

the rent and ongoing fees.

deposit/bond for any keys, security tags or remote control devices.



October 2008 FTR37

Water and sewerage charges

The following information does not apply to public housing tenants who are subject to separate water usage arrangements.

Landlords are responsible to pay for all service charges for water and sewerage issued by the local water supply authority.

Tenants renting privately can be asked to pay water usage as a part of the bill if all the following conditions are met:

- the rented property is individually metered
- the tenant has signed a residential tenancy agreement with an additional term about 'water usage' (usually under clause 29 of the standard form of residential tenancy agreement) and
- the local water supply authority does not have a minimum amount payable for all properties.

The tenant is entitled to a photocopy of the water account and should pay any amount owing before the due date on the bill.

A tenant can only be charged for the metered amount of water that they use. For this reason, it is important that the water meter is read and the figure noted on the condition report before the start of the tenancy, ensuring that a new tenant does not pay for the water of any previous tenants.

Tenants advice services

Free tenancy advice, information and advocacy services for private and public tenants are provided by community organisations throughout NSW.

Tenants Union

Hotline: 8117 3750 or 1800 251 101
www.tenants.org.au

Tenants Advice and Advocacy Services

Region/service	Phone
Inner Sydney	9698 5975
Inner Western Sydney	9559 2899
Eastern Sydney	9386 9147
Northern Sydney	9884 9605
Southern Sydney	9787 4679
Western Sydney	9413 2677
South Western Sydney	4628 1678
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
New England and Western NSW	1800 836 268
South West NSW	1800 642 609
Older Persons Tenants Service	9566 1120 1800 131 310

Aboriginal tenants services	Phone
Greater Sydney – Sydney Metro, Hawkesbury, Wyong, Gosford, Blue Mountains, Wollondilly	9282 6729
Southern NSW	1800 672 185
Western NSW	1800 810 233
Northern NSW	1800 248 913

being paid, the full amount must be refunded.



October 2008 FTR37

Once lodged, all parties should receive an advice of lodgement that includes the unique rental bond number. If the advice is not received, the tenant should contact Fair Trading to confirm that the bond had been lodged. It is an offence for a landlord/agent to request a rental bond from their tenant and then not lodge it with Fair Trading.

Rent and rent receipts

The tenant and landlord should agree on the rent to be paid and the method of payment before the tenant moves into the property. These arrangements should be written into the tenancy agreement. The payment method cannot be changed during the tenancy unless both parties agree.

The landlord must give the tenant rent receipts showing the landlord or agent's name, the tenant's name, the address of the property, the period for which the rent is paid, the date the rent is received and the amount paid.

However, the landlord does not have to give their tenant a receipt if the rent is paid directly into a bank or building society account or where the rent is paid by direct debit.

Rent collection service

A collection agent is usually a person or organisation who collects rent on behalf of a real estate agent.

If a tenant agrees to pay their rent through a collection agent, they enter into a contract with the collection agent. There may be a fee for this service which would usually be taken out of the tenant's account at the same time as the rent. In some cases, a tenant's bank might also charge a transaction fee.

Tenants should be aware that the collection agent and the bank may charge additional fees if there are not enough funds in the tenant's account to cover

Before agreeing to use the services of a collection agent, tenants should make sure they understand the terms of the contract and any fees involved.

Security

The landlord is required to provide and maintain locks or other security devices to ensure that the rental premises are 'reasonably' secure.

The landlord does not have to make the property so secure that it can never be broken into. The requirements of insurance companies are not the sole test of 'reasonable security', but are merely another factor to be taken into account in deciding what the level of security is appropriate for the property.

If the tenant considers the property to not be 'reasonably' secure, they can request the landlord to install door and/or window locks and other security measures before they sign the agreement. The tenant should make a note of the landlord's promises on the condition report.

Fixtures and fittings

The landlord has the right to refuse any requests by a tenant to add fixtures or otherwise change the look of the premises, so tenants should discuss any proposals prior to moving in. Any consent by the landlord should be put in writing, preferably as an additional term of the agreement.

Keys

All tenants listed on the agreement are entitled to receive a set of keys free of charge. This includes keys to all doors, window locks, the garage, letterbox and any other security keys or remote control devices.

The tenant pays for replacing any keys that are lost or any locks that need changing as a result.

The landlord/agent is not permitted to request a

keeps the other copy.

October 2008 FTR37

It is important that tenants take the time to inspect the property thoroughly and record on the report the condition of the property as they see it.

Common conditions that can easily be missed are cracked windows, grease on the stove, marks on the walls or stains on the carpets. All of these should be noted on the report.

If a condition report is not provided, the tenant should write a detailed report on the condition of the property and get a witness to sign and date it and send a copy to their landlord/agent.

If repairs are needed, the tenant should ask the landlord/agent to get them completed and obtain agreement in writing. There is also a section on the condition report for listing repairs that are promised.

The tenant should keep their copy of the condition report in a safe place – it will be needed at the end of the tenancy when a final inspection is done. If the landlord/agent disputes the return of the bond at the end of the tenancy, a carefully completed condition report may help a tenant prove that the bond should be refunded to them.

Costs of moving in

Reservation fees

A tenant may be asked to pay a reservation fee while the landlord is deciding whether to accept their application. The maximum a landlord can ask for is 1 week's rent and only one reservation fee can be held for a particular property at a time. A reservation fee is a sign of good faith, but does not guarantee that the tenancy will go ahead.

The prospective tenant must be given a receipt for the reservation fee paid. If their application is accepted, the reservation fee becomes the first week's rent.

If the application is not accepted or the landlord does not make a decision within 1 week of the fee

If the prospective tenant withdraws, the landlord may retain rent for the days the property was reserved but only if:

- the property was not let or occupied during the period of reservation
- no more than one reservation fee was being held, and
- a proper receipt and written acknowledgement were given to the prospective tenant when the fee was paid.

Advance rent

A tenant can be required to pay rent in advance (less any reservation fee) from the first day of their tenancy:

- 2 weeks if the weekly rent is \$300 or less, or
- 1 calendar month if the weekly rent is more than \$300.

Agreement costs

Tenants may also be asked to pay a fee for the preparation of the tenancy agreement but only up to \$15.

The landlord should give the tenant a written statement of the costs before the agreement is signed. Security deposits for electricity, gas and telephone are not part of the residential tenancy agreement. The tenant must organise for these to be paid direct to the relevant authorities.

Rental bond

The landlord may request a tenant to pay a bond at the start of the tenancy as security in case the tenant does not follow the terms and conditions of the agreement.

The landlord or agent must send any bond paid to Fair Trading within 7 days. A lodgement form is needed to do this and can be obtained from any Fair Trading Centre or by calling 13 32 20.

October 2008 FTR37

Moving in

Information for renters

The *Residential Tenancies Act 1987*, which sets out the rights and obligations of tenants (renters) and their landlords, covers most residential tenancies in NSW.

It covers private tenancies and public or 'social housing' tenancies managed by Housing NSW, community housing providers and the Aboriginal Housing Office. However, social housing providers are exempt from some parts of the Act.

The Act also gives the Consumer, Trader and Tenancy Tribunal (CTTT) power to hear and settle disputes about residential tenancies, including bond disputes.

Residential tenancy agreement

It is a requirement of the Act that landlords or their agents must offer the tenant a written tenancy agreement (lease) before the start of a tenancy. The lease sets out the rights and obligations of all parties. A tenant should always insist on being given a copy of the lease. In the event that the law is broken and a tenancy exists without a written lease, the Act protects the tenant in the same manner as if a written agreement had been signed.

The Act states that agreements between landlords and tenants must use standard terms which cannot be changed. If a tenant or landlord does not carry out their responsibilities listed in the agreement, they may be in breach of a term of the agreement and therefore may be in breach of the Act.

Most residential tenancy agreements also have a section called 'Additional Terms' where the landlord can include any extra terms. These are negotiable but the landlord cannot add terms which conflict with either the Act or one of the standard terms set out in the agreement. Any such terms are not binding or enforceable, even though the tenant may sign the agreement.

Examples of additional terms which are not binding or enforceable include:

- automatically being required to steam-clean carpets
- being responsible for repairs to the stove
- penalties for paying rent late.

The tenancy agreement comes in two parts:

Part 1 – sets out the terms of the agreement between the landlord/agent and the tenant.

Part 2 – is the condition report that describes the condition of the property at the time the tenant moves in.

Under the Act, a copy of a Fair Trading publication called the *Renting guide* must also be given to the tenant by their landlord/agent when the tenancy agreement is signed.

Fixed-term agreement

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

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 with the required notice.

Condition report

The tenant and landlord note the condition of the property at the start of the tenancy in the condition report.

The landlord/agent generally completes the condition report first and then gives two copies to the tenant to record their assessment of the property. The tenant has 7 days to fill in both copies lord/agent. The tenant

www.fairtrading.nsw.gov.au



for consumers
& traders