
Topic 4 – Bonds and other costs

Did you know there are several things to pay for when you rent a property in New South Wales?

Most rental agreements or leases require tenants to pay a bond and rent in advance.

So, let's start with the bond.

A bond is money paid by the tenant to the agent or landlord and is held as security - in case the tenant breaks the rental agreement.

Only one bond is paid for each tenancy agreement even if there is more than one tenant in the property.

The bond money is a maximum 4 weeks rent whether the property is furnished or unfurnished.

Most agents or landlords will ask for the whole bond to be paid when the tenant signs the lease.

The agent or landlord must give you a receipt for any bond payments you make, unless it is written in the lease.

They also must complete a *Rental Bond Lodgement* form with the amount paid.

This form must be signed by both the tenant and landlord and submitted to Fair Trading who holds the bond deposits.

The tenant will receive a confirmation notice with the *Rental Bond Number* from Fair Trading. This notice must be kept together with the lease.

The bond money is generally returned to the tenant at the end of the lease.

Sometimes, agents or landlords will decide to claim money from the bond.

For example, the landlord can claim the bond if the tenant left the carpet stained or dirty or if the tenant has unpaid rent.

Another initial cost to consider is the 2 weeks rent in advance. This is paid at the start of your tenancy.

After paying 2 weeks rent in advance, your next rent is payable after 2 more weeks have passed.

As a tenant, you have to pay your rent on time. You can arrange for an agreed way to pay your rent so that you don't fall behind.

For example, rent money can be directly taken out from your bank account on certain dates.

Make sure you have enough money in your bank account or you will pay bank charges.

Agents must provide you with the choice of 1 free method of rent payment such as Centrepay or EFTPOS in their office.

So, it is a good idea to find out all these costs before you sign the lease.

Check with Housing NSW if you are eligible for Rentstart Assistance visit their website on www.housingpathways.nsw.gov.au

For bond claim disputes contact Fair Trading.

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.