

Starting a Tenancy

Park residents in New South Wales have rights under the *Residential Parks Act 1998* and the *Residential Parks Regulation 2006*. This factsheet provides information on starting a tenancy in a Residential Park in New South Wales.

Start-up Costs

The cost of preparing a Residential Tenancy Agreement, including a site agreement, is divided between the park owner and a resident. The resident cannot be asked to pay any more than \$15. If an agreement in excess of 3 years is intended to be registered under the *Real Property Act 1900*, you must pay the fee required under that Act, as well as the \$15. The current registration fee is \$99.50. You are not required to pay the park owner's legal or conveyancing fees accrued in the registration process.

Access Charges

If you need a boom gate key, or any other security device, to access the park, the maximum you can be asked to pay for it is \$25. This is refundable if you ever have to hand it back in.

Rental Bonds

The park owner can ask you to pay a Rental Bond. This is not usually required for site agreements, but is an acceptable charge. Rental Bonds are usually required when the resident rents both the site and the dwelling from the park owner.

A Bond must not exceed an amount equivalent to 4 weeks of the initial rent. Bonds cannot be "topped up" if the rent is increased.

The laws relating to Rental Bonds in residential parks can be found in the *Residential Tenancies Act 2010, Part 8*.

Rent in Advance

You may be asked to pay some advanced rent at the start of your tenancy. The park owner cannot ask for more than 2 weeks' rent in advance. If you paid a reservation fee (no more than 1 weeks' rent), it must be applied to your rent ledger, and is included in the 2 weeks' advanced rent you may pay.

Other Charges

Charges known as *Site Premiums* or similar, are illegal. Site agreements with brand new homes cannot include site development costs.

If you are buying a pre-loved home, ask the seller to arrange for their agreement to be assigned, or transferred, to you. The seller will need the park owner's consent for this, but the park owner must have a very good reason for refusing.

Assignment will ensure you pay the same rent as the seller did. Any additional rights the seller may have had in their agreement, for example, limitations on rent increases, will be passed on to you as assignee, or purchaser.

For further advice on what to expect when starting a tenancy, please contact your local affiliate, or contact ARPRA on **1300 798 399**. More advice is also available from NSW Fair Trading on **133 220**.

www.arpra.org.au

www.fairtrading.nsw.gov.au

This factsheet has been written to provide a brief summary of the laws in New South Wales. It should not be considered to be a full reading of the Act, nor should it be used as a substitute for legal advice.