Renting: before you move in

Scam alert! Be careful when looking for accommodation online

When you’re looking for a place to live, you should never pay or sign anything until you’ve inspected the property.

Be careful of scams when looking for places online. Sometimes fake landlords advertise online, claiming to be renting out a room or an apartment. These ads typically have an address and lots of photos of a real place which the fake landlord has downloaded from the internet.

In each case, the person pretending to be the landlord claims they can’t show you the place because they’re overseas or away. They are usually happy to provide copies of their passport as well as other official documents and tenancy agreements to trick you into believing they are legitimate. But the agreements are fake, and the copy of the passport, or other documents, have often been stolen from another person.

The fake landlord will tell you to transfer money into a bank account or through a money transfer company to secure the accommodation, and they will promise to send you the keys by courier. Once the money has been deposited the landlord is never heard from again and can’t be located — meaning you are not able to ever get your money back.

Don’t be a victim of this scam! Always inspect the property before agreeing to move in. Don’t ever send identity documents and don’t transfer money to anyone if you haven’t seen the property for yourself.

Information you must be given

Before you sign a tenancy agreement, the landlord or agent must give you a Tenant information statement and disclose a range of material facts to you about the property. If the property is part of a strata scheme, there are additional requirements, including providing you with a copy of the strata scheme’s by-laws. If your landlord or agent doesn’t comply with their
disclosure obligations, you can end your tenancy agreement and apply to the NSW Civil and Administrative Tribunal (NCAT) (‘the Tribunal’) for compensation.

Paying your bond

Before signing the agreement, you may have been asked to pay a holding fee (1 week rent), plus 1 or 2 weeks’ rent in advance, plus a bond (up to 4 weeks’ rent). It’s best to make these payments by bank transfer so you have records of all payments. Name each transaction so it’s obvious what it’s for, e.g. ‘rent to Z Chen (landlord)’.

The agent or landlord must by law offer you the option of lodging your bond online with the NSW government service, Rental Bonds Online. This requires your email address for registration but is the safest method of lodging bond. You’ll receive a bond deposit receipt with an ID number and password – you’ll need this when you move out and want to claim the refund of your bond payment.

What should be included in a residential tenancy agreement?

The contract must be written, printed and signed by both parties (i.e. the landlord or agent and you, the tenant/s). If you’re not using the standard residential tenancy agreement, your contract must include at least the following:

- date the agreement starts and ends
- address of the property for rent
- full legal name of all the people involved in renting the property to you (i.e. landlord, proprietor, head tenant and/or real estate agent)
- your full name and that of any other people renting the room or property
- contact details of all the people involved in renting you the property (address, phone number and email address)
- your contact details, and those of anyone else renting the room or property (phone number and email address)
- amount of bond or security deposit paid
- holding fee (if one has been paid)
- amount of rent owed weekly
- how and when the rent is to be paid
- repairs and maintenance: it must list a repair person or licensed tradesperson who can be called in an emergency if the landlord, proprietor, head tenant and/or real estate agent is not available
- an acknowledgement from your landlord or their agent that they’ve read and understood the Landlord information statement.

Residential tenancy agreements should be in English

We recommend that you use the standard residential tenancy agreement from NSW Fair Trading.

If you and your landlord don’t use the standard agreement, make sure that your contract is written in English. This is important even if you and your landlord, agent or head tenant use another common language.

A contract in English makes it easier when you need to get proper advice or representation in Australia, should a disagreement occur. If you do have a disagreement, and your case goes to the Tribunal, you will only be able to present documentation that is originally in English, or has been translated by a NAATI-certified translator. This includes any documentation you would need to support your claims at the tribunal, such as contracts, emails and letters. Obtaining these translations will cost you money. Avoid this situation by using an agreement in English.

Complete a condition report

Once you’ve signed the Agreement, the landlord or agent must give you a property condition report to complete and return within 7 days of you taking possession of the property. A standard condition report template is available in the Residential Tenancies Regulation 2019.

It’s a good idea to take clear photos of the whole property, particularly any damages, and email the images to yourself. Make sure you title your email
with the property address. This can be evidence if there is later a dispute over your bond when you leave.

Know what type of tenant you are

It’s important to know what type of tenant you are as your rights can be different depending on which category you fall into.

Co-tenant

Your name and the names of other tenant/s are on the tenancy agreement for the premises. You share rights and obligations with the other co-tenant/s.

Head-tenant

You’re a tenant (your name is on the tenancy agreement for the premises), you live at the premises and sub-let part of the premises to another person under a separate written agreement. That person is a sub-tenant.

You’re a landlord in relation to the sub-tenant. For information about your rights and obligations as a head-tenant, visit NSW Fair Trading or contact them on 133 220.

Sub-tenant

You’re sharing with a tenant (their name is on the tenancy agreement for the premises) who has sub-let part of the premises to you under a separate written agreement. That person is your head-tenant.

You have the rights and obligations of a tenant in relation to the head-tenant – they’re your landlord. If you’re a sub-tenant and you pay the head, or co-tenants bond they must lodge it with Fair Trading. They must also give you a receipt – unless details of the payment are recorded in your tenancy agreement. If you’re depositing the bond into their bank account, use the description: ‘bond for [your address]’.
Boarder or Lodger

If the landlord keeps overall control of the house, including your room, then you’re likely to be a boarder or a lodger. The most common situations are where you share a house with the owner, or you live in a boarding house. In NSW, boarding houses with beds for 5 or more residents must be registered.

Disclaimer

This information is current as at December 2020 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.

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