

Unilateral contract changes untenable

A FEW months after a tenant pays an annual rental increase of 8%, the landlord decides to introduce another increase.

He explains that due to the sudden change in circumstance, he is forced to increase the rental by 150%. He also provides the tenant with the option to buy the dwelling or to move out.

Parties have enjoyed a good relationship but the proposed new increase leads to tension and in due course, to animosity.

The tenant's argument is that he cannot afford to buy the dwelling and since his income does not allow for such a huge increase, he cannot afford the second increase. While he is not compelled under the existing lease contract, he is willing to make a contribution of 60%.

This offer is rejected by the landlord who then issues a notice to vacate.

The tenant is not obliged to pay the second increase because of the agreement of the annual 8% percent increase.

He is also not able to secure suitable, alternative accommodation because of his wife, three children and parents who live with him.

The landlord is most likely to fail in any legal action should he decide to proceed with eviction.

Should the tenant's circumstance change, he cannot refuse the annual 8% percent increase because this would be in breach. An agreement between tenant and landlord is binding and cannot be changed unilaterally.

A compromise, which may not be the best solution, may still be a viable option.

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