When can the landlord charge interest on arrear rental and at what rate?

The general principle, namely that interest starts running on the date on which the due amount should have been paid, is also applicable to the contract of lease. The landlord is therefore entitled to claim interest on any arrear rental from the date on which same should have been paid by the tenant.

The interest rate applicable will be the Repo Rate + 3.5% being the prescribed rate in terms of the Prescribed Rate of Interest Act, except if the contract specifically stipulates another rate.

Volker Krüger