



Landlord Tenant Law

Importance of Landlord Tenant Law

- You're living on your own now
- You must know the rights and responsibilities of
 - The tenant (that's you)
 - The landlord



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The Players

- Tenant: Somebody who rents a house or apartment for a fixed period of time.
- Landlord: A person that owns property that is rented to tenants.



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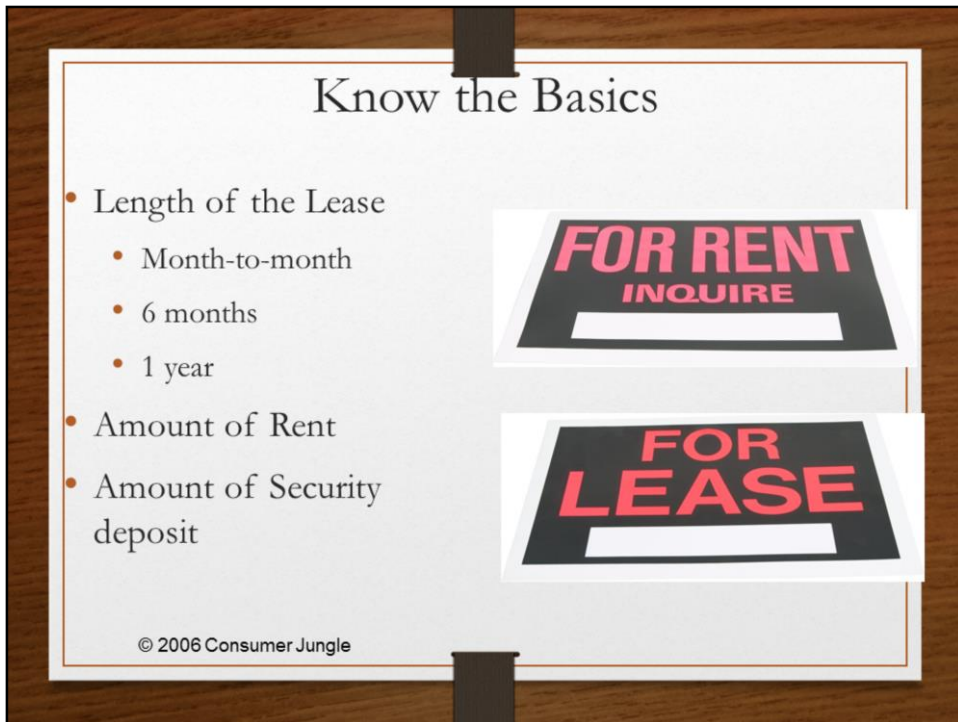
Tenant: A person who rents a house or an apartment for a fixed period of time. This arrangement is usually under the terms of a lease or some similar legal agreement.

Landlord: A person or organization that owns property that is rented to tenants.

Find out Average Rent

- Know average rent for area
- Cost of Living Calculator
 - <http://www.bankrate.com/brm/movecalc.asp>
 - Compare rent between two cities





- Length of the Lease
 - Month-to-month
 - 6 months
 - 1 year
- Amount of Rent
- Amount of Security deposit

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Before you apply, you'll want to know the basics like:

The length of the lease

The amount of Rent

The amount of the Deposit

Lease: An agreement that requires a tenant to stay for a specific amount of time and restricts the landlord's ability to change the terms.

Month-to-month rental agreement: An agreement for an unspecified amount of time, with rent usually payable on a monthly basis.

Rent: A regular payment made to an owner or landlord for the right to occupy or use property.

Security deposit: Money required for leasing or renting property as protection for the landlord in case the tenant doesn't pay rent or maintain the rental.

Good-Tenant Criteria?

- Application Fee for Screening
 - Credit check & bankruptcies
 - Employment & Income
 - Rental history & evictions
 - References
- Applies to each tenant
- Non-refundable



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Many landlords subject prospective tenants to a thorough screening process, checking credit, bankruptcy history, employment, income, rental history, eviction history, and references.

An application fee covers the landlord's cost to check your credit and call your references. If you pay a deposit or an application fee for an apartment and decide not to rent the apartment, you will not be refunded the application fee.

Be prepared with names, addresses, and dates to fill out a rental application.

Credit check: A check of your credit score and credit report to see if your history shows that you will be a responsible tenant.

Legal & Illegal Discrimination

- Legal
 - Poor credit history
 - Insufficient income
 - Bad references
 - Past behavior i.e. destruction of property
 - Tenants would exceed valid occupancy policy
- Illegal
 - Race
 - Religion
 - Ethnic background or national origin
 - Sex
 - Age
 - Tenant has children (except in senior housing)
 - Mental or physical disability.
 - Some states: Marital status or sexual orientation

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Landlords are legally free to choose among prospective tenants as long as their decisions comply with these laws and are based on legitimate business criteria. For example, a landlord is entitled to reject someone with a poor credit history, insufficient income to pay the rent or past behavior--such as damaging property--that makes the person a bad risk. A valid occupancy policy limiting the number of people per rental unit--one that is clearly tied to health and safety--can also be a legal basis for refusing tenants.

What types of housing discrimination are illegal?

The federal Fair Housing Act and Fair Housing Amendments Act (42 U.S. Code §§ 3601-3619, 3631) prohibit landlords from choosing tenants on the basis of a group characteristic such as:

- Race
- Religion
- Ethnic background or national origin
- Sex
- Age
- the fact that the prospective tenant has children (except in certain designated senior housing), or
- Mental or physical disability.

In addition, some state and local laws prohibit discrimination based on a person's marital status or sexual orientation.

Rental Agreements

- **Month-to-month rental agreement:** An agreement for an unspecified period of time, with rent usually payable on a monthly basis.
 - Provides flexibility if you're not sure how long you'll stay
 - Rent or rules can be changed at any time



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The tenancy is automatically renewed at the end of this period unless the tenant or landlord ends it by giving written notice, typically 30 days. For month-to-month rentals (meaning the rent is paid monthly), the landlord can change the terms of the agreement with proper written notice, subject to any rent control laws. This notice is usually 30 days, but can be shorter in some states if the rent is paid weekly or bi-weekly, or if the landlord and tenant agree.

Month-to-month rental agreement: An agreement for an unspecified amount of time, with rent usually payable on a monthly basis.

Lease Agreements

- **Lease:** An agreement that requires a tenant to stay for a specific amount of time and restricts the landlord's ability to change the terms.
 - Usually requires at least a 6-to-12 month commitment
 - Rent and rules stay the same for the lease period



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- A written lease gives a tenant the right to occupy a rental unit for a set term--most often for six months or a year but sometimes longer--if the tenant pays the rent and complies with other lease provisions. Unlike a rental agreement, when a lease expires it does not usually automatically renew itself. A tenant who stays on with the landlord's consent will generally be considered a month-to-month tenant.
- In addition, with a fixed-term lease, the landlord cannot raise the rent or change other terms of the tenancy during the lease, unless the changes are specifically provided for in the lease, or the tenant agrees.

Lease: An agreement that requires a tenant to stay for a specific amount of time and restricts the landlord's ability to change the terms.

More Lease Agreements

- Be prepared to sign a lot of paperwork.
- Keep these guidelines in mind:
 - Request a copy of the paperwork in advance. You can review it at your own pace.
 - Become familiar with rental lingo.
 - Read every word before you sign!
 - Remember: If you sign it, you're liable for it!

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Security Deposits

- How much can a landlord charge for a deposit?
 - Varies by state: some have no limit
 - Usually not more than 1 or 2 months of rent
- When does the landlord have to return the deposit?
 - Varies by state: 14 days to “within a reasonable time”



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Check this url for the security deposit requirement in your state or refer to the Consumer Jungle handout with information downloaded from this website in March 2006.

http://www.rentnet.com/apartments/fyp/legal_corner/lc_fees/state.jhtml

Check this url for the rules on returning a security deposit or refer to the Consumer Jungle handout with information downloaded from this website in March 2006.

http://www.rentnet.com/apartments/fyp/legal_corner/lc_fees/deadlines.jhtml

Source: www.nolo.com, Landlords and Tenant's Center, March 2006

Security deposit: Money required for leasing or renting property as protection for the landlord in case the tenant doesn't pay rent or maintain the rental.

What to Expect in Agreements

- The length of the tenancy
- The amount of rent and deposits the tenant must pay
- The number of people who can live on the rental property
- Who pays for utilities
- Whether the tenant may have pets
- Whether the tenant may sublet the property
- The landlord's access to the rental property, and
- Who pays attorney fees if there is a lawsuit.

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Never sign an apartment lease on the spot. Take it home with you and read it. If you don't understand something, put question marks next to the item and get an explanation.

Leases and rental agreements should always be in writing, even though most states allow them to be oral (spoken). While oral agreements may seem easy and informal, they often lead to disputes. If a tenant and landlord later disagree about key agreements, such as whether or not the tenant can sublet, the end result is all too likely to be a court argument over who said what to whom, when and in what context. This is particularly a problem with long-term leases, so courts in most states will not enforce oral agreements after the passage of one year.

Source: www.nolo.com, Landlords and Tenant's Center, March 2006

Illegal Contract Provisions

- Giving up your right to defend yourself in court
- Limiting the landlord's liability for things they're normally responsible for



Landlord's Maintenance Responsibilities

- Weatherproofing
- Available heat
- Water
- Electricity
- Clean, sanitary, & structurally safe
- Smoke detectors
- Security-Locks & keys



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What are the landlord's repair and maintenance responsibilities?

Under most state and local laws, rental property owners must offer and maintain housing that satisfies basic habitability requirements, such as adequate weatherproofing, available heat, water and electricity, and clean, sanitary and structurally safe premises. Local building or housing codes typically set specific standards, such as the minimum requirements for light, ventilation and electrical wiring. Many cities require the installation of smoke detectors in residential units and specify security measures involving locks and keys.

To find out more about state laws on repair and maintenance responsibilities, check your state's landlord-tenant statutes. Your local building or housing authority, and health or fire department, can provide information on local housing codes and penalties for violations.

Check this url for your state's landlord-tenant statutes or refer to the Consumer Jungle handout with information downloaded from this website in March 2006.

http://www.rentnet.com/apartments/fyp/legal_corner/lc_living/statutes.html

Tenant's Maintenance Responsibilities

- Pay rent and utilities on time
- Comply with local ordinances
 - Noise
 - Business out of home
- Keep unit clean and sanitary
- Dispose of garbage properly
- Respect common areas
 - Lobbies, garages, and pools



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What must tenants do to keep the rental property in good shape?

All tenants have the responsibility to keep their own living quarters clean and sanitary. And a landlord can usually delegate his repair and maintenance tasks to the tenant in exchange for a reduction in rent. If the tenant fails to do the job well, however, the landlord is not excused from his responsibility to maintain habitability. In addition, tenants must carefully use common areas and facilities, such as lobbies, garages and pools.

Tenant Responsibilities

- Properly operate heating, plumbing, and electrical systems
- Don't intentionally or carelessly damage dwelling
- Don't interfere with other tenants' use of the property
- Return the unit to the same condition as when you moved in



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Renter's Insurance

- Important for each tenant
 - Landlord's insurance won't cover your loss
 - Insurance covers loss to belongings:
 - From fire & theft
 - Depends on value of policy: \$25K – 50K
 - Deductibles start at \$250
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A RENTER'S FIVE WORST NIGHTMARES:

-  1. Giving Mom a key.
-  2. Living next to Bongo Bob.
-  3. Getting caught with a pet.
-  4. Too many loads, too few quarters.
-  5. Discovering your landlord's insurance doesn't cover your stuff.

What does renter's insurance cover?

Tenants-especially those with expensive personal belongings need renter's insurance. Tenant losses from fire or theft are not covered by the landlord's insurance.

The average renter's policy covers tenants against losses to their belongings occurring as a result of fire and theft, up to the amount stated on the face of the policy, such as \$25,000 or \$50,000.

Most renter policies include deductible amounts of \$250 or \$500. This means that if a tenant's apartment is burglarized, the insurance company will pay only for the amount of the loss over and above the deductible amount.

In addition to fire and theft, most renter's policies include personal liability coverage (\$100,000 is a typical amount) for injuries or damage caused by the tenant--for example, if a tenant's garden hose floods the neighbor's cactus garden, or a tenant's guest is injured on the rental property due to the tenant's negligence.

Renter's insurance is a package of several types of insurance designed to cover tenants for more than one risk. Each insurance company's package will be slightly different--types of coverage offered, exclusions, the dollar amounts specified and the deductible will vary. Tenants who live in a flood or earthquake-prone area will need to pay extra for coverage. Policies covering flood and earthquake damage can be hard to find; tenants should shop around until they find the type of coverage that they need.

Renter's Insurance: An arrangement by which a company gives a renter financial protection against loss or harm, for example, theft or fire, in return for payment.

Adding a Roommate

- Get your landlord's approval
- Will adding a roommate exceed the occupancy limit?
- Will your new roommate meet your landlord's good tenant criteria?



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If you need to replace a departing roommate or add a new roommate to your 1-person abode, check with your landlord before letting a new person move in. Most landlords will insist that the new roommate become a co-tenant, having the same rights and responsibilities as you do.

Will adding a roommate exceed the occupancy limit?

Landlords are entitled to set reasonable limits on the number of occupants per rental unit.

Will the new roommate meet your landlord's good-tenant criteria?

Many landlords subject prospective tenants to a thorough screening process, checking credit, employment, rental history and references.

Source: www.nolo.com, Landlords and Tenants Center, March 2006

Roommates & Rental Agreements

- Adding a Roommate to the Lease or Rental Agreement
 - New lease
- More Roommates, More Rent
 - More wear & tear
- Security Deposit Increases



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■ **Adding a Roommate to the Lease or Rental Agreement**

If your intended roommate passes the landlord's credit and background checks, the landlord will probably ask both of you to sign a new lease or written month-to-month agreement. From your landlord's point of view, this is far more than a formality, since it makes the new arrival a co-tenant who is 100% liable to pay rent and make good on any damage. It's also desirable from your perspective, because it makes it completely clear that your new roommate shares the same legal rights and responsibilities as you do.

■ **More Roommates, More Rent**

A landlord who agrees to an additional co-tenant will probably ask for a rent increase, on the theory that more residents means more wear and tear. By signing a new lease or rental agreement, you are in effect starting a new tenancy, so the landlord can increase rent immediately, rather than give you the usual 30 days' notice (for a month-to-month rental agreement) or wait until the lease ends.

- Unless your rental unit is covered by rent control -- or if the landlord is using a big rent increase as a not-so-subtle way to discriminate against you for an illegal reason -- your landlord can ask for as much extra money as the market will bear.

■ **Security Deposit Increases**

The landlord also has the legal right to change other conditions of your tenancy when you add a roommate and sign a new agreement. One change that is particularly likely is an increase in the security deposit. However, this is one area where the sky is not the limit, because many states limit the amount of security deposits. Usually the limit is a multiple of the monthly rent. Keep in mind that if the deposit is already at the maximum, but the landlord raises the rent for the new occupant, the maximum security deposit goes up, too.

Source: www.nolo.com, Landlords and Tenants Center, March 2006

Landlord's Legal Right to Enter

- May need to:
 - Make repairs
 - Show property
- Must give notice
 - Varies by state from 24 hours to "reasonable notice"
- No notice needed:
 - Emergency
 - Fire
 - Serious water leak
 - Abandonment
- You can't refuse access

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When a landlord has the legal right to enter rented premises.

Under what circumstances may a landlord enter rental property?

Typically, a landlord has the right to legally enter rented premises in cases of emergency, in order to make needed repairs (in some states, just to determine whether repairs are necessary) or to show the property to prospective new tenants or purchasers.

Several states allow landlords the right of entry during a tenant's extended absence (often defined as seven days or more) to maintain the property as necessary and to inspect for damage and needed repairs. In most cases, a landlord may not enter just to check up on the tenant and the rental property.

Must landlords provide notice of entry?

States typically require landlords to provide advance notice (usually 24 hours) before entering a rental unit. Without advance notice, a landlord or manager may enter rented premises while a tenant is living there only in an emergency, such as a fire or serious water leak, or when the tenant gives permission.

Check this url for the laws on entering a rental unit or refer to the Consumer Jungle handout with information downloaded from this website in March 2006.

http://www.rentnet.com/apartments/fyp/legal_corner/lc_living/notice.jhtml

Repairs

- Put your request in writing
- Give landlord time to respond. Required response time varies by state but generally:
 - 24 hours for no hot or cold water, heat, electricity or for other hazardous or life-threatening conditions
 - 72 hours for refrigerator, range, oven, or major plumbing problems
 - 10 days for all other repairs



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Tenant's Rights for Repairs

- Options when landlord won't repair:
 - Pay less rent
 - Withhold rent
 - Make repairs
 - Hire professional & deduct cost from rent
 - Call building inspector
 - Mediate or go to court
 - Move out (give notice)
- Varies by state

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What are a tenant's rights if the landlord refuses to maintain the property?

If a landlord doesn't meet his or her legal responsibilities, a tenant usually has several options, depending on the state. These options include:

- paying less rent
- withholding the entire rent until the problem is fixed
- making necessary repairs
- hiring someone to make necessary repairs and deducting the cost from the next month's rent
- calling the local building inspector, who can usually order the landlord to make repairs, or
- moving out, even in the middle of a lease

A tenant can also sue the landlord for a partial refund of past rent, and in some circumstances can sue for the discomfort, annoyance and emotional distress caused by the substandard conditions.

Tenants should check state and local laws and understand remedies available before taking any action such as withholding rent.

When You Can Be Evicted

- Not paying rent
 - Even if one day late with rent
 - Three-day notice to pay or move out required
- Not complying with terms of rental agreement
 - Ten-day notice to comply or move out required
- For creating a waste or nuisance
 - Three-day notice to move out required
 - No option to stay to correct problem

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Eviction: To force a tenant to leave a property usually because he or she failed to comply with the terms of the rental or lease agreement.

More When You Can Be Evicted

- No cause
 - Varies by state
 - Twenty-day notice required
 - May not be discriminatory or retaliatory
- If tenant refuses to vacate, landlord can obtain court order and request sheriff to move belongings.



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If you know you're going to be evicted, try to make some arrangements to move your possessions, either to a friend's house or into storage.

Illegal Landlord Actions



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- Even if you're behind in rent
 - Lockouts
 - Utility shutoffs
 - Taking your property (unless you abandon it)
 - Retaliatory actions

When the Tenant Breaks the Lease

- Tenant can legally break the lease if:
 - Landlord fails to make repairs
 - Fails to comply with health & safety
- Tenant responsible for remainder of rent under lease term
 - Landlord has duty to find a new tenant



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- What happens if a tenant breaks a long-term lease?
- As a general rule, a tenant may not legally break a lease unless the landlord significantly violates its terms--for example, by failing to make necessary repairs, or by failing to comply with an important law concerning health or safety. A few states have laws that allow tenants to break a lease because of health problems or a job relocation require a permanent move.
- A tenant who breaks a lease without good cause will be responsible for the remainder of the rent due under the lease term. In most states, however, a landlord has a legal duty to try to find a new tenant as soon as possible--no matter what the tenant's reason for leaving--rather than charge the tenant for the total remaining rent due under the lease.

When the Landlord Breaks the Lease

- Landlord can legally break the lease if:
 - Tenant pays rent late, has a dog under a no-pet clause, or damages property.
- Landlord may:
 - Give time to change i.e. find a new home for the dog
 - Ask tenant to leave
 - How varies by state



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When can a landlord legally break a lease and end a tenancy?

A landlord may legally break a lease if a tenant significantly violates its terms or the law--for example, by paying the rent late, keeping a dog in violation of a no-pets clause in the lease, substantially damaging the property or participating in illegal activities on or near the premises, such as selling drugs.

A landlord must first send the tenant a notice stating that the tenancy has been terminated. State laws set out very detailed requirements as to how a landlord must write and deliver (serve) a termination notice. Depending on what the tenant has done wrong, the termination notice may state that the tenancy is over and warn the tenant that he or she must vacate the premises or face an eviction lawsuit. Or, the notice may give the tenant a few days to clean up his or her act--for example, pay the rent or find a new home for the dog. If the tenant fixes the problem or leaves as directed, no one goes to court. If a tenant doesn't comply with the termination notice, the landlord can file a lawsuit to evict the tenant.

When You Move Out

- Provide written notice according to your rental or lease agreement.
 - Rental: Usually 30-day notice
 - Lease: You're responsible for rent for remaining leasing term unless landlord can rent unit



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More When You Move Out

- Clean apartment and leave in same condition as when you moved in (except normal wear and tear)
- Leave forwarding address for deposit return



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How to Protect Yourself

- Ask parents to walk through rental with you
- Take pictures of everything (include date on photo)
- Go through rental check list



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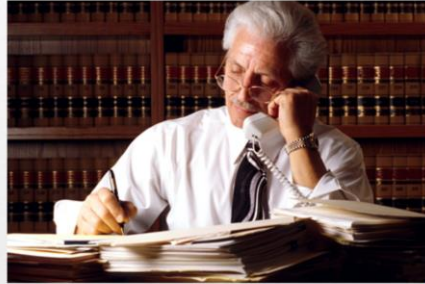
Make sure to be present for the move-in inspection, and note everything you can find wrong with the apartment. Be present for the move-out inspection, too.

Where to Go for Help

- Your state Attorney General's office
- Your state Housing and Urban Development (HUD) department
- MI specific document:

[Tenants & Landlords: a practical guide](#)

- www.lawhelp.org
 - Choose your state/Housing
 - Download state-specific information



How does a tenant file a discrimination complaint?

A tenant who thinks that a landlord has broken a federal fair housing law should contact the U.S. Department of Housing and Urban Development (HUD), the agency which enforces the Fair Housing Act. To find the nearest office, call HUD's Fair Housing Information Clearinghouse at (800) 343-3442, or check the HUD website at www.hud.gov. HUD will provide a complaint form and will investigate and decide the merits of the claim. A tenant must file his or her complaint within one year of the alleged discriminatory act. HUD will typically appoint a mediator to negotiate with the landlord and reach a settlement (called a "conciliation"). If a settlement can't be reached, the fair housing agency will hold an administrative hearing to determine whether discrimination has occurred.