

# Smart Renting

## A Guide to Budget-Friendly Living



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## ABSTRACT

Smart Renting: A Guide to Budget-Friendly Living offers practical insights and strategies for renters seeking to maximize their living experience while minimizing costs. This guide emphasizes the importance of understanding personal finances, setting realistic budgets, and exploring affordable neighborhoods that align with lifestyle needs. It provides actionable tips for finding suitable rentals, negotiating lease terms, and reducing moving expenses, ensuring that renters can secure the best deals without compromising on quality of life.



In addition to budgeting and financial planning, the guide addresses essential aspects of maintaining a rental, such as managing utility costs, performing basic repairs, and fostering positive relationships with landlords. By incorporating DIY maintenance tips and smart shopping advice, renters can create a comfortable home environment that fits their financial constraints. Overall, this guide serves as a comprehensive resource for anyone looking to navigate the rental market wisely while living within their means.

## **LET'S GET STARTED**

Smart Renting: A Guide to Budget-Friendly Living serves as a comprehensive resource for renters aiming to optimize their living arrangements without breaking the bank. It begins by emphasizing the importance of understanding personal finances, setting a realistic rent budget, and choosing the right location that balances cost with convenience. The guide also highlights effective strategies for finding affordable rentals, negotiating lease terms, and cutting moving costs, making the process of securing a rental more accessible and cost-effective.

In addition to financial planning, the guide delves into practical tips for maintaining a rental home. It covers ways to save on utilities, perform basic DIY repairs, and maintain a healthy tenant-landlord relationship. By providing insights into smart shopping for household needs and strategies for long-term financial planning, this guide equips renters with the tools they need to create a comfortable and budget-friendly living environment. Whether you are a first-time renter or looking to refine your renting strategy, this guide offers valuable advice for navigating the rental market effectively.

## **INTRODUCTION TO RENTING**

Renting refers to the practice of occupying a property, such as a house or apartment, for a specified period in exchange for payment to the property owner, known as the landlord. This arrangement allows individuals or families to live in a space without the long-term financial commitment of purchasing property. Renting provides flexibility and convenience, making it an attractive option for those who may not be ready to buy a home or prefer the mobility that comes with leasing.

The rental agreement typically outlines the terms of occupancy, including the rental price, duration of the lease, and responsibilities of both the tenant and landlord. Tenants benefit from having a place to live while landlords receive a steady income. Renting can also include access to shared amenities, such as swimming pools or gyms, which may not be financially viable for individuals to own outright. This relationship allows for a more affordable housing solution, especially in urban areas where property prices can be prohibitively high.



### **Types of Renting:**

- 1. Residential Renting:** This is the most common type, where individuals or families lease homes, apartments, or condos. Residential leases can vary in duration, from short-term rentals (like vacation homes) to long-term agreements (usually lasting one year or more).
- 2. Commercial Renting:** Businesses often rent commercial properties, such as office spaces, retail locations, or warehouses. Commercial leases tend to be more complex than residential ones, often involving longer terms and specific conditions tailored to business needs.
- 3. Shared Renting:** This arrangement includes co-living or room-sharing situations, where multiple individuals rent a property together, sharing costs and communal spaces. This type of renting is popular among students and young professionals looking to reduce living expenses while enjoying a social environment.

Each type of renting serves different needs and offers various benefits, allowing people to choose the most suitable option for their lifestyle and financial situation.

### **IDEAS ON NEGOTIATING WITH LANDLORD WHILE RENTING**

We all negotiate at times, but it can be challenging to negotiate with a landlord. Tenants are generally negotiating from a less powerful position, but there are things that can be done to increase the likelihood of success and reduce the stress. A negotiation is trying to reach an agreement. It is not a 'win' for one and a 'loss' for the other; at the end of the day it is about reaching an agreement both of you can live with.

**If you need to negotiate with a landlord or real estate agent, here are some tips to help...**

#### 1. Do your homework

Make sure you're aware of the law as it relates to your issue, and what is a reasonable ask. You may wish to get advice from your local Tenants Advice and Advocacy Service. Check out relevant factsheets:

- How do I challenge a rent increase? Negotiate a new lease? See our Rent Increase Negotiation Kit
- I'm falling behind on my rent, what should I do? See our Rent Arrears factsheet
- I want to get a pet, how do I ask the landlord for permission? See our Guide to Renting with Pets
- Can I get a rent reduction for loss of amenities? See our Repairs and Maintenance factsheet
- How do I break my fixed-term lease early? See our Ending Fixed Term Tenancy Early factsheet
- I have a Tribunal hearing coming up, what should I do in a conciliation? See our Tribunal factsheet

## 2. Consider the risks

There are risks in any negotiation. Reaching an agreement with the landlord could prevent a lengthy Tribunal process and help you maintain your tenancy. However, it is possible that you will not be able to reach an agreement, and have to either engage in litigation, move on from the property or that your landlord could retaliate in some way.

## 3. Find allies

Are there other people you can team up with to boost your bargaining power? For example, if you are a homeowner in a residential land lease community, consider joining forces with other homeowners in the community before starting negotiations with the site operator. If you live in an apartment block owned by one landlord, find out if the other renters in the building are also facing rent increases.

## 4. Start negotiations early

Start negotiations as soon as you can so that you have time to arrange a Plan B if needed. For example, you might start negotiating two months before the end of a fixed-term lease to allow time to make other plans if you can't reach an agreement.

## 5. Find out who you will be negotiating with

Will you be negotiating with the landlord directly or the real estate agent? The agent is the landlord's representative, not a neutral party. While the agent has a responsibility to seek direction from the landlord, this does not always happen. If you can contact the landlord directly, they may be more open to your proposal, although this may come at a cost to your relationship with the agent.

## 6. Keep calm and carry on

Before starting negotiations, prepare yourself for the possibility that the other side may be rude, or talk down to you, or say things that are incorrect. Decide ahead of time that you will stay calm and focussed on the outcome you want.

## 7. It's harder to say no to a person

Try visiting the real estate office or making an appointment to speak with the landlord in person. If this isn't possible, call and speak to them first.

## 8. Start with an acknowledgement

Remind the other person that you know they are a person too - thank them for what they have done well over the course of your tenancy. People want to feel appreciated and they are more likely to want to return the favour and treat you as a person as well.

## 9. Remind the landlord why you're a great tenant

Make sure you let the landlord know all of the benefits they will gain by having you (or keeping you) as a tenant. Do you always pay the rent on time? Keep the property clean? Mention it.



## 10. Put yourself in their shoes

Landlords and agents usually want to maintain a tenancy (to avoid costs of finding new tenants), have rent paid on time, and ensure the property is looked after well. Tailor your language and your position to them. For the most part, people will make decisions based on their own interests, so explain why what you want is also in their interests. Find reasons for them to say yes to you.

#### 11. Let them take ownership over the solution

One way to negotiate is to discuss the most important aspects of the problem and ask them for a solution. Whatever they come up with they almost certainly will agree to. This allows them to feel like it was their own idea.

#### 12. What can you live with?

Negotiations involve compromise. For example, the landlord might be willing to meet you half-way in a rent increase to keep you as a tenant. Usually two parties begin negotiations at different starting points and reach an agreement some place in the middle. For this reason, you might decide to start negotiations offering less or making a larger request, to allow some room to find a compromise. Decide ahead of time what you can agree to so you also know when to walk away.

#### 13. Be specific

Make sure your agreement is clear and specific. For example, instead of agreeing that repairs will be made, state which repairs will be made and by what date.

#### 14. Always ask for the agreement in writing

In any conversation with a landlord or a real estate agent, follow up the conversation with a letter or email confirming what was said. In a negotiation, it is doubly important to have a written record of what the new agreement is.

### **WHAT IS A BUDGET?**

A budget refers to an estimation of revenue and expenses that's made for a specified future period of time. Budgeting usually occurs on an ongoing basis, with individual budgets being re-evaluated regularly.

Budgets can be made for any entity that needs or wants to spend money, including governments and businesses, people, and households of any income level.

#### **Understanding Budgeting**

A budget is a microeconomic concept that reveals the trade-off made when one good is exchanged for another. In terms of the bottom line—or the end result of



this trade-off—a surplus budget means profits are anticipated, a balanced budget means revenues are expected to equal expenses, and a deficit budget means expenses will exceed revenues. These principles hold true whether the budget is intended for an individual, a family, or a company.



## **11 Budgeting Myths That Can Block Your Success**

Here's an in-depth look at 11 Budgeting Myths That Can Block Your Success:

### **1. I Don't Make Enough Money to Budget**

- Myth: Many believe that budgeting is only for people with higher incomes.
- Reality: Budgeting is essential for anyone, regardless of income level. It helps track where every dollar goes, even for those with modest earnings, ensuring you live within your means and avoid unnecessary debt. Budgeting allows you to prioritize essential expenses and save, no matter how little.

### **2. Budgeting is Too Complicated**

- Myth: Some think that creating and maintaining a budget requires advanced financial knowledge or complicated math.

- Reality: Budgeting can be as simple as listing your income and tracking your expenses. Free apps and tools, like Excel sheets or budgeting apps (e.g., Mint, YNAB), simplify the process, making it easier than ever to manage your finances.

### **3. I'll Start Budgeting When I Earn More**

- Myth: People often delay budgeting until they reach a higher income level, believing it's unnecessary at lower income levels.

- Reality: Waiting to start budgeting until you earn more can lead to bad financial habits. The earlier you begin managing your money, the better prepared you'll be when your income increases. Budgeting helps build healthy financial habits and saves you from future financial stress.



### **4. Budgets Are Too Restrictive**

- Myth: Budgeting is often viewed as restrictive, preventing you from enjoying life and indulging in occasional luxuries.

- Reality: A well-structured budget allows for discretionary spending. It's about controlling how you spend your money, not restricting it. By setting aside money for enjoyment or fun expenses, you ensure financial freedom while still enjoying life responsibly.

### **5. I Don't Need to Budget Because I Don't Have Debt**

- Myth: Some believe that without debt, there's no need to budget.

- Reality: Budgeting isn't just about managing debt; it's about financial planning, saving for future goals, and avoiding future debt. A budget helps create an emergency fund, plan for big purchases, and allocate resources for long-term investments like retirement.

### **6. Budgeting Takes Too Much Time**

- Myth: Many think budgeting requires hours of detailed record-keeping and financial analysis.

- Reality: Budgeting doesn't have to be time-consuming. With budgeting apps and automatic tracking features, you can manage your budget with just a few minutes each week. Once your budget is in place, maintaining it becomes quick and straightforward.

### **7. Budgeting is Only for People Who are Struggling Financially**

- Myth: Some believe that budgeting is only necessary when someone is facing financial difficulties.

- Reality: Budgeting is beneficial for everyone, regardless of financial status. Whether you're saving for a vacation, building an emergency fund, or planning for retirement, a budget helps you stay on track and achieve your financial goals.

### **8. I Can't Budget Because My Income is Unpredictable**

- Myth: Those with variable incomes (e.g., freelancers, contractors) may feel they can't create a budget because their earnings fluctuate.

- Reality: Budgeting is even more crucial for people with irregular incomes. The key is to focus on averaging your income over time and prioritizing necessary

expenses first. Building an emergency fund during high-income months can also help cover leaner times.

### **9. A Budget Will Fix All My Financial Problems**

- Myth: Some people expect a budget to magically solve all their financial challenges.

- Reality: A budget is just a tool. It helps you manage your money better, but it won't automatically eliminate debt, increase savings, or solve poor spending habits. Budgeting requires discipline, and consistent efforts to stick to the plan are needed to see real results.

### **10. I Don't Need a Written Budget—I Can Keep It All in My Head**

- Myth: People sometimes believe they can mentally track their expenses and income without formally writing it down.

- Reality: Mental budgeting leads to forgotten expenses, inaccurate tracking, and financial mismanagement. Writing down your budget or using an app helps you stay accountable, track every dollar, and make informed financial decisions.

### **11. Once I Create a Budget, I Can Set It and Forget It**

- Myth: Some think that after setting up a budget, there's no need to adjust it over time.

- Reality: Budgets should be flexible and revisited regularly. Life circumstances change—whether it's an increase in income, unexpected expenses, or changes in priorities—so your budget needs regular updates to reflect these shifts. A budget is a living document, not a static one.

## **MONEY SAVING RENTER TIPS TO HELP YOU WITH YOUR NEXT NEW HOME**

### **1. Create a Budget Before Moving**

- Tip: Before starting your rental search, calculate what you can afford. Include rent, utilities, security deposit, moving costs, and other living expenses. Be sure to

allocate money for unforeseen expenses like repairs or emergencies. A clear budget will prevent you from renting a place that's too expensive and help you identify where you can cut costs.

## 2. Choose the Right Location

- Tip: Location significantly impacts rental costs. Consider less expensive neighborhoods that offer better affordability while still being close to essential amenities like public transport, grocery stores, and schools. Proximity to work can also save on commuting costs, so think about overall expenses, not just the rent itself.



## 3. Negotiate Your Rent

- Tip: Many renters don't realize that rent prices are often negotiable, especially in a competitive market. If you find an apartment you like, ask if there's flexibility in the rental price, especially if you're committing to a longer lease. Some landlords may be willing to reduce the rent or provide discounts for long-term tenants.

#### 4. Time Your Move for Off-Peak Seasons

- Tip: Rent prices tend to be higher during peak moving seasons, typically in the summer. If possible, plan your move for the off-peak season (fall or winter) when demand is lower, and landlords may offer better deals or be more willing to negotiate rent prices. This small timing difference can save you hundreds of dollars over a lease term.

#### 5. Save on Upfront Costs

- Tip: When signing a lease, many landlords require first and last month's rent along with a security deposit. To reduce upfront costs, ask if you can pay the deposit in installments or if the landlord offers a deposit waiver program. Some properties also allow tenants to use deposit insurance, which can lower the amount needed upfront.

#### 6. Look for Energy-Efficient Homes

- Tip: One way to save money as a renter is by choosing a home that's energy-efficient. Look for rentals with energy-efficient appliances, good insulation, and windows that keep heat or cool air in. This can significantly reduce your monthly utility bills. Ask the landlord about the average costs for utilities or check the energy ratings of the appliances in the unit.

#### 7. Use DIY Moving and Packing

- Tip: Professional movers can be expensive. To cut moving costs, consider doing it yourself by renting a truck and enlisting friends or family to help with packing and moving. Reusing old boxes or sourcing free ones from local stores is another way to save money. Label your boxes to stay organized and avoid damage during the move.

#### 8. Furnish Your Home Affordably

- Tip: Instead of buying brand-new furniture, consider second-hand options from thrift stores, online marketplaces, or even community "freecycle" groups. Many items like couches, tables, and décor can be found in great condition for a fraction of the retail price. Additionally, DIY projects to refurbish or repaint old furniture can add a personal touch without breaking the bank.

## 9. Bundle Your Renters Insurance

- Tip: Renters insurance is an important but often overlooked expense. Many providers offer discounts if you bundle it with other policies, such as auto or life insurance. Shopping around for the best rates or bundling multiple types of insurance can save you money while still providing essential coverage for your belongings.

## 10. Set Up Utilities Smartly

- Tip: Utility providers often have different pricing structures based on energy usage, and some may offer cheaper rates for long-term contracts. Do your research on the best deals for electricity, gas, water, and internet. Consider energy-saving habits like turning off lights when not in use, using energy-efficient bulbs, and unplugging appliances to reduce your bills further.

## 11. Sublet or Get a Roommate

- Tip: Sharing your space can significantly reduce the cost of rent. If you have extra space in your new home, consider getting a roommate to split the rent and utility costs. Alternatively, if you plan to be away for an extended period, subletting your apartment (with your landlord's approval) can help cover rent while you're gone.

By following these money-saving renter tips, you can make your next move more affordable, minimize upfront costs, and create long-term financial savings while living in your new rental home.

## **THINGS TO NOT FORGET TO DO WHILE ENDING YOUR LEASE**

The easiest way to end a Tenancy Agreement is with the consent of your landlord. If you don't have a legal reason to end the agreement, write to your Landlord, telling them that you want to leave and when you plan to do so. Give them as much time as possible, and try to get their consent in writing. If they give it, move out on the date you specified in the notice, and hand back the keys.

Here are 6 key things to not forget while ending your lease:

## **1. Review Your Lease Agreement**

- Why: Ensure you understand all terms, including notice periods, cleaning requirements, and any responsibilities for repairs, so you can avoid penalties.

## **2. Give Proper Notice**

- Why: Provide written notice of your intent to vacate within the timeframe specified in your lease to avoid extra charges or legal issues.



## **3. Schedule a Final Inspection**

- Why: Arrange a walk-through with your landlord to identify any potential issues and avoid surprises when it comes to deductions from your security deposit.

## **4. Complete Required Repairs**

- Why: Fix minor damages (like holes in walls or broken fixtures) before moving out to avoid charges that could be deducted from your security deposit.



## **5. Thoroughly Clean the Property**

- Why: Ensure the property is spotless, including carpets, appliances, and windows, as per the lease's end-of-tenancy cleaning requirements to avoid cleaning fees.

## **6. Return Keys and Documents**

- Why: Return all sets of keys, garage remotes, or access cards, and ensure all final paperwork is completed to formally end your lease and avoid late fees.

## **7. Update Your Address**

- Why: Notify your utility providers, postal service, and other important contacts of your new address to ensure you continue to receive bills and mail at your new home.

## **END-OF-LEASE CLEANING HACKS FOR THE BUDGET-CONSCIOUS RENTER**

Moving out of a rented house can be rated as one of the most expensive events. There is already the cost of hiring removalists, buying packing materials, arranging a rental truck, etc.

In addition to this, renters are also responsible for returning the property in a clean state. They must fix the necessary damages caused by them (except fair wear and tear) and conduct a thorough end of lease cleaning to pass the rental inspection. This can also take a toll on their pocket, especially under financial constraints.

However, most tenants prefer hiring professionals for a budget end of lease cleaning Sydney to get their hard-earned deposited security, equivalent to a significant amount of four weeks' rent in NSW. They can help avoid unnecessary deductions by sprucing up the rented property from top-to-bottom, including important spots and dirt-laden areas.

The best part is that you can save some money when cleaning up your rental house or apartment. Here are useful end of lease cleaning hacks designed for budget-

conscious renters or tenants. Follow this guide and tackle stains, grime and gunk like a pro.



## **1. Read Your Lease Agreement & Create a Cleaning Checklist**

It is imperative to read your lease agreement to understand pre-defined cleaning expectations for getting the full bond money back. Also, refer to your property condition report, as you are not liable to pay for pre-existing damages.

Knowing the cleaning expectations helps you prioritise tasks while saving time and energy on unnecessary cleaning. This will also help you stay ahead of your duties as a responsible tenant without draining your pocket.

## **2. Stock up on Multipurpose Cleaning Tools**

Instead of buying multiple cleaning tools, save money by arranging multipurpose cleaning supplies to spruce up your rented property. Here are some of the best options you can consider:

- **Microfiber Cloths and Dusters:** Use this affordable tool to dust surfaces like ceiling fans, walls, light fixtures, blinds, countertops, etc. It can also absorb excessive liquid from carpets and rugs in a breeze. You can also wipe down delicate surfaces as it won't leave scratches behind.
- **Sponges:** These are also versatile and can be used to clean multiple surfaces, such as kitchen appliances, floors, walls and countertops.
- **A Rubber Squeegee:** It is one of the best tools to achieve streak-free windows and mirrors, or removing pet hair and other loose debris from delicate surfaces, such as carpets and upholstery furniture.
- **A Heavy-Duty Vacuum Cleaner:** It can help you remove embedded dust and grime from carpets, upholstery furniture, blinds, window sills, hard floors, etc.

### **3. Prepare a DIY All-Purpose Spray To Tackle Stains**

Store-bought cleaning sprays and solvents are expensive. Plus, they contain harmful chemicals that can pose serious health hazards. If you want to save money on cleaning, prepare a DIY multipurpose spray at home using all-natural ingredients. You will need:

- White Vinegar: 2 cups
- Rosemary/ Tea Tree essential oil: 10 drops
- Mild dishwashing liquid soap: 1 teaspoon
- Warm water: 2 cups

Mix all ingredients and pour into a spray bottle. Use this eco-friendly cleaning spray to clean almost all surfaces in your rented property. It can help remove soap scum from bathroom fixtures, rust stains, carpet stains, built-up grease from ovens, microwaves and fridges, spills from carpets, and much more. Spray gently and wipe off the surface with a damp cloth for sparkling results.

Tip: Do not use it to clean natural stone surfaces like marble or limestone.

### **4. Freshen Up Your Carpets and Upholstery with Baking Soda**

Hand of a man holding a white bottle cleaning carpet with a scrubber.

You don't need expensive deodorisers to kill bad odours from your carpets, rugs, and upholstery furniture. After removing stains with all-purpose spray or diluted Vinegar, sprinkle a generous amount of baking soda and leave it for 2 hours. It will leave your delicate flooring shiny and fresh. Ensure you vacuum clean the carpets and couch before the rental inspection. This will help you impress your landlord.

### **5. Use Lemons For De-greasing and Disinfecting Kitchen Surfaces**

Do not waste money on traditional disinfectants and grease removers. Instead, use lemon to clean kitchen's toughest spots such as the stovetop, cutting board, and appliances.

Use the lemon and baking soda to remove soap scum, build-up grease, grime and gunk without causing any damage. The acidic property in lemon can do wonders in achieving great results within an estimated budget.

### **6. Unclog Kitchen & Bathroom Drains with Baking soda and Vinegar**

Are you budget-conscious when preparing your rented property? Try this hack to clean clogged drains. Pour a cup of baking soda down the drain, followed by a cup of Vinegar. This will produce a fizz and break down stuck gunk and grime.

In the final step, flush the drain with a cup of boiling water. End of lease cleaning Sydney professionals also follow the same method to clean clogged drains economically.

### **7. Tackle Mould with Hydrogen Peroxide**

This great money-saving hack will help you tackle mould and mildew stains easily. Create a paste with 3 per cent hydrogen peroxide and water. Spray the solution on your bathroom tiles, showerhead, curtains, basement, and other affected surfaces.

Leave it for a few minutes and gently scrub using a brush. Make sure you rinse and dry the surface to prevent further growth.

### **8. Book an Affordable Cleaning Service**

If cleaning is not your forte or concerned about your hard-earned bond money, do proper research and outsource professional end of lease cleaning Sydney within

your estimated budget. They basically follow a pre-approved checklist and help you pass the rental inspection without getting into any rental dispute.

Make sure you consider referrals and compare quotes from at least three to four companies. Also, consider what is included in the package, such as oven & BBQ cleaning, floor cleaning, carpet shampooing, etc. This will help you make a decision.



## **CONCLUSION**

"Smart Renting: A Guide to Budget-Friendly Living" emphasizes the importance of making informed decisions and practicing financial discipline when renting. By understanding your budget, negotiating lease terms, and minimizing moving and utility costs, you can create a stable financial foundation while enjoying the flexibility of renting. This guide shows that being a smart renter is about balancing comfort and convenience with cost-effectiveness, helping you make the most of your living experience without overspending.

Incorporating these strategies into your renting journey allows you to achieve long-term financial security while meeting your immediate housing needs. Whether you're new to renting or a seasoned tenant, adopting these smart, budget-friendly

approaches will ensure a more affordable and enjoyable renting experience, setting you up for future success.



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