

December 2007 FTR66

The renting guide

The metropolitan and regional editions of *The renting guide* have been merged into one publication.

When you rent a house or unit in NSW you have rights and responsibilities. This fact sheet outlines your basic rights and responsibilities as a tenant. It is available in 23 languages.

Beginning the tenancy

Under the law your landlord or agent must give you a tenancy agreement. This agreement must be in **writing**. Once you sign the agreement you must receive a copy of it and a copy of this fact sheet.

The tenancy agreement comes in two parts:

- **Part 1 – The terms of the agreement.** This sets out what you and your landlord agree to do during the tenancy.
- **Part 2 – A condition report.** This describes the condition of the premises at the time you move in.

If you believe the condition report is not accurate because it fails to include things like a cracked shower screen, you should make a note of this and anything else that is missing from the report. Return it to your landlord or managing agent within 7 days. Make sure to keep a copy. The condition report is important if a dispute arises over the condition of the premises at the end of the tenancy.

It is important you understand what you are agreeing to before you sign the terms of the agreement. If you have difficulty reading English, you will need to ask someone who speaks your language to interpret the agreement for you.

IMPORTANT – Always check the condition report very carefully. If you don't, you may have to pay for damage that existed before you moved in.

Fixed-term agreement

The fixed-term agreement is a defined period of the tenancy which is written into your lease.

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This is usually 6 or 12 months but the parties can agree to have a tenancy agreement for any length of time.

When the fixed-term period ends the tenancy agreement does not end unless it is terminated by the tenant or the landlord.

Entry costs

You will usually be required to pay rent in advance from the first day of your tenancy:

- up to 2 weeks rent in advance if the weekly rent is \$300 or less, or
- up to 1 calendar month's rent in advance if the weekly rent is more than \$300.

In addition, you will usually be asked to pay a **rental bond**. This is a form of security for the landlord in case you owe money for rent or damage to the premises at the end of the tenancy.

For unfurnished premises the bond is a maximum of 4 weeks rent. Make sure you get a written receipt if you pay a bond. Your landlord or agent must lodge the bond money with Fair Trading within 7 days. You will then receive an advice of lodgement from Fair Trading. Contact Fair Trading if you do not receive a rental bond receipt. The amount of the bond should be written on the tenancy agreement.

You may also be asked to pay half the cost of preparing the Residential Tenancy Agreement. An amount of up to \$15, inclusive of GST, may be charged.

Rent

You and the landlord should agree on the rent you will pay and the method of payment before you move in. Make sure these arrangements are written into your tenancy agreement. The landlord or agent must always give you a receipt for your rent unless you deposit the money into a bank account.

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The landlord or agent must give you at least **60 days written notice** if they want to increase the rent outside of the fixed-term of the tenancy agreement.

IMPORTANT – Before agreeing to pay your rent through a 'rent collection' service, be aware that you may be charged a fee.

Tenant databases

Many agents are not willing to rent a property to anyone listed on a tenant database. Tenant databases provide agents with information about the previous tenancies of prospective tenants where there may have been problems.

From 15 September 2004 an agent is only permitted to list a tenant on a database for specific reasons. To protect yourself from being unfairly listed, know your rights. For more information, get a copy of *Tenant databases – information for renters* from Fair Trading.

During the tenancy

Non-urgent repairs and maintenance

The landlord or agent must make sure the premises are reasonably clean and fit to live in when you move in. The landlord or agent must then maintain the premises to a reasonable standard by carrying out repairs and maintenance if needed.

From 1 May 2006, when the Environmental Planning and Assessment Amendment (Smoke Alarms) Regulation 2006 came into effect, the landlord is responsible for fitting a smoke alarm to the premises. The landlord has the right of access to fit the required alarm/s but must give at least 2 days notice. The landlord must fit a new battery (if the alarm has a replaceable battery) at the beginning of the tenancy. During the tenancy you are responsible for replacing batteries unless physically unable, in which case you must advise the landlord that the battery needs to be replaced.

You must not attach any fixture or make any renovation, alteration or addition to the premises

without **written** permission from the landlord or agent.

You must not intentionally or negligently damage the premises. You are responsible for damage caused by other occupants of the premises or any person you allow on the premises.

You must notify the landlord or agent of any damage to the premises as soon as possible, regardless of who or what caused the damage. It is a good idea to put it **in writing**.

Urgent repairs

An urgent repair is when something breaks that may make the premises unfit to live in or cause a potential safety risk or interrupt access to water, gas or electricity supplies. If the premises need urgent repairs, tell the landlord or agent immediately. Urgent repairs are listed in your tenancy agreement.

The landlord or agent is then obliged to organise urgent repairs as soon as reasonably possible. If they do not do this within a reasonable period, you can arrange to have the urgent repair fixed and spend up to \$1,000 doing so.

Your tenancy agreement may have tradespeople listed that you could use.

The landlord or agent must repay the money you spent within 14 days after receiving written notice from you, so long as the amount was reasonable.

IMPORTANT – Before doing urgent repairs, make certain they really are urgent. If you are unsure, contact Fair Trading or your local tenant advisory service.

Ending the tenancy

Written notice must be given by either landlord or tenant if a tenancy agreement is to be ended. The notice can be posted or given personally. A notice cannot be stuck to or put under a door by the person sending the notice.

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Notice periods

In the last 14 days of the fixed-term period of the agreement, either party can give **14 days notice** to end the tenancy. This notice can be served up to and including the last day of the fixed term.

Once the fixed-term period has ended you are required to give at least **21 days notice**. The landlord or agent must give you at least **60 days notice**.

If there is a breach of the tenancy agreement, a notice period of **14 days** applies.

If the landlord wants to sell the premises, you may be asked to vacate the premises by the time the sale is finalised. The landlord must give you at least **30 days written notice** (after the contracts of sale have been entered into). This only applies **after** the fixed term has ended.

Breaking the tenancy agreement early

If you want to end the tenancy agreement early you should give as much notice as possible, preferably in writing. Keep a copy of the letter.

Breaking an agreement can be costly to you. A landlord can claim compensation for any loss suffered as a result of you ending a tenancy agreement early, so try and come to an agreement with the landlord/agent.

Leaving the premises

It is your responsibility to leave the premises as near as possible in the same condition, fair wear and tear excepted, as set out in the original condition report.

Bond refunds

At the end of the tenancy, after the final inspection, a Claim for Refund of Bond Money form must be submitted to Fair Trading before the bond money can be refunded. You should not sign the form if it is blank or incomplete.

The landlord or agent may want to claim some or all of the bond for themselves if they believe you have

damaged the premises, breached your agreement or owe rent. If you and the landlord cannot agree about how the bond is to be paid out, you can make a claim yourself. Tell Fair Trading your new address so we can advise you if the landlord claims your bond.

Landlord defaults on loan

If your landlord is unable to pay back their loan on the property you are renting, the mortgagee will usually want possession.

This may mean you have to move out, even during a fixed-term agreement. Contact Fair Trading or a tenants advice service for information.

The Consumer, Trader and Tenancy Tribunal (CTTT)

The Consumer, Trader and Tenancy Tribunal provides a quick and low cost dispute resolution service for tenants, landlords, traders and consumers.

Application forms are available online at <http://www.cttt.nsw.gov.au/> and at Fair Trading Centres. You can lodge your completed form online, at Fair Trading Centres, at Tribunal registries or your Local Court.

How to avoid problems

The following may assist you in avoiding problems:

- if you receive a notice of a Tribunal hearing you should always attend
- make sure you have read and understood the tenancy agreement before you sign it
- take good care of the premises
- do not interfere with the peace, comfort or privacy of your neighbours
- confirm anything you agree to in writing and send your landlord or agent a copy
- keep paying the rent even if you are having a dispute with the landlord. Contact Fair Trading or an advisory service for help to resolve the dispute.

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Tenants advice services

Tenants Advice and Advocacy Services (TAAS) are run by community-based organisations. They help tenants by providing advice, information and advocacy.

TAAS contacts

Inner Sydney	9698 5975
Inner Western Sydney	9559 2899
Eastern Sydney	9386 9147
Northern Sydney	9884 9605
Southern Sydney	9787 4679
Western Sydney	9891 6377
South Western Sydney	4628 1678
Greater Sydney Aboriginal Service	9564 5367 1800 772 721
Southern NSW Aboriginal Service	1800 672 185
Western NSW Aboriginal Service	1800 810 233
Northern NSW Aboriginal Service	1800 248 913
Older Persons' Tenants Service	9281 9804 1800 451 488
Central Coast	4353 5515
Hunter	1800 654 504
Mid North Coast	1800 777 722
Northern Rivers	1800 649 135
Illawarra/South Coast	1800 807 225

North Western NSW	1800 836 268
South Western NSW	1800 642 609
Tenants Union Hotline http://www.tenants.org.au/	8117 3700 1800 251 101

More information

These Fair Trading publications contain more detailed information on your renting rights and responsibilities:

- FTR37 *Moving in – information for renters*
- FTR38 *Living there – information for renters*
- FTR39 *Moving out – information for renters*
- FTR61 *Tenant databases – information for renters.*

You can get more information about your renting rights and responsibilities from our website and you can order or print any of our publications online. If you do not have access to the internet, phone 13 32 20 or call into a Fair Trading Centre for help and information.

www.fairtrading.nsw.gov.au
Fair Trading enquiries 13 32 20
TTY 1300 723 404
Language assistance 13 14 50

This fact sheet must not be relied on as legal advice. For more information about this topic, refer to the appropriate legislation.

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