

Retail rental bonds

To rent a shop for your business, you will need to pay your landlord a retail rental bond. Find out how to manage your bond before, during and when ending a retail tenancy.

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Key information

- You can lodge a retail rental bond online or using a paper form.
- Your landlord might ask you to pay a security upfront. This can be paid via a cash bond, bank guarantee or third-party guarantee.
- During your tenancy, you can top up or change the details of your bond online or via a paper form.
- At the end of your tenancy agreement, you are entitled to claim your bond back, unless you have broken the terms and conditions of your lease or damaged the property.
- Bonds are usually returned within 14 days of a claim being submitted.
- Sometimes, disputes can arise if your landlord thinks you are not entitled to claim your bond.
- If you and your landlord can't reach an agreement, or communication becomes too difficult, you can participate in mediation.

Starting a retail tenancy

Lodging a retail bond

You can lodge a retail bond using a paper form or, if your landlord or agent offers it, [Rental Bonds Online](#).

If you choose to use a paper form, your landlord or agent will need to give you a Rental Bond Lodgement form to sign. They must then complete the form and post it to Fair Trading.

If you choose to use Rental Bonds Online, you will need:

- access to the internet
- an email address
- a mobile or phone number that can receive SMS messages
- bank account details from an Australian financial institution (usually a bank or credit union)
- the ability to pay using BPAY
- details of the bond amount to be paid.

Your agent or landlord should give you a getting started with Rental Bonds Online guide.

Lease security

Your landlord might ask you for some money upfront when you are negotiating a lease. This is called a security.

A security might be a fixed amount or an amount equal to a certain number of months' rent. It can often be negotiated.

A security can be given as:

- a cash bond
- a bank guarantee
- a third-party guarantee.

If you don't comply with any of the terms and conditions of your lease, or damage the property, your landlord can use the security to cover their costs.

Cash bond

The main advantages of a cash bond are:

- it's held by the NSW Government
- it's for a specified amount
- there are no fees involved
- your landlord or agent can't access it without your agreement
- there are rules for it being returned to you at the end of the lease, which can help keep costs down
- if there's a dispute, you can access Fair Trading mediation to help resolve issues quickly.

If you decide to use a cash bond, your landlord or agent must deposit it into an account held by the NSW Government's Retail Bond Scheme within 20 business days. They must also give you a receipt.

Bank guarantee

A bank guarantee is a promise by a bank to pay the "favouree" (usually the landlord) a certain amount of money if they need it.

Most of the time, your bank will ask for a term deposit of the same amount to be held at the bank.

If your landlord decides to claim the bank guarantee, the bank will claim your term deposit. Your landlord does not need to tell you they are going to claim the bank guarantee before they do it.

Once a lease is finished, your landlord must return your bank guarantee within two months.

Third-party guarantee

A third-party guarantee is a promise given by a guarantor to pay the landlord if the tenant breaks any of the terms and conditions of the lease. A guarantor can be an individual(s), company or trustee.

A guarantee may or may not have a financial limit. It can be given for the term of the lease or for any additional amount of time agreed.

Checking your bond

If you used [Rental Bonds Online](#), you can [login](#) to check whether your bond has been received.

If you used a paper form, you can [contact Retail Bonds](#) to check the status of your bond.

You may be asked a few questions to check that you are a party to the bond. Make sure you have the following information ready:

- address of leased premises/shop
- name of the tenant
- name of the landlord.

During a retail tenancy

Topping up your bond

Agents and landlords can request a top up of your bond during your tenancy. For example, to cover a change in your lease agreement.

You can top up your bond online or via a paper form.

Online

If your agent or landlord is registered with Rental Bonds Online, they can send you a request via email to top up your bond.

You will need to [login to Rental Bonds Online](#) and follow the instructions in the email. You must be able to pay your top-up via BPAY.

Once paid, you and your agent or landlord will receive an email saying the top-up has been successful.

Paper form

Download and fill in the [Retail Bond Lodgement](#) form.

Make sure that you check the 'Top up for' box and include the bond number. If you are unsure of the bond number, you can [contact Rental Bonds](#) .

You will need to sign the form and get your landlord or agent to sign. Once you have all the signatures, [post the form along with a cheque to Rental Bonds.](#);

How do I change the Managing Agent or Property Owner on my retail bond?

To notify us of a change of agency or owner, If you are an agent or landlord registered for [Rental Bonds Online](#) (RBO), log into RBO and you can initiate this transaction from within Rental Bonds Online.

Alternatively, you can download and complete the [Change of Managing Agent and Owner form](#), and send a scanned version or a clear picture to bondclaims@customerservice.nsw.gov.au

If five or more bonds are transferred from one agency or owner to another, please send us a list of bonds (with bond number and/or property address) and a letter with the following information:

- A request to transfer the bonds;
- For properties managed by agencies: name, role and signature of both incoming and ongoing agency directors or licensees-in-charge;
- For properties managed by owners: name, role and signature of company directors (if the property belongs to a company), name and signature of individuals (if the property belongs to one or several individuals) as well as the signature of the outgoing/ongoing agent, as appropriate.

Change of Managing Agent and Owner forms can also be submitted at Service NSW Centres or sent via post to:

Ending a retail tenancy

Claiming your bond

Once you end a tenancy agreement you are entitled to receive your bond back, unless you have damaged the property.

If you lodged your bond through [Rental Bonds Online](#), you can [login](#) and submit a claim to get it back. Otherwise, submit your claim using a paper form.

Your landlord and all other parties to the lease have 14 days to accept or dispute your claim. If you and your agent or landlord reach a different agreement during this time, you can submit a new claim form.

Most claims will be paid within 14 days of receipt.

Delays in processing

Sometimes delays may occur when processing your rental bond claim. This can happen because:

- the information on the form is incomplete or is different from the records
- a signature is missing
- a signature can't be validated
- one of the parties disputes the claim
- the bond is found to be held in a residential scheme
- you, your agent or landlord is under administration or deregistered.

If you think your information is complete and you have not heard anything within 14 days, [contact Rental Bonds](#).

Bond disputes

Your landlord can dispute your claim to your retail bond. They might do this if they think you have broken the terms and conditions of your lease or damaged their property.

Your landlord has 14 days after you submit your claim to dispute it. You will receive a Notice of Claim if this happens.

If your landlord's dispute is successful, you might receive only part or none of your bond back.

Disputing a claim online

If you submitted your claim online and your landlord disputes it, you will receive notification of a Notice of Claim.

If you don't agree with the dispute, you can login to [Rental Bonds Online](#) and follow the instructions to commence prescribed proceedings.

You will also need to complete the [Application for Mediation of a Lease or Bond Dispute Form](#) and email it to: we.assist@smallbusiness.nsw.gov.au.

Your bond will be frozen until the dispute is resolved.

Disputing a claim using paper forms

If you submitted your claim using the paper form and your landlord disputes it, you will receive a paper Notice of Claim.

If you don't agree with the dispute, complete the tear-off slip at the bottom of the Notice and send it to Rental Bonds [by email or post](#).

You will also need to complete the [Application for Mediation of a Lease or Bond Dispute Form](#) and email it to: we.assist@smallbusiness.nsw.gov.au.

Your bond will be frozen until the dispute is resolved.

Make sure that if you leave your shop during this process, you submit a change of address form with the post office or [update your contact details with Rental Bonds](#). This ensures you will still be able to receive notifications about the results of your dispute.

What if the bond has already been paid out?

You are able to dispute the payment of a bond even after it has been paid out. However, if the bond is no longer held by the scheme, it may be difficult to get money back without going to court.

Common reasons for disputes

COVID-19

The NSW Government has changed the law to require landlords or agents to negotiate a rent reduction with their tenant in certain circumstances related to COVID-19.

For more information, visit [Commercial Leasing and COVID-19 FAQs](#).

Make goods

A "make good" means returning the property back to its original condition at the end of the lease.

Your lease should specify what this means, but it's not always clear. For example, removing internal partition walls that have improved the appearance of the property.

You can change what is required as a “make good” if you and your landlord agree. Start by having a friendly conversation. Your landlord might agree that future tenants could benefit from any changes you made.

Behind on rent or outgoings

If your landlord can prove that you are behind on rent or outgoings, then they are allowed to access your bond to cover these costs.

However, you can try to negotiate with your landlord. You might be able to agree to a resolution such as a payment plan.

Mediation

If you and your landlord can't reach an agreement, or communication becomes too difficult, you can participate in mediation. [Contact us](#) for advice on next steps.

In most cases, negotiation and mediation will resolve the dispute. However, some cases may need to go to a court or tribunal. If this happens, you might need to seek legal advice.

Contact retail bonds

You can contact Retail Bonds about cash bonds, checking your rental bond, topping up your rental bond, submitting your rental bond claim form, disputing a Notice of Claim, updating your details or any other questions about your bond.

Email – bondclaims@customerservice.nsw.gov.au

Phone – 133 220

Post – Rental Bonds Locked Bag 9000 Grafton NSW 2460

More information

- [Rental Bonds Online](#)
- [Rental Bond Lodgement form](#)
- [Getting started with Rental Bonds Online](#)
- [Claim for Retail Bond Money form](#)
- [Service NSW Centres](#)
- [Application for Mediation of a Lease or Bond Dispute Form](#)
- [Commercial leases and COVID-19 FAQs](#)
- [Retail Tenancy Guide 2020](#)
- [Learn about retail leases](#)
- [Help with residential bonds](#)

[Prev](#) Agricultural tenancy

[Next](#) Changes to the residential tenancy laws

