

What do I need to know before moving in?

(private rental and share houses)

tenancy agreement (lease)

If your application to rent a property is successful, you will enter into a lease. Most leases are written agreements, although some are verbal agreements.

There are two types of lease agreements: fixed-term and periodic. Fixed-term leases allow you to rent the property for a fixed period of time, usually 6 or 12 months, whereas periodic leases usually run from month to month.

➔ A lease is a legally binding agreement and costs generally apply if you decide that you need to leave before the fixed-term expires. Get advice from your student housing service or the Tenants Union if you need to break a lease.

Most tenancy agreements are for a fixed-term of 6 or 12 months, which does not coincide with the academic year. This is a major consideration if you are planning to establish a share house or rent a private rental property by yourself. It can be costly and disruptive if you have to find new housing mid-semester because the 6-month lease has expired and your landlord won't renew it. It can also be difficult and costly to break a lease before its termination date, or to find someone to take over your room because the semester is over and you want to move out.

Remember that you are entitled to negotiate the terms of the lease so there is no reason why you can't ask the landlord or hostel manager to change the lease period to fit in with the academic year. There is nothing in the law that requires a lease to be for 6 or 12 months.

before you sign a lease

- > Read the lease carefully and know what you are signing. A lease is a legally binding agreement—never sign anything that you do not understand
- > While you are still covered by the *Residential Tenancies Act (RTA) 1997* if your lease is periodic, a written fixed-term lease offers you the greatest security if a tenancy dispute arises

- > A written agreement is more secure than a verbal one. If the landlord or real estate agent makes any promises (eg to install a new heater), make sure you get it in writing

You must be given a signed copy of the lease within 14 days of making the agreement.

rent in advance & bond

In most cases you will need to pay a month's rent in advance and a bond that is equal to one month's rent. The bond is used as security for the landlord against potential loss or damage caused by the tenant.

The landlord or real estate agent should give you a Bond Lodgement form to fill in and sign. Return your completed form to your landlord or real estate agent. They must give you a copy for your records and send your bond to the Residential Tenancies Bond Authority (RTBA) within 10 business days. The RTBA will send you a receipt and keep your bond until the end of your tenancy.

If you haven't received a receipt for your bond from the RTBA within 15 business days, contact the RTBA to check that your money has been received. Failure by a landlord or agent to lodge bond money with the RTBA is an offence. If you believe that your bond money and form have not been forwarded to the RTBA, contact the Tenants Union or your student housing service for advice.

➔ If you are on a low income and you don't have enough money to pay the bond, you may be eligible for a loan from the Office of Housing (OoH) through the Bond Loan Scheme.

➔ If you need money to pay rent in advance, avoid eviction or to buy some basic furnishings, you may be able to apply for some money from the OoH Housing Establishment Fund.

For more information, see our **Bond loan scheme** fact sheet and contact student housing services or the Tenants Union for advice.

continued overleaf...

condition reports

Before your tenancy begins, your landlord or real estate agent will inspect the rental property and fill in a Condition Report in order to document the condition of the property before you move in. They must give you two copies of their completed report.

It is very important that you also complete the Condition Report and record any disagreements that you have with their assessment of the property. Make a note of anything that is broken or dirty or you could be blamed for its condition at the end of your tenancy.

➔ It is a good idea to take photographs of anything that is in poor condition such as old or stained carpet, marks on walls or damaged curtains and blinds.

When you have filled in, signed and recorded the date on the Condition Report, return one copy to your landlord or real estate agent within 3 business days and keep the other copy in a safe place. This is your evidence of the condition of the property when you moved in and you will need it if the landlord or agent tries to make an unfair claim against your bond for damage or cleaning bills when you move out.

other documents & information

Your landlord or real estate agent must give you their contact details in case urgent repairs are needed. They must also give you a booklet called *Statement of Rights and Duties*, (also known as the 'Red Book'), which outlines the rights and responsibilities of landlords and tenants in Victoria.

share houses – moving in

If you are moving into an established share house, you should ask the landlord for their written permission for you to move into the property. (If you are taking the place of a tenant whose name is on the tenancy agreement, this is called an 'assignment'. A landlord cannot reasonably refuse permission for an assignment.)

You should also have your name added to the tenancy agreement. Adding your name to the lease ensures that you have equal tenancy rights with your housemates, but also means you are equally responsible for damage to the property, non-payment of rent etc. It may not be possible to have your name added to the tenancy agreement, depending on the circumstances. For more information, contact the Tenants Union.

If you are replacing someone who is moving out and their name is on the bond, make sure that you both sign a Bond Transfer form before you pay bond money to the departing tenant. It is also a good idea to ask the landlord or agent to carry out an inspection of the property so that you are not held responsible for damage that occurred before you moved in.

case study Kurt moved into a share house three years ago and paid his share of the bond money to Carlotta who was moving out. Kurt was now heading overseas and rather than trying to find a new housemate to take Kurt's room, his housemates decided to end the tenancy and move out. Everything ran smoothly until it came to getting their bond money back. Kurt and his two housemates were not the original tenants and no one had completed a Bond Transfer form. Kurt and his housemates had never met the original tenants and did not know where they live now, but they need them to sign the Bond Claim form in order for the RTBA to release their bond. If they are unable to locate the original tenants, their only option will be to make an application to have their case heard at the Victorian Civil and Administrative Tribunal (VCAT).

share houses – sub-letting

If you move into an existing share house where one tenant assumes the role of landlord, you may be sub-letting. See our **Assignment & sub-letting** fact sheet for more information.

This is a complicated area of law so if you have a problem and you think you may be living in a sub-letting situation, contact your student housing service or the Tenants Union for advice.

➔ For more information see:

- > **Starting a tenancy** (fact sheet)
- > **Shared households** (fact sheet)
- > **Assignment & sub-letting** (fact sheet)
- > **Keeping the 'mates' in housemates**

For more information phone the Tenants Union Advice Line on ☎ (03) 9416 2577.