

Getting your bond back

At the end of a tenancy

If you do not owe the landlord or agent money at the end of your tenancy, the bond that you paid at the beginning of your tenancy should be refunded to you in full. However, if the landlord or agent believes you owe them money, they are able to make a claim against your bond.

Refund by agreement

Before you leave and hand back the keys you should contact the agent or landlord to arrange a mutually agreeable time to do the final inspection. This is where you both go over the property to see if there is any damage or anything which needs cleaning. If they raise something that is minor you may be able to deal with it on the spot. The official condition report needs to be completed at this inspection.

If you agree with the agent or landlord on how the bond is to be paid out ask them to fill out and sign a Claim for Refund of Bond Money form and give it to you so you can lodge it with Fair Trading. This way, the bond can be paid out straight away.

Never sign a blank Claim for Refund of Bond Money form. Always make sure the bond refund amounts are filled in before you sign the form.

If you disagree

If you cannot agree with the agent or landlord about how the bond should be paid out, or if you feel that they are taking too long, you can lodge a Claim for Refund of Bond Money form yourself without their signature on it. This will start the ball rolling but the bond will not be released immediately. Fair Trading will post a notice to the agent or landlord giving them 14 days in which to contest your claim by applying to the Consumer, Trader and Tenancy Tribunal. If they do not apply within the 14 days, the bond will then be paid out as per your claim. If they apply to the Tribunal the bond will be held by Fair Trading until the dispute is settled. The landlord or agent will need to attend a hearing at the Tribunal and present

evidence to back up their claim. You will receive a notice from the Tribunal if they apply. You should also attend the hearing and bring evidence to support your claim.

Challenging a landlord's claim

If the landlord or agent lodges a claim first, without your signature, Fair Trading will send you notice giving you 14 days in which to contest the claim. You can contact the agent or landlord and try to get them to change their mind and lodge a new claim form signed by both of you. If that is unsuccessful your only option is to apply to the Tribunal within the 14 days, otherwise the bond will be paid out as per the landlord's claim. Make sure to notify Fair Trading that you have applied, by calling 13 32 20 or by one of the methods set out in the notice of claim.

Within 7 days of lodging the claim they must send you copies of the final inspection report, along with any estimates, quotes, invoices or receipts relating to the claim. If they fail to do this you should raise it at the Tribunal hearing. You should also tell the Tribunal if you were not given a reasonable opportunity to be present at the final inspection, and if you disagree with what was written in the final condition report. You should also show any evidence you have to support your position.

Claim by your landlord

The main reasons a claim may be lodged against your bond are:

- if you still owe any rent or have unpaid water usage bills
- if you broke the lease early and haven't paid the break fee or other compensation payable
- if you didn't hand all the copies of the keys you were given and the locks needed to be changed
- if you caused some sort of damage or didn't leave the premises in a reasonably clean condition, apart from normal fair wear and tear

This is not an exhaustive list. There may be other legitimate reasons for the landlord or agent to make a

claim against your bond, such as the cost of disposing of goods you have left behind.

Fair wear and tear

As explained above, you are not responsible for fair wear and tear to the premises. Fair wear and tear means the deterioration that occurs over time with the use of the premises even though the premises receive reasonable care and maintenance. Such deterioration could be caused by exposure, time or just by ordinary use. You are only liable for negligent, irresponsible or intentional actions that cause damage to the premises. These examples may help to explain the difference.

Fair wear and tear – you are not liable	Damage – you are liable
Faded curtains or frayed cords	Missing curtains or torn by the tenant's cat
Furniture indentations and traffic marks on the carpet	Stains or burn marks on the carpet
Scuffed up wooden floors	Badly scratched or gouged wooden floors
Faded, chipped or cracked paint	Unapproved paint job
Worn kitchen bench top	Burns or cuts in bench top
Loose hinges or handles on doors or windows and worn sliding tracks	Broken glass from one of your children hitting a ball through the window
Cracks in the walls from movement	Holes in walls left by tenant removing picture hooks or shelves they had installed
Water stain on carpet from rain through leaking roof or bad plumbing	Water stain on carpet caused by overflowing bath or indoor pot plants

Interest payable

A small amount of interest will be paid to you when you get your bond back. The majority of the income earned from the collective pool of rental bonds is used to fund a range of services that benefit all tenants, such as funding the Consumer, Trader and Tenancy Tribunal and organisations across New South Wales under the Tenants Advice and Advocacy Program.

At a glance

Old laws	New laws
No requirement to supply evidence to tenant supporting bond claims	New obligation to supply final condition report and copies of receipts, quotes etc
No guidance on what matters can be subject to a claim	New Act contains non-exhaustive list of matters which can be subject to a bond claim
No time limit for bond disputes	New time limit of 6 months from when bond paid to apply to Tribunal

www.fairtrading.nsw.gov.au
Fair Trading enquiries 13 32 20
TTY 1300 723 404
Language assistance 13 14 50

This fact sheet must not be relied on as legal advice. For more information about this topic, refer to the appropriate legislation.

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