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MOVING OUT OF HOME?

It's expensive!

For lots of young people looking for more independence 'moving out' and away from parents seems a good idea, but if you are a 'first-time renter' there are a few things you should know so the experience doesn't become a nightmare.

Sharing

You will probably want to share with other young people to save money but first you need to find a place. Check out real estate agents or the rental section in the local paper.

Can you afford it?

Before you think of moving out do a budget on your income and expenses.

Apart from the rent there will be other household expenses such as electricity and excess water.

Then you have to add your living expenses such as food, phone, entertainment, clothes, fuel etc, AND don't forget if you have a credit card, you need to keep up these regular payments.

Are you eligible for rent assistance? Check with your local Services Australia office.

Who do you share with?

Before you move into a place choose the people you think you can live with, and agree on the rent and the house rules. Also discuss how the household costs will be shared, who is responsible for paying the bills and the consequences of not keeping up the rental payments.

Make sure the other people have regular incomes because at any time during the tenancy, if they can't pay their share of the rent, then it is up to the other people to make up the difference.

It is essential that the full rent is paid by the due date.

Paying the security deposit (bond)

At the beginning of a lease you will be asked to pay a security deposit (commonly known as a bond) equivalent to 4 weeks rent and pay rent 2 weeks in advance.

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This money is held by the landlord as security against damage caused by the tenant, unpaid rent, paying to clean the place if it is left unreasonably dirty or paying other costs that are prescribed by law.

When sharing a house or unit with others, and sharing the bond, it is important to make sure that all of the people's names who are contributing to the bond appear on the receipt.

Case Study - Tanya's experience

Tanya was 19 years old and decided to share a house with two of her best friends Cassie and Lana.

The bond was \$920 (4 weeks rent) so they all put in \$307, and Tanya paid the money to the landlord's agent, and received a receipt in her name. The lease agreement also stated Tanya paid 100% of the bond.

This worked well for just over a year, when Tanya left Darwin for England. The other girls decided to continue with the tenancy for another 2 years.

When the girls wanted to leave at the end of the tenancy agreement they were unable to get their bond back as it was receipted in Tanya's name only. Unfortunately they had lost touch with Tanya over the years, and had no proof that part of the bond money belonged to them.

To avoid this situation, tenants should ensure all their names are listed on the lease, along with the percentage of amount they each paid for the security deposit and the names are on the receipt.

Can I break my Tenancy Lease early?

A tenant in a 'fixed term lease' is expected by the landlord to remain in the rental property for the full lease period.

If you want to move out early, you will be responsible for losses to the landlord for which may be either 14 or 28 days rent, depending on the length of time you have completed of your tenancy agreement.

You should give the landlord as much notice as possible (in writing) so that you and/or the landlord can find a new tenant before your planned departure. Your landlord should be taking steps to mitigate your loss, once advised of a lease break, and must apply to the Tribunal for an order to retain an amount of your bond or seek additional compensation.

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Hardship

If you are breaking the lease because your personal or financial circumstances have changed e.g. you have lost your job, or become ill, you can apply to the <u>Northern Territory Civil and Administrative Tribunal (NTCAT)</u> to have your lease terminated early under the hardship provisions of the Residential Tenancies Act.

What can I do if the Landlord won't carry out repairs on my rented property?

It is the landlord's responsibility to maintain the property during the tenancy. You should notify the landlord (in writing) that repairs are required.

Emergency repairs should be carried out within 5 business days from receiving your advice. Other repairs should be completed within 14 working days.

Every effort should be made to resolve any repair concerns you have with the landlord. However if the repairs are not made within a reasonable period, as a last resort, you can apply to NTCAT for an order to the landlord to carry out the repairs.

You must keep paying the rent even if repairs are delayed or you could be evicted.

If you require any consumer or rental advice, please call our office on 1800 019 319 or email us at consumer@nt.gov.au.