

June 2006 FTR45

The renting guide – metropolitan

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 seven (7) days. 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.

Entry costs

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

- up to two week's rent in advance if the weekly rent is \$300 or less, or

- up to one 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 stop paying rent or cause any damage.

For unfurnished premises the bond is a maximum of four week's rent. Make sure you get a written receipt if you pay a bond. Your landlord or agent must lodge the bond money with the Office of Fair Trading within seven (7) days. You will then receive a receipt from the Office of Fair Trading. Contact Fair Trading if you do not receive a rental bond receipt. The amount of the bond should be written on the agreement.

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

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. The landlord or agent must give you at least **60 days written notice** if they want to increase the rent.

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 blacklisted, know your rights. Get a copy of *Tenant databases – information for renters* from Fair Trading for more information.

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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.

From 1 May 2006, when the Environmental Planning and Assessment Amendment (Smoke Alarms) Regulation 2006 comes 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 two (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 the landlord must be advised of the need for a battery replacement.

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. They are then obliged to organise the repairs as soon as reasonably possible. But if they do not get the urgent repairs done within a

reasonable period, you personally can arrange to have the problem fixed and spend up to \$500 doing so.

The landlord or agent must pay you the money spent within 14 days after receiving written notice from you, so long as the amount was reasonable. Check your agreement for any nominated tradespeople first.

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.

Notice periods

When the fixed term period of the agreement is due to run out, either party can give **14 days notice** to end the tenancy.

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.

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Breaking an agreement can be costly. 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.

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 an advisory service for information.

The Consumer, Trader & Tenancy Tribunal (CTTT)

The CTTT is an independent dispute resolution forum that deals with tenancy and consumer matters. It is informal, fast and inexpensive. There is an application fee and hearings are usually held within one month. There are time limits for making applications to the Tribunal for certain orders. You should seek information from Fair Trading about your situation.

PLEASE NOTE – 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*
 FT269 *Tenant databases – information for renters*
 For copies, call 13 32 20 or visit our website.

How to avoid 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.

IMPORTANT – Under no circumstances should you stop paying rent, or you could be asked to leave.

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Tenancy advisory services (metropolitan)

Tenants' Advice and Advocacy Services (TAAS) are independent community-based organisations. They help both private and public tenants by providing tenancy advice, information and advocacy.

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 TAAS – Sydney Metro, Hawkesbury, Wyong, Gosford, Blue Mountains and Wollondilly	9564 5367
Aged Tenants Service	9281 9804
Tenants Union Hotline www.tenants.org.au	9251 6590

For TAAS locations outside Sydney see the regional edition of this publication (FTR46).

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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