

Rent | NSW Fair Trading

Tenants are responsible for paying the rent on time and must continue paying rent until the tenancy ends.

The residential tenancy agreement sets out how much rent a tenant needs to pay, how often and for how long.

A tenant needs to pay rent on or before the day set out in the agreement. Payments might be required weekly, monthly or fortnightly.

The landlord or agent must provide the tenant with at least one way to pay the rent:

- that is reasonably available to the tenant, and
- where the tenant will not have to pay any additional charges (this does not include bank fees for a tenant to manage their own bank account).

Paying rent in advance

A landlord or agent can request a tenant pays rent up to 2 weeks in advance, but no more.

A landlord or agent cannot ask for further rent payments until all paid rent has been used.

For example: a tenancy agreement begins on 1 November. A tenant pays 4 weeks rent as bond and 2 weeks rent in advance. The 2 weeks rent in advance pays for the 1 – 14 November. The tenant does not have to pay rent again until 15 November. On that date, the tenant will need to pay another 2 weeks rent in advance for the 15 – 28 November.

Receipts

Landlords or agents must give tenants a receipt for each rent payment, unless rent is paid into a nominated bank account.

Receipts can be sent to a tenant using an email address the tenant has given to the landlord.

Rent receipts must show the following:

- name of the tenant
- name of the landlord or agent
- address of the rented property

- date rent was paid
- amount of rent paid
- period of time which the rent covers.

These rent receipt requirements do not apply to public housing tenants (e.g. where the landlord is NSW Land and Housing Corporation or the Aboriginal Housing Office).

Records

Landlords or agents must keep a record of the rent received for each tenancy.

A tenant can ask for a copy of their rent record at any time, and landlords or agents must give this to the tenant within 7 days of the tenant's written request.

It's a good idea for tenants to keep receipts or records of rent payments.

Non-payment of rent

A tenant should never stop paying the rent

Each tenant named on the agreement is legally responsible to pay the rent.

Not paying, or being behind in rent payments may mean the tenant is given a termination notice, which could make it harder for them to rent another property in the future.

If a tenant is not happy with something in their tenancy (e.g. if the landlord or agent are not getting repairs done) it is very important they do not stop paying rent.

There are ways to resolve disputes.

If a tenant stops paying rent

A tenant who does not pay the rent will be in breach of the tenancy agreement.

There are a number of actions the landlord or agent could take if a tenant does not pay the rent.

For example:

- If a tenant is late in paying the rent, the landlord or agent should send the tenant a reminder letter of the overdue payment. The landlord or agent could also contact the tenant by telephone.
- If a tenant regularly pays the rent late, the landlord could discuss changing the method of payment such as an automatic bank transfer.
- If the tenant is experiencing financial hardship, a repayment plan could be set up where the tenant pays the landlord the outstanding rent over a period of time, on top of the normal rent payments.

In certain circumstances, a landlord can take steps to end the tenancy.

Help during hardship

A tenant who is experiencing financial difficulty and is struggling to pay rent should tell their landlord or agent as soon as possible. Both the tenant and landlord should try to negotiate a repayment plan.

The agreed repayment plan should be made in writing and signed by both the tenant and landlord to avoid any misunderstanding or disputes over what was agreed.

There are also organisations that can help or provide support. For example, Centrelink offers a free direct bill-paying service (called Centrepay) to customers receiving payments from Centrelink. This service includes rent paid to social housing providers and private landlords.

The Department of Communities and Justice Housing also offers eligible tenants financial help to keep a tenancy. A tenant can call the Housing Contact Centre on 1800 422 322 or visit their local Housing office or participating community housing provider to find out more.

If a tenant under a fixed term agreement believes that they would suffer undue hardship if the tenancy continues, then the tenant can apply to the NSW Civil and Administrative Tribunal to end the tenancy on hardship grounds. No prior notice is required. A tenant can ask for an urgent hearing but will need to keep paying the rent.

Landlords can also end the tenancy on hardship grounds.

The Tribunal will decide whether to end the tenancy based on individual circumstances. It is up to the tenant or landlord who is claiming hardship to explain the situation and provide evidence to the Tribunal that there are grounds for ending the agreement. Examples of hardship may include where:

- a tenant has lost their job and is unable to pay the rent
- a tenant is forced to relocate for work
- a tenant or landlord is suffering severe physical or mental illness and cannot continue with the tenancy.

Guarantee of tenancy continuing

Unless the tenant is frequently late with rent, there is a general guarantee that the tenancy will continue if they pay the outstanding amount or there is a repayment plan that is being followed.

If the tenant pays the outstanding rent or a repayment plan is put in place after a landlord has applied to the Tribunal for a termination order, then the order would not generally be made to terminate the tenancy.

The tenancy will also continue if the tenant catches up with rent or enters into a repayment plan even after the Tribunal has given a termination order.

This means a landlord will not be able to enforce the order even if they already obtained a warrant for possession. The exception is where the tenant frequently pays late.

Tenants who are frequently late

The Tribunal can make an order that a tenancy will definitely end, even if the tenant pays the rent they owe.

A landlord will need to provide evidence to the Tribunal, including rent records, reminder letters sent to the tenant, or previous applications to the Tribunal about rent.

Recovery of costs

As well as unpaid rent, a landlord can recover from the tenant the cost of:

- replacing rent deposit books or rent cards lost by the tenant
- the amount of any bank fees for dishonoured rent cheques, insufficient funds for direct debit rent payments and the like.

A landlord cannot recover other costs such as Tribunal application fees, or the cost of enforcing a warrant. They also cannot impose any form of penalty (e.g. interest) for late payments.

Rent increases

When rent can be increased?

Fixed term agreement

For agreements with a fixed-term of less than 2 years, the landlord or agent can only increase the rent during the fixed-term if the agreement sets out the increased amount or how the increase will be calculated.

The term in the agreement must spell out the amount of the increase or the exact method of calculating the increase (e.g. a dollar amount or %). It cannot be unclear, for example statements 'in line with the market' or 'by the rate of inflation'.

The landlord or agent does not need to give the tenant written notice of the increase

For agreements with a fixed-term of 2 years or more, the rent can only be increased once in a 12-month period. A landlord must also give the tenant at least 60 days written notice.

It is important to note that a tenant can give 21 days written notice and vacate before the rent increase kicks in.

Periodic agreements

If the agreement does not specify a fixed-term or if the fixed-term period of the tenancy agreement has ended and the agreement is on a continuing (periodic) tenancy, then rent can only be increased once in a 12-month period.

The landlord must also give the tenant at least 60 days written notice before the increase starts.

This also applies where the tenancy is renewed.

No written agreement

For a tenancy without a written agreement, a landlord cannot increase the rent during the first six months.

How is it done?

For most cases, a written notice of the rental increase is required. It must

- say the proposed new amount of rent (not the amount of the increase)
- say the date from which the increased rent is payable
- be signed, dated and properly addressed to the tenant.

A landlord can either write their own notice or use our notice of rent increase form.

[Download our notice of rent increase form](#)

Negotiating or objecting to a rent increases

If the tenant thinks that a proposed rent increase is too high, then before the new rent amount starts, they can:

1. Negotiate with the landlord

The landlord or agent may agree to reduce the amount of the increase or withdraw the increase altogether based on the tenant's reasons.

If the landlord or agent agrees on a lower amount of increase, this should be put in writing.

Another 60 days' notice is not necessary, and the lower increase becomes due from the same date the original increase was payable.

2. Apply to the Tribunal

A tenant can apply to the [Tribunal](#) within 30 days of receiving the rent increase notice if they believe that the rent increase is excessive.

Tenants will have to prove that the increase is excessive.

Some of the main evidence the Tribunal considers is comparable rents for similar properties in the same area, the state of repair and amenities provided in the property and the landlord's expenses.

The Tribunal has the power to set the rent for the next 12 months.

Recent law changes

There were recent changes to tenancy laws. The table below outlines the changes to rent increase requirements that started on 23 March 2020.

Type of agreement	Old requirements	Current requirements from 23 March 2020
Fixed term of less than 2 years that set out a rent increase	Landlord must give the tenant at least 60 days written notice before the increase can take effect.	The landlord does not have to give written notice before the increase can take effect.
Periodic agreement	Rent can be increased as long as the minimum 60 day written notice is given to the tenant.	Rent can only be increased once in a 12 month period after the minimum 60 day written notice is given to the tenant.

Next Repairs, maintenance and damage when renting

<https://www.fairtrading.nsw.gov.au/housing-and-property/renting/during-a-tenancy/rent>

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