

Letting fees and key money are additional fees that can't be charged to tenants.

Landlords or their agents can't charge letting fees to tenants. This includes any charges to renew or extend a tenancy.

Until 12 December 2018, letting agents and solicitors could charge tenants to grant a tenancy. This is now prohibited under the Residential Tenancies Act.

Letting agents may choose to charge a landlord for these services, but they are prohibited from charging them to tenants.

Landlords or agents may incur costs from a tenant asking to assign, sublet or part with possession of a property. They can seek reimbursement from tenants for these costs as long as they are reasonable.

A letting agent acts as the landlord's agent when granting or assigning a tenancy. They make a living from renting or managing properties, and usually work for a property management company.

Letting agents offer services like:

- advertising rental properties
- holding open homes
- reviewing applications from potential tenants
- preparing tenancy agreements
- doing the initial property inspection

'Key money' is money (other than rent and bond) a landlord asks the tenant to pay for granting, or making changes to a tenancy.

Landlords are not allowed to charge key money. The only exception is an 'option fee'. This is money tenants give to the landlord to hold the property while they decide whether or not to rent it.

The maximum amount for an option fee is 1 week's rent. If the tenant decides to rent the property, the landlord must refund the option fee or put it towards rent.