

## Bonds/Security Deposits

Landlords usually require tenants to pay a security deposit (also known as a bond) before taking control of the property.

The maximum amount to be paid as a security deposit is the equivalent of four weeks rent.

The security deposit is to be held by the landlord in trust for the tenant.

If the landlord leaves the Territory for more than 14 days the security deposit is to be paid to a real estate agent or a person approved by the Commissioner of Tenancies. The landlord is to notify the tenant of the real estate agent or person approved by the Commissioner.

If cash, cheque or credit card is used to pay a security deposit the landlord must immediately give the tenant a receipt.

The security deposit receipt must be signed by the person who received the payment and must contain:

- the date the amount was received;
- the name of the tenant/tenants on whose behalf the payment was received;
- the amount paid; and
- the address of the premises to which the bond or security deposit relates.

The tenant may request in writing from the landlord, the name of the account in which the security deposit is held and other prescribed details under section 32 of the *Residential Tenancies Act*.

The security deposit receipt should specify what proportion each tenant has paid in relation to the tenancy agreement. If this is not specified the security deposit is to be taken to have been paid in equal proportions by all the tenants.

If a real estate agent transfers the business to another real estate agent, the security deposit is transferred with the business and is assigned to the real estate agent to which the business is transferred.