
Topic 7 – Rent increases and sub-letting

There are certain procedures that an agent or landlord must follow if they want to increase your rent.

When you sign a lease – usually it is for a period of 6 months or 12 months term.

During this term the landlord cannot increase the rent, unless it is written in the lease that they are allowed to do so.

The lease has to say the amount or method of calculations of the increase.

The landlord can increase the rent if the tenant has a lease for 2 years' term or more.

If you are renewing your lease for another term, the rent cannot be increased automatically

The agent or landlord must always give you 60 days written notice before an increase can happen.

For example, if your lease is for 6 or 12 months and you continue on without signing a new lease, the rent can go up if you get 60 days notice first.

If you can't afford to pay the increased rent, talk to your agent or landlord right away. They may agree to a smaller increase if you have been a good tenant. If they agree, make sure it is in writing.

If you think the rent increase is too much – you can apply to the NSW Civil and Administrative Tribunal (NCAT) to make a decision about whether the increase is excessive.

Can I sub-let the property with another tenant?

Some tenants would like to save money by sharing the property with another person.

If a tenant rents a spare room, a garage or granny flat to another person this is called sub-letting.

The other person sub-letting becomes a sub-tenant.

The tenant collects the rent from the sub-tenant and is also responsible for any damage done by the sub-tenant.

Tenants have to ask the agent or landlord before sub-letting the property.

The landlord cannot refuse to let you sub-let a room to another person unless there is a good reason.

But if you want to sub-let the whole property and move out then the landlord can say no. They can also say no if they think it will create a problem such as overcrowding.

For example, if there are 8 people living in a 2 bedroom unit or house, there would be too many people living in a small place. This is considered as overcrowding.

If you believe your landlord is unfair about this, you can apply to the NSW Civil and Administrative Tribunal (NCAT) to have the matter resolved. The Tribunal will decide what is fair.

For more information on tenants rights and responsibilities visit the Fair Trading website on www.fairtrading.nsw.gov.au or phone 13 32 20.

If you need language assistance ring 13 14 50.