

THE LANDLORD'S GUIDE

Everything you need to know about renting out your property in South Africa.



YOUR LEGAL FRAMEWORK

As a landlord in South Africa, you operate within a specific legislative framework. Knowing it protects you — and your investment.

RENTAL HOUSING ACT (RHA)

The primary legislation governing the landlord-tenant relationship. Sets out rights, obligations, maintenance responsibilities, and the dispute resolution process through Rental Housing Tribunals.

NATIONAL CREDIT ACT

Limits what you can charge for deposits and admin fees. Deposits are capped at 2 months' rent for unfurnished and 3 months for furnished properties.

PIE ACT

Prevention of Illegal Eviction Act. Protects tenants from unlawful eviction. As a landlord you cannot evict without a court order — regardless of circumstances.

CONSUMER PROTECTION ACT

Applies to lease agreements. Fixed-term leases cannot lock a tenant in without a 20-business-day cancellation right, subject to a reasonable penalty.

THE LEASE AGREEMENT

A written lease agreement is not legally required — but it is essential. A verbal lease is enforceable but nearly impossible to prove. Never rent out a property without a signed written lease.

What your lease must cover:

- Full names and ID numbers of landlord and all adult tenants
- Property address and full description (including parking, storage, garden)
- Monthly rental amount and due date (typically 1st of the month)
- Deposit amount and the bank account in which it will be held
- Lease start and end dates (or month-to-month terms)
- Notice period required by each party (minimum 1 calendar month under RHA)
- Maintenance responsibilities — clearly split between landlord and tenant
- Escalation clause — annual rental increase percentage or formula
- Rules on subletting, pets, alterations, and parking
- What happens at end of lease — renewal terms, notice requirements

DEPOSITS & RENTAL INCOME

The Deposit — Rules You Cannot Ignore

The deposit is one of the most misunderstood and mismanaged areas of the landlord-tenant relationship. The RHA is specific:

Maximum deposit — 2 months' rent (unfurnished). 3 months' rent (furnished).

Where it must be held — In an interest-bearing account, separate from your personal funds, ideally in the rental agency's trust account. The tenant is entitled to the interest.

Joint inspection — Conduct a written joint incoming inspection before or on day one. Document everything. Photos are essential.

Refund timeline — Within 14 days of lease end if no damage. If damage claimed, within 21 days with written breakdown and receipts.

What you can deduct — Only unpaid rent and documented damage beyond fair wear and tear. You cannot deduct for general deterioration.

Withholding a deposit without a written, itemised damage claim and receipts is unlawful. Tenants can take you to the Rental Housing Tribunal at no cost. The Tribunal can order you to repay with interest.

Rental Increases

You may increase the rent annually, subject to the terms of the lease. Common structures:

- Fixed percentage increase — e.g. 8% per annum. Simple and predictable for both parties.
- CPI-linked increase — increase tied to the Consumer Price Index. Fairer over time but variable.
- Market-related review — increase to market rate at renewal. Requires proper notice and negotiation.

Notice of increase must be given in writing with the notice period specified in the lease (minimum 1 calendar month). You cannot increase rent mid-lease unless the lease explicitly allows it.

Tax on Rental Income

Rental income is taxable in South Africa and must be declared in your annual income tax return. You may deduct allowable expenses including:

- Bond interest (not capital repayment — only the interest portion)
- Rates and taxes paid by you (not recovered from the tenant)
- Insurance premiums on the rental property
- Maintenance and repairs (not capital improvements)
- Property management fees and letting agent commission
- Levies paid on sectional title or HOA properties

Capital improvements are not immediately deductible — they are added to your base cost for CGT purposes. Consult a tax practitioner.

TENANT SCREENING

Placing the wrong tenant is the single biggest risk you face as a landlord. A thorough screening process is not optional — it is your first line of protection.

CHECK	WHY IT MATTERS	HOW
Credit Check	Reveals existing defaults, judgements, and over-indebtedness.	TPN, TransUnion, or Experian. Written consent required.
Employment Verification	Confirms income stability and employment status.	Payslips (3 months), employment letter, bank statements.
Affordability	Rent should not exceed 30% of gross monthly income.	Calculate: rent ÷ gross income. Above 30% = high risk.
Rental History	Previous landlord reference reveals payment and behaviour patterns.	Contact previous landlord directly. Don't rely on written refs alone.
ID Verification	Confirms identity. Flags fraudulent applications.	Copy of ID.
Social Media / Online	Additional character check. Optional but useful.	Basic search. Look for red flags, not perfection.

MAINTENANCE RESPONSIBILITIES

The RHA splits maintenance responsibility between landlord and tenant.

Disputes about maintenance are one of the most common causes of conflict — define it clearly in the lease.

LANDLORD RESPONSIBLE	TENANT RESPONSIBLE
Structural repairs (roof, walls, foundations)	Keeping the property clean and in good condition
Electrical, plumbing, and gas systems	Replacing light bulbs, fuses, and minor consumables
Geyser repair or replacement	Reporting maintenance issues promptly in writing
Major appliances included in the lease	Damage caused by tenant negligence or misuse
Common areas in sectional title properties	Garden maintenance (if stipulated in lease)
Pest control (unless tenant-caused infestation)	Pool maintenance (if stipulated in lease)

THE EVICTION PROCESS — KNOW THE RULES

You cannot evict a tenant yourself. Ever. Changing locks, removing belongings, or cutting utilities to force a tenant out is a criminal offence under the PIE Act — regardless of how behind on rent they are.

1. Tenant breaches the lease (non-payment, damage, etc.).
2. Issue a written breach notice. Give the tenant the cure period specified in the lease (typically 7–20 business days).
3. If breach not remedied, issue a written notice to vacate.
4. If tenant refuses to vacate, apply to the Magistrate's Court for an eviction order under PIE.
5. Court schedules a hearing. Tenant is notified and given opportunity to respond.
6. If eviction granted, the Sheriff of the Court carries out the eviction. Not you.

The eviction process takes 4–12 weeks minimum. This is why tenant screening matters so much upfront. Prevention is far cheaper than cure.

MANAGING A RENTAL PROPERTY?

Your Leapfrog agent can assist with tenant placement, lease management, and property oversight, making the process a lot easier.

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