

2.3 What Will it Cost to Move In?

You need to be certain of how much you will have to pay when you find a place to rent. If you are having problems getting enough money to meet the costs, see chapter [1.6 Financial Assistance for Tenants](#).

At the beginning of the tenancy you may ONLY be charged:

- A Security Bond (in most circumstances no more than 4 week's rent) (*Residential Tenancies Act*, section 29(1)(b)(i));
- A Pet Bond (if you have a cat or dog - \$100 max) (s.29(1)(b)(ii));
- Two weeks rent in advance (s.28(1));
- A Letting fee (sometimes charged, no more than 1 week's rent);
- An Option fee (s.27(2)(a)). This is sometimes charged when making an application for tenancy. Charge is usually no more than 1 week's rent, and the money is returned if application unsuccessful or deducted from rent if application is successful.



NOTE: If you are paying rent of more than \$125 per week AND if your lease was executed/processed BEFORE January 1, 2004, you will have to pay stamp duty. This does not include verbal tenancy agreements. Recent changes to the WA state law on stamp duty have resulted in NO stamp duty being payable for any rental leases executed/processed on or after January 1, 2004.

The owner may be liable for a penalty of \$1000 if they require you to pay costs you do not have to pay under tenancy laws (s.27).

Make sure you get a receipt for any money you pay. Your receipt should show how much you paid and exactly what it was for.

Security Bond

The bond is paid as security to the owner for any damage to the premises that may occur and/or for any monies you may owe at the end of the tenancy.

The most you can be charged for a security bond is **4 weeks rent** unless:

- the rent is more than \$500 per week (then there is no limit) (s.29(2)(a) and Regulation 11); or
- the owner has lived in the premises as their main place of residence for at least 3 months, and has just moved out (then there is no limit) (s.29(2)(b)).

See Chapter 2.9 The Security Bond for more information about the security bond.

The owner/agent can face a penalty of \$1000 if an unlawful amount of bond is charged (s.29).

Pet Bond

If you are allowed to keep a dog or a cat, you can be charged \$100 total as a pet bond (s.29(1)(b)(ii)). You can only be charged one pet bond even if you have more than one pet. The pet bond is to cover the costs of fumigation which may arise at the end of the tenancy because you have a pet.

After you vacate, the owner/agent is allowed to keep the pet bond for 14 days to see whether fumigation is necessary (*Residential Tenancies Act*, schedule 1, clause 8). If fumigation is not necessary, the pet bond must be returned in full to the tenant. The owner/agent cannot use the pet bond for any other purpose.



Rent in Advance

When you start a new tenancy the owner can **ONLY** ask for two weeks rent in advance (s28(1): penalty \$1000). The owner cannot ask you for the next rent payment until the first rent in advance period has run out (s28(2): penalty \$1000). Your tenancy agreement should show how often you will pay rent after the first two weeks.

There is no limit on how much rent in advance the owner/agent can charge after the first two weeks. For example, your tenancy agreement may say that rent is payable weekly, fortnightly or monthly. It is important to work out when rent is due and try to arrange for it to coincide with your pay period.

Letting Fee

A licensed Real Estate Agent is the **ONLY** person allowed to charge a letting fee (s27(2)(c): penalty \$1000). A private owner cannot charge a letting fee. The letting fee cannot be more than **one week's rent**.

The letting fee is your contribution to the leasing fee which the agent has charged the owner to sign you up for the tenancy. WA is the only state in Australia where the tenant can be charged a fee for the owner choosing to use a Real Estate Agent. A letting fee can **NOT** be charged for renewing or extending your tenancy agreement for the same place.

**A private owner cannot charge a letting fee.
Only a licensed Real Estate Agent can charge tenants a letting fee.**

Option Fee

You may be asked to pay an Option Fee (the amount is usually no more than 1 week's rent) when you apply for a place. If you are asked to pay an option fee and you get the place, the money should be put towards your rent payments. If you don't get the place, the law states that the money must be refunded (*Residential Tenancies Act*, s.27).

WARNING: Some Application for Tenancy forms may state (in fine print) that you agree to the Option Fee being kept by the owner/agent if you are accepted for the tenancy but decide to not take the place. If you sign the form agreeing to this, you may be agreeing to waive your right to a refund.

Be wary if the owner/agent asks you to pay a deposit or "holding fee". This money may not be refundable. Check your receipt to see how the charge is being described. Also see chapters [2.6 The Application for Tenancy](#) and [2.7 The Option Fee](#) for more information.

Other costs associated with moving in

Service Charges

When you move into rental premises you often need to have services such as gas, electricity and the telephone, connected in your name. There may be a cost for this. You will need to contact the relevant service providers to organise this - Alinta Gas, Western Power and Telstra (or other phone companies such as Optus). There may be a wait period for connection, so it is a good idea to contact these companies **BEFORE** you move in.

If you are going to be paying for water costs, make sure a water meter reading is done. If this has not been done, you should do it yourself and make a note on your Property Condition Report. See chapter [2.5 Water Charges](#) for more information.

Meter Reading Charges

Make sure electricity and gas readings are taken when you first move in. If the owner/agent doesn't do this, you should do it yourself. Make sure you make a note of the readings, for example on the property condition report. It is also best to have a witness.

If your place has sub-meters for electricity and/or gas, you may be charged a fee every time the meters are read and accounts prepared. Such charges may be in breach of section 27 of the *Residential Tenancies Act* even if has been written into your tenancy agreement. For more information, see chapter 2.4 Electricity and Gas Meters.

Strata and Property Fees

The owner is responsible for all rates and taxes on the property (s.48). However, this section may be “contracted out” in your tenancy agreement by the owner/agent, meaning that you may be held liable for the property rates and taxes! MAKE SURE TO READ YOUR TENANCY AGREEMENT CAREFULLY – see chapter 2.8 The Tenancy Agreement for more information on “contracting out”.

You shouldn't have to pay a strata fee (fee for maintaining building and gardens for complexes of flats, units or villas). Such charges may be in breach of section 27 of the *Residential Tenancies Act* even if has been written into your tenancy agreement.

Other Costs

Remember to take into account:

- furniture removal;
- buying household items;
- paying for mail to be redirected from your previous residence.

List of Tenants' Rights Manual chapters referred to in this info sheet:

- 1.6 Financial Assistance for Tenants
- 2.4 Electricity and Gas Meters
- 2.5 Water Charges
- 2.6 The Application for Tenancy
- 2.7 The Option Fee
- 2.8 The Tenancy Agreement
- 2.9 The Security Bond