

Rental scams

Rental scams are increasingly common in NSW, as the housing crisis makes it challenging to find affordable accommodation, leaving students vulnerable to being scammed.

Many rental scams target university students, particularly international students. Scammers may advertise through WeChat or other forums in community languages, which can make it very hard to track the scammer.

Common rental scams

- Advertising a property online that is not owned or managed by the person advertising. Scammers trick prospective renters into paying holding deposits, bond and rent. When the prospective renters try to get the keys to the property, or get the money they have paid back, the scammers disappear.
- Advertising a property as an empty apartment or room when it is a shared apartment or a room with current tenants
- Taking holding deposits from multiple prospective tenants, then disappearing and never refunding the money.

Landlords may also attempt to take advantage of tenants during, or at the end of, the tenancy. Common examples include:

- not lodging your bond with the [NSW Rental Bonds Board](#) – the independent custodian of rental bonds in NSW. [This is illegal](#) and can make it much harder to get your bond back.
- disappearing and blocking all forms of contact when a tenant attempts to get a refund of a bond, over-paid bills, or rent.
- having you incorrectly sign an 'occupancy agreement' instead of a 'residential tenancy agreement', to try to give you fewer rights
- adding additional illegal clauses into your rental contract.

Be aware that rental laws in NSW do not offer much protection to tenants. A signed residential tenancy agreement or occupancy agreement can only be broken under specific circumstances. The NSW Civil and Administrative Tribunal (NCAT), which handles tenancy disputes, requires clearly documented evidence proving you were in a rental agreement and the ways your rights were breached under the appropriate act. This means it can be almost impossible to get your money back if you are scammed.

How to avoid rental scams

Do:

- Communicate in English and via email. If an agent or landlord wants to keep all communication in a language other than English and on social media like WeChat or WhatsApp, there's a strong chance they are not legitimate.
- Make sure you get the agent or landlord's full legal name and contact details.
- If you're dealing with a real estate agent, try to [verify their credentials through Service NSW](#). In NSW, real estate agents must have a license to legally operate.
- Always inspect the property before signing a rental contract or transferring any money. If you can't view the property yourself, try to find a very trusted friend who could view it for you. Ask them to take photos or a video.
- If you pay a holding fee, pay no more than one week's rent. This is the legal limit in NSW.
- Ask a SUPRA caseworker, or someone else you trust, to read over the agreement before you sign it. [Contact a SUPRA caseworker for help](#).

Don't:

- Don't pay any money before viewing a property in person – not even a holding fee. In NSW, you should not be asked to pay any money to view a property. If you're being asked to pay before a viewing, there is a strong chance the agent or landlord is not legitimate.
- Don't pay money into an overseas bank account – if you're being scammed, it will be impossible to retrieve your funds.
- Don't pay money from an overseas bank account – sometimes even legitimate real estate agents will refuse to refund money into overseas accounts, because of the cost involved.

- Don't sign an agreement before viewing the property – this can leave you stuck in a legally binding agreement for a property that is overcrowded, unsafe, or just not right for you.
- Don't accept copies of passports or other ID as a sign that the agent or landlord is legitimate. In many scams, the fake agent or landlord has stolen these documents. Legitimate real estate agents and landlords in NSW will never voluntarily send you their passport or driver licence.

Remember, being scammed is not your fault. Scammers spend thousands of hours making their scams as convincing as possible. Don't let embarrassment or shame stop you getting help. Reporting your scam can also help SUPRA warn other students. [Contact us for help.](#)

Disclaimer

This information is current as of November 2024 and is intended as a guide to the law as it applies to people who live in or are affected by the law as it applies in NSW. It does not constitute legal advice.

Written by SUPRA Postgraduate Advocacy Service and Legal Service November 2024.