

## Group Briefing

### April 2019

# Government Proposes Significant Amendments to the Regulation of Residential Tenancies and Student Accommodation

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This document contains a general summary of developments and is not a complete or definitive statement of the law. Specific legal advice should be obtained where appropriate.

It has been a busy two weeks on the legislation front for the private rented sector with the designation of new rent pressure zones and the Minister's statement on the Government's proposed amendments to the Residential Tenancies (Amendment) (No. 2) Bill 2018.

### NEW RENT PRESSURE ZONES

On 27 March 2019, Limerick City East and Navan, Co. Meath were designated rent pressure zones for a three year period from 28 March 2019. This means that rents in these areas are now subject to the 4% per annum cap on rent increases (unless one of the exemptions applies).

### PROPOSED REGULATION OF STUDENT ACCOMMODATION

On 4 April 2019, the Minister for Housing, Planning and Local Government, Eoghan Murphy, announced the Government's proposed amendments to the Residential Tenancies (Amendment) (No.2) Bill 2018 "to protect renters and provide greater housing security".

The most radical change is the proposed extension of certain sections of the Residential Tenancies Acts (including the 4% per annum cap on rent increases, tenancy termination provisions, RTB dispute resolution

procedures, tenancy and licence registration requirements and the new RTB sanctioning regime) to student accommodation, notwithstanding that such accommodation is typically provided on a licence basis as opposed to by way of a tenancy.

Third level institutions will be concerned that the Government proposes extending these changes to student accommodation owned by such institutions.

### OTHER PROPOSED AMENDMENTS

The other amendments (which have yet to be published) will:

- » extend existing RPZ designations to the end of 2021;
- » revise the current exemption from the 4% per annum cap on rent increases (the 4% cap) for "new" rental property;
- » define "substantial change" for the purpose of the exemption from the 4% cap for properties which have

- undergone refurbishment;
- » amend the RPZ qualifying criteria;
- » provide for a new RTB sanctioning regime where landlords contravene the tenancy termination provisions of the Residential Tenancies Acts and require landlords to copy termination notices to the RTB;
- » require landlords, where a tenancy is terminated because the landlord intends to sell the property, to enter into a contract for sale within nine months of the tenancy termination date or offer the property back to the tenant if no contract is entered into;
- » require landlords, where a tenancy is terminated because the landlord or a family member requires occupation, to offer the property back to the

tenant if it becomes vacant within one year of the termination date;

- » require landlords, where a tenancy is terminated because the property requires substantial refurbishment, to (i) offer the property back to the tenant on completion of the works and (ii) produce an architect's or surveyor's certificate that the proposed works would pose a health and safety risk requiring vacation by the tenant and would require at least 3 weeks to complete; and
- » extend the current notice periods for termination of tenancies.

### REGULATION OF SHORT-TERM RESIDENTIAL LETTINGS

The Minister also announced that

amendments would be made to planning legislation to regulate the short-term letting of residential accommodation through the planning code in urban centres of high housing demand.

The amendments will allow the Minister to make regulations to permit home-sharing, while restricting the letting of second properties on a short term basis in high demand areas. Holiday homes and executive lettings will not be impacted. In previous statements, it was indicated that these amendments would be in place by June 2019 but no timeline was given in the Minister's statement yesterday. The statement can be accessed [here](#).

## KEY CONTACTS



**KENNETH EGAN**  
PARTNER

+353 1 920 1130  
kenneth.egan@arthurcox.com



**ORLAITH MOLLOY**  
PARTNER

+353 1 920 1658  
orlaith.molloy@arthurcox.com



**DEARBHLA CONSIDINE**  
PROFESSIONAL SUPPORT  
LAWYER

+353 1 920 1108  
dearbhla.considine@arthurcox.com

**arthurcox.com**

### Dublin

+353 1 920 1000  
dublin@arthurcox.com

### Belfast

+44 28 9023 0007  
belfast@arthurcox.com

### London

+44 207 832 0200  
london@arthurcox.com

### New York

+1 212 782 3294  
newyork@arthurcox.com

### Silicon Valley

+1 650 943 2330  
siliconvalley@arthurcox.com