

Information Sheet

Bond Amounts

When the bureaucrat that drafted the Retail and Commercial Leases Act was thinking about the wording for the clause that restricted the amount of a Security Bond that the Lessor could ask the Lessee to pay, he no doubt consulted with the people who deal with residential bonds and eventually the Act was passed with Section 19 that limits the amount of a Security Bond to an amount equivalent to Four Weeks Rent. NOT one calendar month's Rent and certainly not an amount equal to a calendar month's Rent plus GST.

So when working out what Security Bond a Lessee can be asked to provide, you need to work out what four weeks Rent would be and only take that amount.

By the way a Real Estate Agent has 28 days to lodge the Security Bond and the accompanying paperwork with the Commercial Tribunal, but if you are a private Lessor you only have 7 days to lodge.

Legally Binding Documents

Reasonable Fixed Fees

Documents in 48 hours

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