



Renting in Melbourne:

A Comprehensive
Handbook for Tenants

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Abstract

Renting a home in Melbourne can be challenging and complicated for you. But the city offers the perfect blend of urban living and natural beauty. Melbourne boasts diverse neighborhoods, a thriving arts scene, and excellent amenities. However, competition for rentals can be fierce, so being well-prepared with the right documentation and a clear understanding of your budget is essential for a successful search.

1. Introduction

Welcome to the vibrant and culturally diverse city of Melbourne, Australia! If you're considering renting a home here, this comprehensive PDF guide is your essential companion. Melbourne offers a rich tapestry of neighborhoods, each with its own unique charm and lifestyle. Discover the city's dynamic arts scene, world-class dining, and stunning parks and beaches. However, navigating Melbourne's competitive rental market can be challenging. Our guide will walk you through the process, from understanding lease agreements to finding the perfect neighborhood. Get ready to embark on your Melbourne rental journey with confidence and insight.

2. Reasons Why Renting Is Better Than Buying

While owning a home can certainly be a wise financial decision, consider how renting can be an alternate path to financial independence.

Both renting and owning a three-bedroom home are significant financial responsibilities for U.S. households, with costs accounting for more than one-third of average wages in most major housing markets. But average rents still require a much smaller portion of wages than major homeownership expenses on three-bedroom properties, according to ATTOM, a real estate data company.

Renting Is Not A Waste Of Money

I recently watched a news story where a real estate expert exclaimed, "Rent is throwing money away." I've heard this same narrative from other financial experts, real estate agents, mortgage lenders, and even my own family and friends who are homeowners. These factors contributed to my urgency in purchasing my first home in 2013, even though I was perfectly fine renting.

Since then, I've bought and sold three different homes over the last decade. Just this year, though, I decided to rent again — surprising all of our friends and my personal finance followers because I had paid off all three homes. I even asked my husband: "Is it crazy for us to rent again? Are we wasting money?"

But renting still offers a very basic utility — a safe place to live, sleep and store our possessions. The comparison is often made between renting a home and owning a home. But we often forget the other comparison of renting a home versus not having one at all. For me, a home is not a part of my identity, but rather a basic need satisfied without having to purchase a property.

It's Cheaper To Rent If You Prefer Big City Life

The financial sense of renting or buying depends a lot on where you prefer to live. According to an analysis by Realtor.com, in 45 of the 50 largest U.S. cities, renting is lower than buying a starter home. Despite rising costs, renting has become relatively more affordable than buying year-over-year.

The top five cities where it was cheaper to rent versus buy in 2023 were Austin, TX; San Francisco, CA; Seattle, WA; Boston, MA and Portland, OR.



In contrast, the top five cities where it was cheaper to buy versus rent in 2023 were Memphis, TN; Pittsburgh, PA; Birmingham, AL; St. Louis, MO and Baltimore, MD.

In some of the more affordable real estate markets, renters might find they will save cash each month by becoming a homeowner. But the job market profiles of these cities are vastly differently from the larger metropolitan areas with whose the local workforces powered by the tech industry.

I live in Charlotte, N.C., and I could buy another home on a 30-year mortgage for cheaper than what I rent right now. But it would require me to move 20 to 30 minutes away from my current address, where I have the accessibility to restaurants, entertainment, and shopping within walking distance. I sold my last home largely because location and convenience mattered to me more.

Renting Frees Up Time And Money To Grow Your Income

As a business owner, renting has been a huge time and money saver. I no longer have to pay for gas to drive to a gym, a coffeehouse, or a pool because they are all an elevator ride away in my apartment building. I picked the particular one I live in so I could hold business meetings in the common area instead of meeting people at an office or co-working space that I'd have to pay for.

My emergency fund now contains what I need for rent and utilities, and it requires thousands of dollars less than what I needed as a homeowner. I held onto savings in case my roof leaked again or if I would finally decide to renovate my bathroom. The money I spent on appliances and furniture for a home now goes to international travel for speaking engagements and learning new technical skills.

The largest gain I've had from the purchase of a real estate property was a little more than \$250,000. But the investment of time I've put into my business has now given me the ability to generate \$250,000 of revenue annually.

When You Buy A Home, You Can't Easily Tap Into Your Wealth

In 2019, my husband and I were proud outright owners of our home by paying off our mortgage in our early thirties. I felt really confident in our decision going into 2020, when the Covid-19 pandemic shut down everything and our incomes became uncertain. I am still a huge proponent of paying off your mortgage early because of the peace it provided us.

In 2020, we bought a second home in the mountains, a small condo to escape from the city. By 2021 it was also paid off and we officially passed \$1 million in net worth for the first time, with the two homes as our biggest assets. What I didn't expect: Even though we had \$1 million in assets, we had very little flexibility with the equity tied up in the properties.

With our eyes on early retirement, we started looking for passive income and our first inclination was to operate short-term rentals to create a new monthly stream of money. While this did add additional income, it didn't feel very passive — it was a lot of work and often inconvenient to manage the reservations and guests.

We could have taken out mortgages from the homes to free up more cash. But we weren't comfortable with that risk during the pandemic uncertainty.

Ultimately, we decided to sell both homes and applied the proceeds of those sales toward other vehicles such as dividend ETFs, Treasury Bills and REITs. Those investments now offer us similar monthly cash flow that we can move much more easily than having to sell properties. I prefer the flexibility we have in moving our net worth, without affecting our living situation, as new investing opportunities arise.

By Renting Instead Of Owning, You're Rich With Time And Money

Bankrate's recent Financial Security survey reported 74% of Americans consider homeownership to be of higher value than any other economic stability measure, including a comfortable retirement, a successful career, having children and holding a college degree. Pride is often cited as one of the main advantages of homeownership, where you have the freedom to express yourself in your house more than in a rental.

However, as a 38-year old practicing early retirement after reaching my financial independence goal, not owning a home has been incredibly liberating. My parents eventually owned their home outright, but my father didn't retire from his corporate career until his 70s and he had little time for hobbies. I didn't learn he loved hiking and seeing shows until he wasn't as physically capable to enjoy those activities.

When my father passed away, I thought twice about whether or not I wanted to own my home or own my time early enough to enjoy it. Now that my husband and I are renting, there are no more do-it-yourself painting projects on a fixer-upper home. No more shopping for furniture to fill up rooms I barely ever use. My husband is over the moon that he no longer needs to mow the lawn weekly or power wash parts of our property every spring.

Just this past year, I took stand up comedy, dance and acting classes with the time I used to spend maintaining my home. I don't feel as guilty spending on my health and wellness, and I get to come home from vacations without many chores. I'm not completely ruling out homeownership for me in the future. But while I'm in my prime years, I'm content to feel rich with time and not just money.

3. Make-Or-Break Questions to Ask Before Renting Your First Apartment



Unless you took a college class on how to rent an apartment (if only, right?), it's likely you're going into the apartment hunting process blind. But don't be stressed—this is a very exciting process that can actually be a lot of fun, as long as you know what to look for and what to expect. Before signing on the dotted line, ask yourself these essential questions about each apartment you're considering.

1. Is It in My Budget?

Budget is the big one to consider above all else. You need to determine how much you can afford to rent while meeting other financial obligations and goals (like saving for retirement and going out with friends). Follow this guideline: Don't say "yes" to renting an apartment that costs more than 30 percent of your gross (pre-tax) salary. Apart from rent, don't forget about utilities, transportation, groceries, and other life expenses—it really does add up. And don't tell yourself you'll develop a cheaper lifestyle. Think of it like shopping for clothes: Shop for the body you have right now.

2. Is It Close to Where I Work?

The apartment of your dreams is an extra hour from the office—what to do? Decide what you are and aren't willing to deal with. Maybe it's worth it for you, and that's great. But if you're not a morning person, and riding public transportation for more than 15 minutes makes you cranky, renting an apartment a little closer to work will improve your quality of life tenfold. And don't just consider the actual commute time: The apartment may technically be only half an hour from work, but if it takes 20 out of 30 minutes just to walk to the bus station, then any kind of inclement weather is going to make the journey, um, interesting.

3. Is the Neighborhood Safe?

Will you feel safe walking home from the bus or train after work, or will your parents get you a ten-pack of pepper spray as a housewarming gift? Safety is one of those non-negotiable factors not to sacrifice.

4. Are There Necessary Shops and Restaurants Nearby?

Never underestimate the value of convenience and quality of life. If you have to wear suits to work every day, but never get home in time to catch the dry-cleaners before they close, that's going to be a problem. If you're not one to cook for yourself, the restaurants in your area better be open until at least 10 p.m. In some cases, it could be worth sacrificing size to afford a neighborhood you can actually function in.

5. Does the Place Include the Amenities I Want and Need?

First, decide what these are—and remember that things you need and things you think you need because you saw it on Pinterest are two very different things. If you're living with roommates and can't stand the idea of sharing a bathroom anymore (and your budget allows), look for apartments with two or more bathrooms. Then again, you might not care at all about sharing the shower as long as there's a washer-dryer in unit, high(ish) ceilings, or a video security system. Ultimately, it's about assigning value to what you could potentially be paying for.

6. Does It Fit My Particular Lifestyle?

You can't predict the future to a T, but think about what's likely to happen inside your apartment. Does your sister come to visit and crash every weekend? It might be worth renting a place with room for an air mattress or fold-out couch, even if it is a five-story walk-up. Love to cook and entertain? The "kitchen" that's really just a two-burner stove along the wall—and that's it—likely won't cut it.

7. What Can't I Change (That Will Be Hard to Tolerate)?

Be warned, if you're a big decorator, apartment rentals aren't really yours to renovate. You might be able to paint, and can hopefully nail things into the walls, but definitely ask the landlord (or whoever's giving the tour). Other than that, mainstays like floors, closet space, natural light (or lack thereof), and outlet placements, are kinda set in stone. By the way, if you don't like it now, it's not likely you'll learn to like it later. That carpet stain or oddly shaped bathroom will not grow on you—so it's probably best to move on.

8. Are There Any Deal-Breaking Noises Nearby?

It could be nighttime road construction that's scheduled for the next three years; an elementary school playground that gets rowdy with kids four times a day; a bar across the street that hosts live music five nights a week; or a church with hourly bell-ringing that might truly be the end of you. While it's near impossible to find total peace and quiet in a city, look out for potential sounds you know will disrupt your sleep, mood, or concentration.

9. Would My Friends Be on Board?

Actually, don't just leave this as a hypothetical: Ask those who love and know you best what they think. Your friends (or siblings or parents) know you best—they'll be able to tell you straight-up that, yes, while the balcony overlooking the river is stunning, the lack of laundry within a five-minute radius won't work with your habit of spilling something every time you eat.

4. Important Information For Renters



Understand your rights as a renter and where to get help if you have a problem.

International students have the same rights as permanent residents when renting in Victoria. Here are some tips to explain common rental issues and places to contact for more information.

Starting a tenancy

When you're renting an apartment or house, you will usually have one contact – the property manager (who works for a real estate agency) or the landlord. If you're in a shared house, you might report to a head tenant who acts as the middleman between other tenants and the property manager or landlord.

Rent Payments

Rent payments usually don't include the cost of bills such as water, electricity, gas or the internet.

Signing a Lease

If you are renting from an agent or directly from a landlord, you will need to sign a lease. This will include the terms and conditions of your rental arrangement. If you're moving into an existing share house, you might be added to the rental agreement (this is known as a 'co-tenancy'), or you may lease through the head tenant (this is known as 'sub-letting').

[Click here](#) for more information about sub-letting.

Make sure you have read and understand the terms and conditions of the agreement., This will help you understand your rights and responsibilities.

The Consumer Affairs Victoria website has information about types of rental agreements.

Typically your rental agreement should include:

- The cost of rent and how it will be paid
- How rent increases will be calculated
- The length and type of agreement
- The amount of bond you need to pay
- Other conditions and special terms

Paying a Bond

You will need to pay a security deposit – called a bond – to the agent or landlord. They must lodge it with the Residential Tenancies Bond Authority (RTBA). The agent or landlord cannot access the bond and you cannot use it for rent. If you cause damage to the property while you are renting it, the landlord can request the RTBA to compensate them at the end of the lease. This means any damage you cause to the property may result in the loss of your bond.

For more information about Bonds, visit [Tenants Victoria website](#).

Paying rent

When you start renting you are usually required to pay rent in advance to secure the property. A rental provider can ask for a maximum of one month's rent in advance unless the rent is paid weekly or is above \$900 per week. Your landlord cannot increase the rent during a fixed-term agreement or more than once in a twelve-month period.

If you are in a sublet arrangement, you may have to pay rent to the head tenant who is then responsible for paying the full amount to the property manager or landlord. You may also have to pay your share of the bond to the head tenant when you first move in.

If you are continually late paying your rent, you may be charged a penalty fee. You can easily set up a direct debit from your bank account so that you never miss a payment.

Property maintenance

As a tenant, you will be expected to keep your rental in good condition. This means making sure it is clean and notifying the property manager or landlord about repairs as soon as possible. Do your best to ensure the property is in the same condition as when you moved in (excluding reasonable wear and tear). If the property has a garden, make sure you ask if gardening is covered in the rental price or whether you are expected to maintain lawns and garden beds. Often this is the responsibility of the tenant and will need your ongoing attention.

Repairs

When it comes to repairs, this is normally the responsibility of your landlord. There are different rules for urgent and non-urgent repairs. If the repair is urgent – such as a broken toilet or gas leak – your landlord will need to respond immediately. Non-urgent repairs should be addressed within 14 days. When you notify your landlord or property manager, make sure you do it in writing – this ensures you have a paper trail should any issues arise.

Read more about urgent and non-urgent repairs on the [Consumer Affairs Victoria website](#).

Warning Signs

No one should hold any of your important personal documents, especially your passport, or possessions while you are renting from them or with them.

If anyone refuses to give you your own key or passcode to enter the building or asks you not to answer the door, these are warning signs that the situation is unsafe, illegal or unfairly controlling. If unsure, you should immediately contact Consumer Affairs Victoria for advice. You will not get into trouble by contacting them and you will have someone to help you navigate the situation.

Visit gov website for information about scams including what to do if you've been involved in a scam involving a rental property.

5. Renting a House or Apartment in Melbourne



Houses, apartments, rooms, new homes, old homes – whatever rental option you're looking for you'll find plenty in both Melbourne and regional Victoria.

Choosing a house or apartment to rent in Melbourne is an exciting first step of building your new life here.

There are several rules and regulations that you must follow when you become a tenant (renters are called tenants). Those offering a property for rent (called landlords) also have rules and regulations.

Housing types, locations and prices

Melbourne boasts an exciting property market with housing options to suit everyone's needs – from beautiful, older Victorian-era and Edwardian-era homes to deluxe contemporary homes. New homes and contemporary apartments are also being constructed all the time.

Whether you're looking to rent in Melbourne or in regional Victoria, you'll enjoy access to properties in a number of styles and sizes.

Rent prices vary greatly, depending on property size, suburb and transport options. Visit the Department of Human Services website [external link](#) for up to date information about average rental prices in Melbourne.

Discover more about Melbourne's suburbs and Victoria's regions.

Find a rental property

In Victoria, real estate agents are generally responsible for renting houses and apartments to tenants on behalf of owners. But you can also rent directly from an owner. You can rent a single room in a property or share a house with a group of friends or family – the rental option you choose depends on your needs.

You can find real estate agents in your area through the Real Estate Industry of Victoria's (REIV) agency search tool [external link](#). Or you can search for homes, including single rooms to rent, on websites such as:

Domain [external link](#)

Realestate.com.au [external link](#)

Realestateview.com.au [external link](#)

Flatmate Finder [external link](#)

Gumtree.com.au [external link](#)

What's included in renting a property

Most rental properties do not come with furniture, but will generally include:

heating

hot water systems

light fittings

stoves/ovens

carpets

curtains or blinds

kitchen cupboards.

Many also include air conditioning, dishwashers and built-in wardrobes. Utility costs such as water, gas and electricity can vary from property to property if they're not included in the standard rent price. It's a good idea to check with your real estate agent or property owner about utility costs.



How to secure a rental property

Once you have decided on the area you are interested in living in, you will need to secure your rental property. These tips will help show you what you need to do.

1. Inspect the property

The first step is to inspect the property you are interested in, as real estate agents usually only accept applications from people who have seen the house or apartment. If you are unable to inspect the property yourself, you can send a representative. It is not only important for the real estate agent to meet you (or your representative), but it is also important for you to check that the property is in working condition.

There are three ways to view a property for rent:

- attend an open for inspection held at a specific time
- make an appointment with the real estate agent
- collect the key from the real estate agent's office.

If you are attending an open for inspection, you must be prepared to show identification (such as a driver licence or passport).

2. Submit an application

To secure a rental property, you will need to complete and submit an application. The application usually includes details about where you have lived and worked, including your current income. It is also common to request references, so if you have rented before it is useful to bring written references with you to Australia.

3. Sign a lease

Once all parties are happy to proceed with a lease agreement, you will need to sign the lease. This is a legally binding agreement and does not have a cooling-off period (a period of time that allows you to change your mind).

A lease records details such as:

how long you can live in the house

how much rent you must pay and when you must pay it

whether there are any special conditions about your home (such as keeping pets).

Read the lease thoroughly. If you are concerned about any items or have questions, clarify them with your landlord or real estate agent. Any existing issues with the rental property should be agreed upon with your real estate agent and recorded on a rental inspection sheet before you sign a lease.

Your rental period will begin on the agreed date specified in the lease agreement.

Some areas may have limited supply of rentals so be prepared for the process of securing a rental property to take some time.

4. Connect utility services

After signing a lease, you will officially be a tenant in the rental property. Congratulations are in order!

It is your responsibility to connect utility services such as electricity, gas, water, telephone and internet.

For more information and a list of gas, electricity and water providers, visit

Essential Services Commission website[external link](#)

Victorian Energy Compare website[external link](#).

5. Pay a bond

A bond is a payment made by you that acts as security for the landlord or owner against you in case you don't meet the terms of your lease agreement. For example, if the rental property is damaged while you're staying in the property, the landlord can withhold the bond from you to cover the cost of repairing the damage.

The cost of the bond is generally around one month to six weeks' rent. Your bond is kept by the Residential Tenancies Bond Authority[external link](#) until you move out of the property. When you move out, the bond you paid will generally be refunded, less any costs incurred for cleaning or repairs that were your responsibility.

6. Complete a condition report

Before you move in, check that everything works as it should (like the oven, taps and drains, lights, heating, security systems and locks) and is in good order (like paint, floors and carpets, and glass or other window fittings).

You should note anything that needs to be fixed or replaced on the condition report, and bring it to the attention of your real estate agent or landlord, so that they are aware of it.

Useful websites

Visit the Consumer Affairs Victoria website[external link](#) for more detailed information about renting in Melbourne and Victoria.

6. Benefits Of Choosing A Bond Cleaning Company That Offers Guarantee



Most tenants or renters in Victoria lose a part or full bond money due to dirty premises. The residential tenancy laws clearly state that a tenant must return the rented property to its original condition at the end of a tenancy.

Half-baked cleaning can lead to an unsolved rental dispute with your landlord or a property manager.

If you want to pass your final inspection and secure your hard-earned bond money, hire the best bond cleaning company that offers a guarantee. Such companies take care of your specific cleaning needs.

If you are still wondering how they will assist you in this daunting process, look at the following benefits of choosing the best end of lease cleaning Melbourne for your rented property:

Easy To Retrieve Full Bond Money

According to the tenancy agreement, landlords can withhold a part or full bond due to stained floors, dirty toilets and greasy kitchen appliances.

Choosing a reliable bond cleaning company that offers a guarantee means they follow a REIVIC-approved checklist to clean the entire rented property to help tenants get the full bond back after the final inspection.

Such companies have years of experience cleaning all types of leased properties and thus know how to impress fussy landlords or property managers. They follow a proven methodology to eliminate dust, dirt and stains from almost all surfaces to help you retrieve the bond amounts.

The best part is that some good companies also offer a free re-clean service if you are unhappy with their first clean. However, you must read their terms and conditions or ask questions about their guaranteed service.

Here is a complete guide on what is bond back guarantee so that you can easily ask hire the most reliable company.

Avoids Rental Disputes Or Conflict

Deposited security or bond is refunded to the tenant unless the landlord or property manager claims compensation, especially when the property is dirty. Some of the other reasons are:

Damaged property

Outstanding rent or bills

Made changes to the property without asking

Breaching the rental agreement.

If both parties don't agree on the bond, one can apply to the Victorian Civil and Administrative Tribunal to resolve the dispute. This can be a tiring process.

So, the best you can do is to make necessary repairs, pay all outstanding bills and rent, and hire the best company for a detailed end of lease cleaning Melbourne.

Professionals will use the condition report when inspecting your rented property and spruce it up accordingly. They will handle all your cleaning needs and help you pass the rental inspection without dispute or conflict.

Deep Clean Every Nook And Cranny

When you clean yourself, you will leave certain key areas or spots. This could become the reason for a conflict between you and the landlord.

On the other hand, hiring seasoned experts means you will get detailed cleaning from top to bottom using cutting-edge equipment and tools.

Professionals will cover every inch of the premises, from deep cleaning air ducts to walls and windows, kitchen cabinets to countertops and sinks, and showerheads to toilets and floors. They won't leave stains, grime, accumulated dust and dirt behind.

Saves You Time And Energy

Scrubbing stained surfaces or vacuuming carpets requires a lot of time and energy. This can be taxing, especially when preparing for a house move. Most people do mistakes when cleaning and end up losing their bond money.

If you want to relax and save time, go for a reliable company specialising in detailed vacate cleaning in Melbourne.

They bring all the necessary cleaning supplies to complete the job within a given timeframe.

Pays Attention To The Sanitisation Standard

Removing visible dust, dirt, and stains won't help you regain the bond. It is pivotal to disinfect high-touch areas and contaminated spots in the premises to kill disease-causing germs and viruses.

Professionals focus on cleaning, sanitisation and disinfection to maintain the minimum standard and help landlords find new tenants. A highly-experienced company uses EPA-approved disinfectants to give you a meticulously clean and hygienic environment before the rental inspection.

Simplifies Your Move-Out Journey

Moving out of a rented property is an exhausting process. It becomes even more challenging when you have to spruce up the entire premises. The best thing you can do is to hire a bond cleaning company that offers a guarantee so that you can focus on packing your belongings, updating your new address and finding a new school for your children.

They will hand over the property in a clean state and give you peace of mind.

Hiring a bond cleaning company that offers a guarantee can help you secure full bond money, avoid disputes and save you a lot of time and energy. Make sure you do proper research and consider referrals to choose the best in Melbourne, Victoria.

7. Conclusion

Congratulations on completing this Melbourne rental guide! We wish you the best of luck in your quest for the ideal rental property in Melbourne, and may your new home be a source of joy and comfort in this incredible city!

Download our PDF guide now and make your move to Melbourne a smooth and informed experience.

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