

NAVIGATING THE CONFUSING WORLD OF
TENANT LEASES



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Introduction

Remember when verbal agreements carried weight? Although we'd all like to think the honor system works, in today's world, it is better (read: smarter) to put everything in writing.

Having a physical document that both parties have read, signed and committed to leaves no room for interpretation. Plus, physical documents allow for the understanding of the Homeowners Association (HOA) rules, regulations and specific provisions, such as what kinds of pets are allowed.

Leases are meant to be clear-cut, but navigating them is not always easy. This guide can help you get a better grip on what the words on paper mean for you and your tenants.

Note: Make sure you are using a lease drafted and prepared for your specific state. State and local laws vary greatly, so keep that mind.

payment is late or missed (fees, warnings, etc.).

5. **Security deposits:** Used to protect you against damages or if a tenant leaves without warning.
6. **Maintenance, utilities and extras:** Make sure both parties know who is responsible for paying what and which parties are responsible for DOING things like mowing lawns, replacing light bulbs, etc.

The Fundamentals

1. **Know their names:** Know the full names of all tenants. It is in everyone's best interest to ensure that all the people who will be living in the apartment are recognized as residents. This will help you if any issues or actions arise in the future.
2. **Rental terms:** Specify the amount being paid to whom and when.
3. **Termination of lease:** Detail how to give notice and a timeline of the tenant's stay. Make sure you have clear terms for required notice to renew or terminate a lease as well as to increase the rent. This will help prevent a tenant leaving without notice to the owner.
4. **Payment terms:** Put it all down in writing, meaning what type of payment will be accepted and what will happen if

Each state has different laws and regulations around tenant leases, so please check with your local representative or lawyer to further understand your rights.

But keep in mind that in some states, like Minnesota, when tenants are responsible for lawn care or snow removal, they must receive some sort of compensation in the form of rent reduction or direct payment from you, the owner. Renters Warehouse uses the rent credit and deducts this amount from the total due each month.

7. **Parking terms and fees:** Used to provide order among your various tenants. This prevents disputes over parking spaces.
8. **The Rules:** Understand the [Homeowners Association Rules and Regulations](#).
9. **Pet guidelines:** If pets are allowed in your units, make sure you specify terms for the furry friend's wellbeing.

The Safeguards

Destruction of property

Regular wear-and-tear is to be expected over the years. This includes worn carpets or tiles and faded paint. But there's a difference between genuine wear-and-tear and destruction of property.

Your tenant is damaging the property if there is an extreme amount of dirt, carpet stains, holes in the wall or broken windows. That kind of damage is the tenant's responsibility.

Normal wear-and-tear is expected, however 'damage' is something that can be recovered. Make sure this is outlined in your tenant agreement.

If the damage requires a small repair, give the tenant the contact information of a good repair person. If the damage is significant, or if they are ignoring you, have it [fixed yourself](#) and then send them the bill.

Criminal Activity

First, you need to know what your state's regulations are, because the landlord's responsibility for criminal activity varies from state to state. For example, in New Jersey, you can only evict someone once they have committed a crime. But in Texas, you only need reasonable suspicion to act.

Your lease should include one or more paragraphs detailing the types of criminal activity that you will not tolerate. Make sure your tenants know that they will be evicted immediately if they violate this term of the lease.

Keep in mind that many states have a Crime Free Lease Addendum that should be drafted and attached to the lease.

Noise

Thankfully, you can legally terminate a noisy tenant who refuses to comply with the lease agreement. But, there is protocol when it comes to a noisy tenant.

- Document received complaints.
- Try to solve noise problem by talking with the tenant.
- If the problem persists, send the tenant a copy of the lease agreement, reminding them that the lease prohibits this sort of behavior.
- Repeat this step if necessary.
- If the noise continues, then you can send a Notice of Breach With Right to Cure form. This document not only gives the tenant a time frame to correct their behavior, but it also lets them know that continuing this noisy behavior will give you the right to evict them.

Maintenance/Condition

This part of the lease determines who is responsible for the work and cost of property maintenance. It also determines who is responsible for repairing damage done by "wear-and-tear" and other kinds of damage. A well thought out move-in and move-out process is highly recommended. Note: Renters Warehouse conducts a custom video tour for every managed

property to ensure unbiased record of original condition.

Alterations to Property

This clarifies the rights and obligations of the landlord and tenant, respecting the renter's desire to make physical changes to the rental property. The alterations clause normally has five sections:

1. **Requirement of consent:** Usually, the tenant is prohibited from making physical changes to the leased premises without the consent of the landlord.
2. **Procedures for landlord notification and granting of consent:** An alterations clause defines how a tenant may acquire the landlord's consent to make physical changes to the leased premises.
3. **Manner of construction:** The clause will typically detail how the work will be performed and allocate the costs and liabilities of the work between the landlord and the tenant.
4. **Payment and liens:** The clause may require the tenant promptly pay all contractors and to post bond to ensure completion of work and protection against liens.
5. **Removal of alterations:** Finally, an alterations clause may define what will happen to the alterations once the relationship between the landlord and tenant has ended.

can use this form only if: the landlord did not serve a Prejudgment Claim of Right to Possession form with the summons and complaint; the occupants were not named in the writ of possession; and the occupants have lived in the rental unit since before the unlawful detainer lawsuit was filed. ([Source](#))

3. **Insurance** - Insurance protects the tenant against property losses, such as losses from theft or fire. It also protects the tenant against any legal responsibility for claims or lawsuits filed by the landlord or by others alleging that the tenant negligently injured another person or property. ([Source](#))



Advise your tenants to get proper renter's insurance. Most packages cover fire, theft, and even liability protection.

4. **Right to entry and inspection** - A landlord may enter the rental property only for certain reasons:
 - In the case of an emergency such as a fire or broken water pipe.
 - To make necessary or agreed repairs or alterations or supply necessary or agreed services.
 - To exhibit the premises to prospective tenants or purchasers or contractors.
 - To make a "pre-departure" inspection when the current tenant is moving or to inspect smoke detectors, or a annual

The Nitty Gritty

1. **Change of terms** - Want to change the terms of the lease without ending it? Well, you can! All that is necessary is written mutual consent by both the landlord and tenant.
2. **Prejudgment Claim of Right to Possession** - Tenants can use this form to temporarily stop their eviction. They

inspection in government funded housing.

- When it is evident that the tenant has abandoned the premises.
- Pursuant to a court order.

In some states, a landlord must give 24 hours written notice to the tenant of his intent to enter, and may only enter during normal business hours. Notices must include date, approximate time, and purpose of entry. ([Source](#))

5. **Attorney fees:** A must-have clause for any rental agreement. This ensures that legal fees and collection expenses are the tenant's responsibility. Here is a [sample clause](#) to incorporate into your lease agreement.
6. **Assignment:** If a tenant wants to get out of a lease that is not expired, one of the legal options is to assign or transfer the lease to somebody else. This is called an Assignment of Lease. ([Source](#))
7. **Partial invalidity:** If a part of the rental agreement is deemed to be unenforceable or invalid, then a partial invalidity clause dictates that the remainder of the agreement still applies.
8. **No waiver:** This protects both the landlord and the tenant in the event that a part of the rental agreement is neglected, making sure that both parties follow through on the details of the rental agreement. ([Source](#))

Conclusion

While every lease may be different, this document has provided you with numerous suggestions of what you can include for your own protection as a landlord. Once signed, both landlord and tenants are legally held responsible for fulfilling its terms. Refer to it regularly to ensure that you are following protocol at all times, not just every time you run into an issue you can't handle. And if you need to add new terms, your tenant must agree to it before it can be enforced.

If you need help with understanding your rights and what to do in a disaster, Renters Warehouse can help. Take a look at our [Professional Landlord services](#) and [FREE Rental Price Analysis](#). Let us help you to find the right tenant, take care of maintenance, and ensure a worry-free rental experience..

If you have any landlord and property management questions, we are also happy to answer them. Tweet at us [@ProLandlord](#) or visit our [Facebook page](#).