

Landlord Information Statement

What you must know before you rent out your residential property

STARTING A TENANCY

Before renting your residential property to a tenant, you (the landlord) or your agent will need to sign an acknowledgment on the residential tenancy agreement that you have read and understood this information (the **Landlord information statement**). Penalties apply if this is not met.

Your general responsibilities before renting out your property

Before renting out your property, you must make sure that the property is reasonably clean, is fit to live in and is in a reasonable state of repair.

You must take all reasonable steps to ensure that:

- there is no legal barrier to occupy the property as a residence (e.g. environmental planning restrictions or no council approval to use the property as a residence)
- your property complies with health and safety laws (e.g. pool fencing, electrical installations, smoke alarms, window and balcony safety)
- the property is reasonably secure
- all light fittings are fitted with working globes.

Your property must be fit to live in

To be fit to live in, your property must (at a minimum):

1. be structurally sound
2. have adequate natural or artificial lighting in each room, except storage rooms or garages
3. have adequate ventilation
4. be supplied with electricity or gas, and have enough electricity or gas sockets for lighting, heating and other appliances
5. have adequate plumbing and drainage
6. have a water connection that can supply hot and cold water for drinking, washing and cleaning
7. have bathroom facilities, including toilet and washing facilities, that allow users' privacy.

The property could have other issues that may make it unfit for a person to live in, even if it meets the above 7 minimum standards. Before you rent out your property, you should take steps (such as make repairs) to make sure it is fit to live in.

What you must tell your tenant before signing a tenancy agreement

Before signing a tenancy agreement, you or your agent must tell your potential tenant if the property is:

- planned to be sold
- subject to court proceedings where the mortgagee is trying to take possession of the property
- in a strata scheme and a strata renewal committee is currently established for the strata scheme.

You or your agent must also not induce a tenant to enter into an agreement by making false or misleading representations, or by knowingly hiding that the property:

- has been subject to flooding from a natural weather event or bushfire in the last 5 years
- has significant health or safety risks (unless obvious to a reasonable person when the property is inspected)
- has been the scene of a serious violent crime (e.g. murder or aggravated assault) in the last 5 years
- is listed on the loose-fill asbestos insulation register
- has been used to manufacture or cultivate a prohibited drug or prohibited plant in the last 2 years

- is part of a building where a fire safety order or a building product rectification order (or a notice of intention to issue one of these orders) has been issued regarding external combustible cladding
- is part of a building where a development application or complying development certificate application for rectification has been lodged regarding external combustible cladding
- is in a strata scheme where scheduled rectification work or major repairs will be carried out to common property during the fixed term of the agreement
- is affected by zoning or laws that will not allow a tenant to obtain a parking permit, and only paid parking is available in the area
- is provided with any council waste services that are different to other properties in the council area
- has a driveway or walkway that others can legally use.

Penalties apply if any of the above is not done.

There must be a written tenancy agreement

You must use the standard form of residential tenancy agreement. Standard terms cannot be altered or deleted. Verbal agreements are still legally binding on you.

Additional terms are negotiable and may be added as long as they do not conflict with the Residential Tenancies Act 2010 or Residential Tenancies Regulation 2019 and are not inconsistent with the standard terms of the agreement. Any term that limits or varies your obligations under the Act or Regulation is prohibited and void.

As part of any agreement you must not:

- require the tenant to have the carpet professionally cleaned, or pay for such cleaning costs, when they vacate, unless required because a pet has been kept on the property
- require the tenant to take out insurance
- exempt yourself from liability for your or your representatives' acts or omissions
- require the tenant pay all or any part of the remaining rent, increased rent, a penalty or liquidated damages, if the tenant breaches the agreement
- provide that if the tenant does not breach the agreement, the rent may be reduced or that the tenant may be given another benefit
- require the tenant to use the services of a specified person or business to carry out any of the tenant's obligations under the agreement
- require the tenant to use a specific utility provider if there is no restriction that you use a specific utility provider.

Exceptions apply to agreements that are for 20 years or more.

In choosing a tenant, you must not discriminate

You have the right to choose the most suitable applicant for your property, but it is against the law to discriminate due to a person's race, age, disability, gender, sexual orientation, marital status or pregnancy. It is against Commonwealth and State anti-discrimination laws to do so.

What you must give to your tenant

Before a tenant signs an agreement or moves into the property, you or your agent must give the tenant the following:

- a copy of the proposed tenancy agreement, filled out in the spaces provided
- 2 hard copies, or 1 electronic copy, of the condition report completed by you or your agent
- a copy of the Tenant information statement
- a copy of the by-laws, if the property is in a strata scheme.

Landlord Information Statement

What you must know before you rent out your residential property

At the time the agreement is signed, you or your agent must:

- for any swimming or spa pools on the property, provide a copy of the valid certificate of compliance or occupation certificate issued in the last three years. This does not apply if your property is in a strata or community scheme that has more than 2 lots.

Before or at the start of the tenancy, you or your agent must:

- give a copy of the key (or other opening device or information) to open any lock or security device for the rented property or common property, at no cost to each tenant named in the agreement.

Penalties apply if these requirements are not met.

You must fill out a condition report and keep a copy

You or your agent must fill out a report about the condition of the property before signing a tenancy agreement. You must give the tenant 2 hard copies, or 1 electronic copy, of the condition report you or the agent completed.

The tenant must complete the report within 7 days after taking possession of the property and then give you or your agent a copy. You or your agent must keep a copy of the completed condition report.

Limits on what a tenant must pay at the start of the tenancy

There are limits on what you can ask your tenant to pay when renting out your property. You must not charge a tenant for:

- the cost of preparing the tenancy agreement
- giving them the keys or other opening devices

You must not require a tenant to pay more than:

- 2 weeks rent in advance unless the tenant wishes to
- 4 weeks rent as a rental bond.

How you can manage rental bonds

A rental bond must be in the form of money and not as a guarantee. Only 1 bond (maximum 4 weeks rent) can be taken for a tenancy agreement. You cannot take a bond before the tenancy agreement is signed. If the tenant pays the bond directly to Fair Trading using Rental Bonds Online (RBO) you or your agent will receive confirmation of this before finalising the tenancy agreement.

You or your agent must also be registered with RBO and invite the tenant to lodge the bond using RBO before taking a rental bond from a tenant. Tenants can use RBO to securely pay the bond directly to NSW Fair Trading, which will hold the bond on trust for the duration of the tenancy.

If your tenant decides not to use RBO, the paper bond lodgement form can be used. You must deposit any bond your tenant pays you with NSW Fair Trading within 10 working days. If the bond is paid to your agent, your agent must deposit the bond with NSW Fair Trading within 10 working days after the end of the month in which the bond was paid.

You and your tenant can agree that the bond is to be paid in instalments after the tenancy agreement is signed.

If your property is a part of a strata scheme

If your property is in a strata scheme you must notify the owners' corporation in writing within 14 days after a new tenancy agreement starts. The notification must include the tenant's name and contact address (e.g. postal or email address) so they can be registered on the strata roll.

Communicating with your tenant

You must provide your name and a way for your tenant to contact you directly, even if you have an agent. If you do not have an agent you must also provide your residential or business address to receive mail. This information must be given to the tenant in writing before or when the tenant signs the tenancy agreement, or it can be included in the agreement.

You must let your tenant know, in writing, within 14 days of any changes to your details.

Some formal communication between you and your tenant must be in writing to be valid, for example, termination notices and rent increase notices. You or your tenant can use email to serve notices or other documents but only if the other party has given specific permission that a nominated email address is to be used for this purpose.

DURING THE TENANCY

You must keep payment records

You or your agent must:

- give rent receipts to your tenant (unless rent is paid into a nominated bank account)
- keep a record of rent your tenant pays
- provide a copy of the rent record to your tenant within 7 days of their written request for it.

When you can increase the rent during the tenancy

For a fixed-term of less than 2 years, you can only increase the rent during the fixed-term if the agreement sets out the increased amount or how the increase will be calculated. You do not have to give written notice.

For a fixed-term of 2 years or more, or for a periodic agreement (i.e. where the fixed-term has expired or no fixed-term is specified), you cannot increase the rent more than once in a 12-month period. You must give your tenant at least 60 days written notice.

Who pays for rates, taxes and certain utility charges?

You are always responsible for the payment of all rates, taxes or other charges payable under any law. There are also other charges you must pay as set out in the tenancy agreement.

Your tenant will generally pay for electricity and gas charges but only if the property is separately metered.

Limits on when a tenant must pay for water usage

Water is different to other utilities as it is always connected, and the account for the water supply will be in your name. You are always responsible to pay all water supply service charges (other than water usage charges if the property is separately metered) and all sewerage supply services.

You can only pass on water usage charges to the tenant if the property is separately metered and meets the following water efficiency measures:

- all showerheads have a maximum flow rate of 9 litres per minute
- all internal cold-water taps and single mixer taps for kitchen sinks or bathroom hand basins have a maximum flow rate of 9 litres per minute
- any leaking taps or toilets on the property are fixed at the start of the agreement and whenever other water efficiency measures are installed, repaired or upgraded
- from 23 March 2025, toilets are dual flush and have a minimum 3-star WELS rating.

Additionally, the water usage charges must not be more than the amount you have been billed for. You must request payment within 3 months of the bill being issued and you must give the tenant at least 21 days to pay.

If tank water is the only form of water supply to the property (i.e. water is delivered by vehicle), then you should ensure there is water in the tank at the start of the tenancy. Your tenant will be responsible for refilling the tank as needed during the tenancy, if the property meets the water efficiency measures.

You must repair and maintain your property

A rental property must always be fit to live in. You are responsible for any repairs or maintenance, so the property is in a reasonable state of repair considering its age and prospective life, and the amount of rent the tenant is paying.

Landlord Information Statement

What you must know before you rent out your residential property

Your tenant should tell you or your agent when the property needs repairs. You are responsible for arranging and paying for the repair costs unless the tenant caused or permitted damage.

If the repair is an **urgent repair** e.g. where there is a burst water service, blocked or broken toilet, a gas leak or dangerous electrical fault, you should make these repairs as soon as reasonably possible. A list of **urgent repairs** is available on our website.

If you are uncontactable or do not complete urgent repairs in a reasonable time, your tenant can have a qualified person carry them out without your consent. You must then pay your tenant back (maximum of \$1,000) for the repair costs within 14 days from their written request for payment

Your tenant can apply to Fair Trading for a rectification order if you refuse or fail to provide and maintain the property in a reasonable state of repair. Similarly, you can apply to Fair Trading for a rectification order if your tenant refuses or fails to repair damage they have caused or allowed. The NSW Civil and Administrative Tribunal (the Tribunal) can make orders that may include compensation if rectification orders are not followed.

You must ensure smoke alarms are working

Smoke alarms must be installed on all levels of your rental property in accordance with environmental and planning laws. You must maintain them to ensure they are working.

You must repair or replace a smoke alarm within 2 business days from when you find out it is not working (this includes replacing a battery). Your tenant should tell you if any of the smoke alarms are not working.

You must get a licensed electrician to repair or replace hardwired smoke alarms in your property, except where the back-up battery needs to be replaced.

If the repair involves replacing a removable battery in a battery-operated smoke alarm or a removable back-up battery in a hardwired smoke alarm, your tenant can choose to change it. They must notify you if and when they do this.

You must also check the smoke alarms annually to ensure they are working. If a smoke alarm has a removable battery, you must put a new battery in annually or within the time set out in the smoke alarm manufacturer's instructions. The whole smoke alarm must be replaced within 10 years from the date of manufacture or earlier if specified by the smoke alarm manufacturer.

Penalties apply if these obligations are not met.

How you can access the property during the tenancy

Your tenant has the right to reasonable peace, comfort and privacy when renting. For this reason, the tenancy laws restrict when and how often you, your agent or other authorised person can enter the property.

You, your agent or other authorised person can only enter the rented property without the tenant's consent in certain circumstances, and if proper notice (if applicable) has been given. For example:

- in an **emergency**, no notice is necessary
- if the **Tribunal orders** that access is allowed
- to carry out, or assess the need for, **necessary repairs or maintenance** of the property, if you have given at least 2 days' notice
- to carry out **urgent repairs**, no notice is necessary
- to carry out **repairs or replacement of a smoke alarm**, if you have given at least 1 hour's notice
- to **inspect or assess the need for repair or replacement of a smoke alarm**, if you have given at least 2 business days' notice
- to carry out a **general inspection** of the property if you have given at least 7 days' written notice (no more than 4 inspections during a 12-month period).

Limits also apply on entry without consent. You, your agent or authorised person:

- can only access the property after proper notice has been given between 8am and 8pm on any day except Sundays or public holidays
- must, if practical, notify the tenant of the approximate day and time when entry will be required
- must not stay on the property longer than is necessary.

The above limits do not apply in an emergency, for urgent repairs, if the property is abandoned, if the Tribunal orders otherwise or if the tenant agrees.

Tenant's request to make minor changes to the property

Your tenant can request to make minor changes to the rental property but will need to obtain your written consent before they do this. You can only refuse your tenant's request to make a minor change if it is reasonable to do so e.g. any request that would involve structural changes or is inconsistent with the nature of the property.

There are certain types of 'minor' changes where it would be unreasonable for you to refuse consent, and which of those changes you can require be carried out by a qualified person. For example, it would be unreasonable for you to refuse consent to the following minor changes:

- installing hooks for hanging things such as pictures
- securing furniture to the wall (other than a tiled wall) for safety reasons.

The tenant is responsible for paying for the changes and will be responsible for any damage they cause to the property. Certain rules apply on removing any modifications at the end of the tenancy.

Tenants' rights in circumstances of domestic violence

If a person is experiencing domestic violence in a rental property, there are options available to them to improve their safety if they need to escape violence or make them safer if they wish to stay.

For example, your tenant can end their tenancy immediately, without penalty, if they or their dependent child are in circumstances of domestic violence.

If someone in your rental property is experiencing domestic violence and they want to stay in the property they can:

- apply to the Tribunal to be listed as the tenant (if they are an occupant), or to remove the perpetrator from the tenancy agreement (if they are another co-tenant)
- change the locks to increase their safety.

ENDING THE TENANCY

A tenancy agreement is a legally binding agreement that can only be ended in certain ways. A tenancy will usually be terminated by you or your tenant giving notice to the other party, with the tenant vacating on or by the date specified in the notice.

To end a tenancy, you or your agent need to give the tenant a written termination notice with the applicable notice period. In some cases, you can apply directly to the Tribunal for a termination order without issuing a termination notice (e.g. where the tenant is using the property illegally by manufacturing drugs).

Termination notice

The termination notice must be in writing and signed and dated by you or your agent. It must include:

- the address of the rented property
- the date the tenant is to move out
- the reason for termination (if applicable).

Ending a tenancy in circumstances of domestic violence

A tenant can end their tenancy immediately and without penalty if they or their dependent child are in circumstances of domestic violence. They can do this by issuing a termination notice with the relevant evidence. The tenant or any innocent co-tenant will also not be liable for property damage caused by the perpetrator of violence during a domestic violence offence.

Break fee for ending a fixed term agreement early

For a fixed term agreement of 3 years or less, where the tenant ends the agreement early, mandatory break fees may apply based on the stage of the agreement. If it applies, the set fee payable will be:

- 4 weeks rent if less than 25% of the lease had expired
- 3 weeks rent if 25% or more but less than 50% of the lease had expired
- 2 weeks rent if 50% or more but less than 75% of the lease had expired
- 1 week's rent if 75% or more of the lease had expired.

The break fee does not apply if the tenant ends the agreement early for a reason allowed under the Act.

Refunding the rental bond

The bond should be refunded in full at the end of the tenancy unless there is a reason to make a claim against the bond. The main reasons for claiming against a bond include if:

- rent or other charges (e.g. unpaid water usage bills, break fee) are owing
- copies of the keys were not given back and the locks needed to be changed
- the tenant caused damage or did not leave the property in a reasonably clean condition compared to the original condition report, apart from 'fair wear and tear'.

The tenant is not liable for fair wear and tear to the property. This is the deterioration that occurs over time with the use of the property even when the property receives reasonable care and maintenance. They are only liable for negligent, irresponsible or intentional actions that cause damage to the property.

If the tenant does not move out

If the tenant does not leave by the date specified in the termination notice, you or your agent will need to apply to the Tribunal for termination and possession orders. If the Tribunal order has not been complied with, only a Sheriff's Officer can legally remove your tenant from the property under a warrant for possession.

You cannot lock your tenant out of the property under any circumstances unless a Sheriff's Officer is enforcing a warrant for possession issued by the Tribunal or a court. Heavy penalties apply if this is not complied with.

More information about your responsibilities Visit our website at www.fairtrading.nsw.gov.au or call 13 32 20 for more information about your responsibilities as a landlord.

fairtrading.nsw.gov.au 13 32 20

Language assistance 13 14 50
(ask for an interpreter in your language)

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