or repairs to the rented property or common areas of the park are needed due to normal wear and tear, or in any way that is not the resident's fault, the park owner should be notified immediately. It is the park owner's responsibility to repair and maintain the rented property and common areas of the park under these circumstances. A resident can have emergency repairs carried out by a licensed tradesperson, if they have been unable to contact the park owner first, or if nothing has been done after notifying the park owner. You must get a written report from the tradesperson if this happens.

Notice periods for ending (terminating) the agreement

Breach of agreement (including rent arrears)	28 days**
Successive breaches	28 days
Serious misconduct	Immediate
No specified grounds – periodic agreement only - resident has lived in the park for less than 5 years	90 days
No specified grounds – periodic agreement only - resident has lived in the park for 5 years or more	Agreement must be reviewed and reissued
End of fixed term agreement - resident has lived in the park for less than 5 years	28 days

Termination by the park owner – **site agreement:**

End of fixed term agreement - resident has lived in the park for 5 years or more	Agreement must be reviewed and reissued
Agreement frustrated - rented property destroyed / uninhabitable or ceased to be lawfully usable for residential purposes.	Immediate
Agreement frustrated - rented property has been acquired by compulsory process	60 days
The park will no longer be a residential park	365 days, unless a SACAT ruling says otherwise, or the owner and resident agree to a different time period
The park will be redeveloped	365 days, unless a SACAT ruling says otherwise, or the owner and resident agree to a different time period

Termination by the park owner – tenancy agreement:

Breach of agreement (including rent arrears)	14 days**
Successive breaches	14 days, or 7 days if successive rent arrears breaches
Serious misconduct	Immediate
Sale of rented property – periodic tenancy only. A park owner can only use this notice if they have entered into a contract for sale of the rented property and they are required, under the contract, to give vacant possession of the rented property to the new owner.	28 days or a period equivalent to a single rent period (whichever is longer). E.g. if the resident pays rent calendar monthly, the park owner would need to give a calendar months' notice.
No specified grounds – periodic tenancy only.	60 days or a period equivalent to a single rent period (whichever is longer)
End of fixed term agreement.	28 days
Agreement frustrated - rented property destroyed / uninhabitable or ceased to be lawfully usable for residential purposes.	Immediate
Agreement frustrated - rented property has been acquired by compulsory process.	60 days

Termination by the resident – **site agreement**:

Breach of agreement	14 days
Successive breaches	14 days
No specified grounds – periodic agreement only.	28 days, or a single rent period (whichever is longer). E.g. if you pay rent calendar monthly, you will need to give the park owner a calendar months' notice.
End of fixed term agreement	28 days
Agreement frustrated	Immediate

Termination by the resident – tenancy agreement:

Breach of agreement	14 days
Successive breaches	14 days
No specified grounds – periodic agreement only	21 days, or a period equivalent to a single rent period (whichever is longer). E.g. if you pay rent calendar monthly, you will need to give the park owner a calendar months' notice.
End of fixed term agreement	28 days
Agreement frustrated	Immediate

**Where a termination notice is given for breach of agreement, if the breach is not rectified within the required period (as set out on the breach notice), the agreement terminates when the notice expires. If the resident does not give vacant possession of the rented property to the park owner by the date specified on the notice, the park owner can apply to SACAT for an order of possession.

Other than by serving the appropriate notice, neither the park owner nor the resident can terminate a fixed term agreement until the final day of the agreement, unless they <u>both</u> agree. If you have a fixed term agreement and you want to leave the rented property and terminate the agreement before the end of the fixed term, discuss it with the park owner and try to come to an arrangement. It may be, however, that you will be liable to the park owner for the costs associated with finding a new resident, reletting the rented property and for any loss of rent. If in doubt, contact Consumer and Business Services on 131 882 for advice.

Termination for breaching the terms of the agreement

Both the park owner and the resident can give a termination notice on the approved form to the other for a breach of the conditions of the agreement. A breach of the agreement must be remedied within the period specified on the notice, or the agreement is terminated.

If the park owner has served a valid termination notice and vacant possession is not given at the appropriate time, the park owner can apply to SACAT for an order for vacant possession of the rented property. Only a bailiff can enforce an order for vacant possession.

If a party (the respondent) disputes the termination notice, an application can be made to SACAT for the dispute to be determined.

Termination on the grounds of hardship

Under the Act, if continuing the agreement would cause undue hardship to either the park owner or the resident, an application can be lodged with SACAT for termination of the agreement. Generally, 'undue hardship' does not include financial difficulties.

Termination because of change of use or redevelopment of the park

This information applies to residents who have residential site agreements, and have lived in the park for more than 5 years.

If a residential park will no longer be used as a residential park, or if the park or site is being redeveloped and the process cannot be completed safely and efficiently with you staying at the site, the park owner may ask you to move. However, your agreement can only be terminated if the owner has first offered to relocate you to another site, and you have agreed, or to purchase your home.

Retaliatory action by the park owner

Under Section 88 of the Act, SACAT has the power to refuse a park owner's application for possession of the rented property if it believes that the park owner served a termination notice because the resident complained to a Government Authority or was trying to enforce their rights under the Act.

Exclusion from the park due to a serious act of violence

A park owner can give a resident, or a resident's visitor, a notice to leave the park immediately if the park owner believes that a serious act of violence by the resident (or the resident's visitor) has occurred or the safety of any person in the park is in danger from the resident (or the resident's visitor). You must leave the park immediately if you receive an exclusion notice and you are not allowed to return to the park during the exclusion period (which will be set out on the form the park owner gives you).

If you believe that you have not committed the alleged offence outlined on the exclusion notice, lodge an urgent application with SACAT requesting an order:

- that you be allowed to resume occupation of the rented property, and
- *(if applicable)* that the park owner be ordered to compensate you for any rent paid during the exclusion period, and

• *(if applicable)* that the park owner be ordered to compensate you for the (reasonable) expenses you incurred during the exclusion period.

For full details about serious acts of violence, please refer to sections 95 – 98 of the Act.

Refunding the bond

At the end of the agreement when the resident and park owner agree how the bond should be repaid, a residential park bond refund form should be filled out and signed by both parties. (The signatures should be the same as those on the bond lodgement form). The refund form should be either posted, or brought in to Consumer and Business Services. The money can be paid directly into your account by electronic funds transfer, or if the form is brought in personally, a cheque can be drawn while you wait. Alternatively, a cheque can be posted out, usually within seven working days.

Notice of claim

If a bond is claimed by the park owner without the resident's consent, the resident is sent a 'Notice of claim' and given an opportunity to dispute it. If the claim is disputed, the park owner will be required to lodge an online application with SACAT. **If there is no response by the resident**, the park owner will be required to provide Consumer and Business Services with evidence of their claim and if the claim is not substantiated it may be refused and the park owner will then need to make an application to SACAT. If the resident agrees with the claim, the bond will be paid out.

Subletting and assignment

- The park owner can make a rule that residents are not allowed to enter into subtenancy agreements.
- If there are no park rules that allow subletting or you have not entered into a subtenancy managing agent agreement with the park owner, you are breaching your agreement by entering into a subletting arrangement.
- A sub-tenancy agreement can be in writing, or it can be an oral agreement.

A resident has the right, with the park owner's written approval, to assign their interest in the residential park agreement to another party. The park owner cannot unreasonably withhold consent or charge for agreeing to or considering an assignment (other than for the reasonable incidental expenses they incurred in doing so).

To 'assign' means to transfer a residential park agreement to someone else. That does not necessarily mean the original resident no longer has responsibility for the agreement.

Before assigning an agreement it is advisable to first contact Consumer and Business Services.

For full details on assignment, please refer to section 48 of the Act.

If a resident dies

If a resident dies, the site agreement does not automatically end. It is put in the hands of a personal representative, or a person who inherits the resident's estate, to choose how it is dealt with.

If the park is sold

If the park is sold, or placed into receivership the new owner or mortgagee in possession must take on the responsibilities of the park owner. Residential park site agreements of more than 5 years, can no longer be terminated due to the park being sold.

More information

Consumer and Business Services (CBS)

For free and impartial advice to help you resolve a residential park dispute.

- see rights and obligations at <u>sa.gov.au/residentialparks</u>
- or contact Consumer and Business Services on 131 882 or <u>www.cbs.sa.gov.au</u>.

South Australian Civil and Administrative Tribunal (SACAT)

SACAT is an independent tribunal that provides a quick and informal way to determine disputes between park owners and residents. Both park owner and residents can apply to SACAT to have disputes determined. SACAT staff cannot advise parties about their dispute. If you need advice, you should contact Consumer and Business Services on 131 882.

Website: <u>sacat.sa.gov.au</u> Telephone: 1800 723 767

The information provided in this fact sheet is of a general nature only and should not be regarded as a substitute for legal advice and/or reference to the Residential Parks Act 2007 or the Residential Parks Regulations 2007.