



## Module 6.1 Study Guide

# HUD Housing Counselors Training



U.S. Department of Housing  
and Urban Development

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# MODULE 6.1 TENANCY/OBTAINING AND MAINTAINING TENANCY

## MODULE INTRODUCTION

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### MODULE INTRODUCTION

Whether clients seek counseling to transition away from homelessness or to prepare to purchase a home in the future, housing counselors can assist them in securing affordable rental housing.

In this module, you'll learn about concepts associated with the execution and termination of a lease agreement, the responsibilities of tenants and landlords regarding property maintenance, and steps to resolve disputes between landlords and tenants. You'll also learn about renters insurance.

*Note: Though many states have specific laws designed to protect the rights of manufactured-home owners who lease land as well as manufactured-home community owners, the concepts related to obtaining and maintaining tenancy outlined in this module generally also apply to land leases for manufactured-home owners. Tenants who rent a manufactured home and the lot are subject to the same landlord-tenant laws as a tenant who rents an apartment.*

### LESSON OBJECTIVES

By the end of this module, you'll be able to:

1. Comprehend rental housing counseling topics which include counseling regarding future homeownership opportunities, seeking affordable rental housing, assisting displaced residents, and providing referrals to other housing services.
2. Demonstrate knowledge of lease terms and concepts by describing to a client the impact a lease has on the client's right to the use and enjoyment of the leased property, including negative impacts of early termination.
3. Apply knowledge of common maintenance requirements found in a tenancy lease when reviewing a client's responsibilities to maintain appliances, walls, and other physical assets within a leased property.

4. Employ conflict resolution strategies necessary to assist in the amicable resolution to client's "tenant/landlord" disputes.
5. Comprehend the importance of renter insurance coverage and the purpose of maintaining a policy.

With these in mind, let's begin.

## TENANT COUNSELING PROCEDURES

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### TENANT COUNSELING PROCEDURES

Recall from Module 2.2 how Jake, an experienced housing counselor, discussed affordable rental programs with a client named Angela. We observed in that module that Jake took two initial steps of tenancy counseling, or rental housing counseling:

1. Determine affordability.
2. Review affordable housing program options.

In this module, we will observe as Jake prepares Angela to obtain and maintain tenancy in a new rental property by following these additional steps of tenancy counseling.

1. Provide referrals to rental housing assistance programs.
2. Discuss housing wants and needs.
3. Identify common obstacles and solutions for application approval.
4. Coach on upholding a lease agreement.
5. Share methods for resolving tenant-landlord conflict.
6. Explain renters insurance.

#### Eviction

A legal process by which someone is expelled from a property, usually a tenant from a rental property.

During this session with Angela, you will see that even a client with prior **evictions**, a history of homelessness, and/or a poor credit history is often able to overcome initial obstacles to become a trusted and successful tenant.

Before we enter the session, let's take a moment to review notes in Angela's file:

File notes: Angela	
	• She is married with one child.
	• Her family moved in with her ailing mother.
	• She reports a prior eviction after her husband lost his job and couldn't pay rent.
	• She has overdue utility bills from a prior rental.
	• Her husband currently has a stable job.
	• She is not currently employed.



*A Client, Angela*

We'll now enter the session at the point where Jake is referring Angela to long-term rental housing assistance programs and discussing her housing preferences. Recall from Module 2.2 the discussion of each type of rental housing assistance and qualifications for various programs. You can also refer to the [HUD Rental Housing Toolkit for Housing Counselors](#) for more information about providing rental housing counseling.

## REFERRALS AND HOUSING PREFERENCES

**JAKE.** As I mentioned, it's most likely you'll receive long-term rental housing assistance through the Housing Choice Voucher Program and the project-based County Rental Assistance Program.

While you may qualify for public housing, there are no public housing programs available in this area right now.

**ANGELA.** Do I need to choose one to apply to or do I apply to both?

**JAKE.** I recommend you apply to both. Since it's likely that both programs have a waitlist, it is best to get on both waitlists and then see which option becomes available first.

**ANGELA.** Okay, do I just apply for them through your office?

**JAKE.** No. To apply for the Housing Choice Voucher Program, you will need to contact the local public housing authorities, or PHAs, that serve the areas in which you'd like to live.

On the other hand, for project-based rental assistance programs, such as the County Rental Assistance Program, you apply directly to the property manager.

Let's look up the contact information for both the local PHA and the County Rental Assistance office.

Home / State Information / Oklahoma / Rental Help

## RENTAL HELP: OKLAHOMA

### Subsidized Apartments

HUD helps apartment owners offer reduced rents to low-income tenants. To apply, contact or visit the management office of each apartment building that interests you.

▸ [Search for a subsidized apartment](#)

### Public Housing and Housing Choice Vouchers (Section 8)

To apply for either type of help, visit your local Public Housing Agency (PHA).

▸ [PHAs in Oklahoma](#)

▸ Questions? [Email](#) or call our Public and Indian Housing Information Resource Center toll-free at (800) 955-2232.

Some PHAs have long waiting lists, so you may want to apply at more than one PHA. Your PHA can also give you a list of locations at which your voucher can be used.

### Need advice?

▸ [Contact a housing counseling agency](#)

▸ [HUD Resource Locator](#) - search for HUD offices, affordable housing, public housing agencies and homeless resources

### More From HUD

▸ [What is Public Housing?](#)

▸ [What are Housing Choice Vouchers?](#)

▸ [Fair housing](#)

▸ [More rental assistance](#)

▸ [Income limits](#)

▸ [Landlords](#)

▸ [Tenants](#)

▸ [Senior citizens](#)

▸ [People with disabilities](#)

Jake then refers to [resources.HUD.gov](https://resources.hud.gov) to find locations and contact information for local PHAs and subsidized apartments. From [resources.HUD.gov](https://resources.hud.gov), Jake selects “Find affordable housing opportunities near me” and focuses the map on his location to see what nearby properties offer subsidized apartments.

HUD also maintains websites with housing resources for each state. Housing counselors can search “rental help” and the name of their state on [HUD.gov](https://HUD.gov) to find local PHA information.

Jake records the contact information he finds in the Referrals section of the Client Action Plan.

### Referrals:

1. Public Housing Authority—555-5498
2. County Rental—555-2394

**ANGELA.** Okay, I will have my husband contact both of the programs.

As I skimmed over the brochure you gave me about the Housing Choice Voucher Program, I noticed it says that the voucher recipient is responsible for finding a suitable housing unit. I like that, because I have a general idea of what kind of rental I want already.

**JAKE.** Yes, once you are issued a Housing Choice Voucher, you can either select a rental unit already approved by the local PHA, or you can find a rental unit on your own.

If you decide to find a rental on your own, keep in mind that:

- The unit must not exceed the home size for which your family is eligible, based on your family size and composition.
- The unit must meet an acceptable standard of health and safety before the PHA can approve it.
- The landlord must be willing to participate in the rental assistance program.
- You and your husband will need to reach an agreement with the landlord over lease terms.
- The local PHA must inspect the dwelling and determine that the rent requested is reasonable.

In the meantime, since you have an idea of your housing preferences already, let's write those down on your Client Action Plan. Then, we can brainstorm other needs and prioritize them.

**ANGELA.** Good idea. That will help me focus my housing search when the time comes to find a new place.

<b>Housing Preferences:</b>	<b><i>Needs</i></b>	<b><i>Wants</i></b>
<i>Types &amp; Features</i>	Dishwasher, more than one bedroom, on-site or in-unit laundry facilities.	Storage space and a main floor unit.
<i>Location</i>	Reasonable commute to husband's job and mother's apartment.	Near a park and public transportation.

## **APPLICATION APPROVAL**

Next, Jake explains to Angela that before she begins her housing search, she should be aware that some landlords or rental companies carefully screen applicants.

**JAKE.** Once you begin to apply for rental housing, either with a voucher or through the project-based program, landlords may reject your rental application if they identify certain issues of concern in your rental or financial history.

I recommend that you apply for the Housing Choice Voucher Program right away to get on the waitlist; however, I believe it would be best if you wait to submit applications to landlords or rental companies, like the County Rental Assistance Program, until we work together to address any issues that may concern them.

**ANGELA.** My husband and I have been rejected by a landlord before, but we thought it was just because his job wasn't very stable. His job now, though, is quite stable, so what other concerns would landlords have?

Jake and Angela then discuss common reasons that landlords reject a rental application, identifying obstacles that Angela may encounter as she applies for housing and brainstorming ways to address the obstacles.

*Note: When purchasing an existing manufactured home in a manufactured home community, the homebuyer must typically apply for tenancy and sign a lease before they will be allowed to move in to the home. Failure to do so could result in eviction of the home and the homeowner from the community. Housing counselors should encourage manufactured-home buyers to obtain community approval before finalizing the home purchase to avoid having to relocate or sell their new home.*

Let's explore the common obstacles and solutions.

## APPLICATION OBSTACLES AND SOLUTIONS

### Low Income

#### Description:

Landlords may request paycheck stubs or other documents from applicants to verify monthly income. Some have a policy to reject applicants when the stated monthly rent exceeds 30% of the applicant's gross monthly income.



#### Solution:

Individuals who do not have sufficient income to rent a home in their areas can:

- Consider applying for housing assistance programs for which they are eligible.
- Expand their housing search areas.
- Share their rental units and expenses with roommates. It is best to select a roommate who is dependable and will be able to pay his/her portion of the rent for the duration of the tenancy.
- Move in with family or friends and contribute to their rent.



## Outstanding Utility Bills

### Description:

Landlords may deny an application if the applicant has any unpaid debts, including utilities, related to previous rentals. Unpaid utilities will often appear on the applicant's credit report.

### Solution:

To improve credit specifically for the purpose of renting, applicants can pay off unpaid utilities before other debts.



## Insufficient Savings

### Description:

Landlords will expect renters to have sufficient savings to pay upfront costs associated with renting. These costs may include:

- **A credit report fee:** A fee charged when a landlord pulls an applicant's credit report. This fee is often bundled together in a larger apartment rental application fee.
- **A security deposit:** A lump sum typically due upon signing the lease. The landlord returns it to the tenant when a lease is terminated if the tenant does not cause damage to the unit or violate the terms of the lease.
- **First month's rent:** Rent for the first month of the rental period is often due upon signing the lease.
- **Last month's rent:** Rent for the last month of the rental period is often due upon signing the lease.
- **Moving expenses:** Expenses for packaging materials, renting a vehicle, or hiring moving professionals, which the new tenant may incur during the moving process.
- **Appliances:** Expenses for buying necessary appliances that are not provided in the home may be incurred.
- **Connection fee for utilities:** Charges incurred when a new tenant transfers the rental home's utility bill from the previous tenant's name to his/her name.
- **Outstanding utility bills:** If a new tenant has outstanding utility bills from a previous rental, s/he must often pay these debts before utility companies will provide services to the new rental unit.



**Solution:**

To prepare to cover upfront rental costs, potential tenants can plan ahead and use budgets.

To reduce upfront rental costs, individuals may:

- Seek to rent from an individual landlord rather than a rental management company. Individual landlords may be more likely to waive or negotiate lower prices for various upfront costs.
- Ask friends and relatives to help them move.
- Buy refurbished appliances.

**Poor Credit History****Description:**

Landlords typically run a credit report on applicants. Information on a credit report that might concern them includes:

- A low credit score.
- History of late payments to creditors.
- Collections or judgments.
- Bankruptcy or foreclosure.

**Solution:**

To reduce a landlord's concern about issues stated on a credit report, an applicant can:

- Explain reasons for the issues.
- Describe steps taken to correct the issues.



## Unfavorable Rental History

### Description:

Landlords may be hesitant to trust an applicant who has been evicted from prior rental properties or who has no rental history.



### Solution:

Applicants can provide a landlord with proof of capacity for responsible tenancy, such as:

- A letter from a friend or relative with whom they previously lived and to whom they informally paid rent.
- A letter from a housing counselor confirming that they have participated in tenancy counseling and are now aware of the related rights and responsibilities.
- A reference of a landlord with whom they have had no disputes.

## Bank Account Overdrafts

### Description:

Landlords may not trust an applicant's ability to pay monthly rent responsibly when the applicant has a history of overdrafts on a bank account, leading to bounced checks and other issues. Bank overdrafts occur when an account does not have sufficient funds to cover a payment, such as covering a check written from that account.



### Solution:

Applicants can adjust their financial habits by participating in a financial management education course. Subsequently, a housing counselor can confirm the applicant's participation.

## CLIENT ACTION PLAN

Let's take a look at Angela's Client Action Plan to see what she and Jake have identified as her possible obstacles during the housing application process.

### Obstacle(s):

1. Least expensive rents in the area exceed 30% of income.
2. Account overdraft fees recorded on bank statement.
3. Eviction from prior rental apartment.
4. Unpaid utility payments from prior rental apartment.

**JAKE.** It may take some time to work through steps to overcome your renting obstacles.

**ANGELA.** That's not a problem. My family can stay with my mother for a few more months while we work on each task.

**JAKE.** Perfect. I will write down each solution we've discussed on your Client Action Plan, both the steps I will take and the steps you need to take.

**Counselor Actions/Tasks and Time Frames:**

1. Set up a follow-up meeting for April 5, 2023.
2. Enroll Angela in the financial management education course by February 5, 2023.
3. Write a letter to prospective landlords by April 5, 2023 confirming Angela's participation in a financial management course that taught her how to manage funds and bank accounts effectively.
4. Help Angela write a letter to prospective landlords in the April 5, 2023 meeting that explains:
  - The circumstances of Angela's eviction.
  - The skills and knowledge Angela gained in tenancy counseling.
  - The reasons why Angela feels confident she will be able to pay rent on time during the entire lease period.

**Client Actions/Tasks and Time Frames:**

1. Contact the PHA to apply for the Housing Choice Voucher Program by February 15, 2023.
2. Participate in a financial management course starting March 7, 2023.
3. Ask my mother's landlord to compose a letter of recommendation and request an additional verification letter from her landlord by April 5, 2023. The letters will state that I have contributed to rent while living with my mother and have been a responsible tenant.
4. Contact the utility company and pay utility debts by April 5, 2023.
5. Compile a list of potential rental units that will accept a voucher before April 5, 2023.
6. Submit applications to potential rental units (including County Rental Assistance Program) after meeting on April 5, 2023.

We have now seen how Jake provides referrals to other housing services, determines a client's housing needs, identifies a client's potential obstacles for getting an application approved, and creates solutions for overcoming those obstacles. Let's now take a moment for some knowledge checks.

## KNOWLEDGE CHECK 1

Jake has a session with a new client, Ruth, later that day. She has received notice that her apartment complex, which offers her project-based housing assistance, will be sold to a new management company in six months. The new company will renovate the building and will no longer participate in the project-based assistance program. In his role as a housing counselor, which action is Jake **unable** to take to help Ruth find another affordable rental?

- A. Provide Ruth with contact information for local housing authorities that administer rental assistance programs.
- B. Approve Ruth for a Housing Choice Voucher.
- C. Help Ruth understand what may deter a landlord from approving her rental application.
- D. Assist Ruth in distinguishing between her housing wants and needs.

## KNOWLEDGE CHECK 2

Match the description of the client on the left to the action that the client can take to reduce the risk that his/her rental application will be rejected on the right.

- |   |  |
|---|--|
| A. A client makes \$35,000 a year and is applying to rent a home that costs \$18,000 a year.  | ___ 1. The client can invite friends to move into the townhouse with him/her and share the rent.   |
| B. When Jeff and May got divorced, May moved out. Jeff was left to pay rent for his home with one income instead of two incomes, as they had done before. This led him to have late payments, which decreased his credit score. | ___ 2. The client can prioritize paying off debts to utility companies.  |
| C. Jackson has had five bounced checks in the past year.  | ___ 3. The client can provide the prospective landlord with a letter of recommendation from the individual to whom s/he informally paid rent.  |
| D. Mary did not pay her electricity bill during the last month in her previous rental.  | ___ 4. The client can be upfront with the potential landlord about why s/he had late payments on the previous rental. S/he can also describe how the current situation differs in a way that will allow him/her to consistently make payments on time. |
| E. Jordan has lived in a friend's home for the past eight years. He paid him rent every month but had no formal lease agreement.  | ___ 5. The client can take a financial management course and ask his/her housing counselor to confirm that s/he has done so.   |

## LEASE AGREEMENTS

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### UPHOLDING A LEASE AGREEMENT

Let's return to the session now to see how Jake coaches Angela on upholding a lease agreement.

**JAKE.** Now, once you find a place that fits your needs, is affordable, and will accept your application, you'll want to do everything possible to be a successful tenant and avoid eviction.

**ANGELA.** I have been evicted before and know now that I need to avoid it no matter what!

At that time, my husband had lost his job, and we didn't have rent money for a few months. We were eventually evicted and not only had to pay for those months of rent when my husband got a new job, but we also had to pay many legal charges as well.

As you've seen, it also brought our credit scores way down.

**JAKE.** I am sorry you found yourself in such a difficult situation.

As you mentioned, it is common for eviction to cause financial stress and a credit score reduction; however, exact consequences connected to each eviction vary based on state laws and the lease agreement.

Eviction also can result in the loss of a Housing Choice Voucher or other rental assistance.

**ANGELA.** How do you suggest that we avoid facing eviction again?

**JAKE.** *Understanding and upholding your lease will provide you with the best protection against eviction.*

One of the most fundamental aspects to understand about a lease is that it legally binds tenants to pay rent for the entire lease period. Most evictions occur in situations like yours, where tenants are unable to do this.

Even when you have unexpected expenses or loss of income, it is important to always pay rent on time.

To minimize the risk that you'll be late paying rent again, I recommend that you:

- Prioritize paying rent before other expenses.
- Build up savings to use for rent during periods of unemployment.
- Be aware of your finances at all times.
- Set up an automatic payment for your rent each month.

- Avoid signing a lease for a period of time that extends beyond your term of guaranteed employment.

**ANGELA.** Those are very useful tips. I will talk to my husband so we can start following your advice. Is there anything else that would be helpful to understand about the lease?

**JAKE.** Yes. Let me explain more about different types of leases and different types of tenancy.

*Note: Manufactured-home owners who do not uphold their responsibilities under the land lease or property rental agreement risk being evicted. When a manufactured-home owner is evicted, they must sell the home or remove the home from the lot which can cost up to \$20,000. In some states, the landlord has the right to charge storage fees and seize the home if it is not moved or sold within a certain time period.*

## **TYPES OF LEASES AND TENANCIES**

Jake then offers simple explanations of the following lease and tenancy types to Angela.

### **Lease Types**

#### **Written Lease**

A written document outlining the terms by which a property will be rented. Written leases provide security and can simplify the process of resolving conflicts.

#### **Oral Lease**

An agreement that is discussed verbally, but not put in writing, which outlines the terms by which a property will be rented. Oral leases are recognized and enforced in many states, but they rely simply on the memories of involved parties and thus can lead to arguments.

### **Tenancy Types**

#### **Contractual Tenancy**

An arrangement in which both a tenant and a landlord sign an official lease, which outlines a fixed term of tenancy, a rent payment process, and other rental conditions.

#### **Tenancy at Will**

An arrangement in which the tenant receives permission from the homeowner to reside in a home without a formal lease, rent payment, or a specified rental period.

#### **Tenancy at Sufferance**

An arrangement in which a tenant is allowed to reside in a home after a lease has expired as long as they continue to meet the conditions of the original lease.

**JAKE.** Some landlords may offer you an oral lease, which may be enticing since it is easy and informal; however, remember that it is not very secure.

I recommend that you always request a written lease outlining contractual tenancy in order to best protect your right to use, enjoy, and remain in your rented home.

## **RENTAL AGREEMENTS**

Next, Jake and Angela look at a sample lease used for contractual tenancy. Jake helps Angela understand how to read a rental agreement and identify important provisions.

Oftentimes, individuals enter disputes with landlords or face eviction because they simply have not understood the rules outlined in their lease regarding practices, such as:

- Paying rent.
- Paying additional fees.
- Handling bills for utility providers.
- Using parking areas.
- Using storage areas.
- Hosting guests.
- Keeping pets.
- Maintaining the property.
- Making alterations to the property.
- Limiting noise.

See Resources for a sample lease.

In other situations, clients do not fully enjoy the use of their property because they have not understood their rights protected by the lease, such as:

- A rental unit that is safe, sanitary, and generally habitable.
- Uninterrupted gas and water service.
- A refund of the security deposit when the rental agreement terminates.
- An assurance of timely repairs to the rental unit.
- Prior notice before a landlord comes to the property.



### KNOWLEDGE CHECK 3

Ahmed has received a note from his landlord explaining that he will be evicted if he continues to break tenant regulations. The note did not specify exactly what Ahmed was doing wrong. If Ahmed reviews his lease, which guideline is **least** likely to be in the tenant regulations?

- A. Guests may not stay at the housing unit more than 15 days without the owner's written consent.
- B. The resident is permitted to park only in the parking location 152.
- C. The resident agrees to permit the landlord to enter the apartment unannounced to show the unit to potential tenants.
- D. The resident agrees to keep the premises and all items in order and good condition.

### KNOWLEDGE CHECK 4

Jake has a Skype appointment scheduled with his client, Tatiana, who is upset about her landlord's behavior. Which action is usually considered acceptable according to typical lease guidelines?

- E. Fixing a broken stovetop seven months after she submitted a request for repair.
- F. Arriving on the site of the property for a random home inspection, without prior warning.
- G. Neglecting to pay the water bill, resulting in two weeks without water service.
- H. Calling Tatiana in advance to advise her that he will come by to replace a broken cabinet door.

## TENANT AND LANDLORD RESPONSIBILITIES FOR PROPERTY CONDITION

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### TENANT-LANDLORD MAINTENANCE RESPONSIBILITIES

Let's return to Jake and Angela's session where they continue to discuss key concepts related to lease agreements.

While reviewing the sample lease, Angela is interested to learn that in many cases, a landlord is responsible for making major home repairs. During her last tenancy, she was not aware of this and postponed requesting repairs, assuming that they would lead to additional expenses for her family.

Jake gives Angela a brochure that outlines common lease components pertaining to landlord and tenant maintenance responsibilities. Let's take a look at it.

# Tenant-Landlord Maintenance Responsibilities

## Typical Tenant Responsibilities

- Remove trash regularly.
- Keep the unit as clean and safe as conditions permit.
- Repair any damage residents or guests cause to the unit.
- Notify the landlord immediately of major damage.
- Ensure the property is clean and in good condition upon move out.

## Typical Landlord Responsibilities

- Inspect the unit as needed.
- Make repairs soon after the tenant submits a work order.
- Ensure locks and windows are safe.
- Repair and replace large home systems and appliances as needed, including the heater, stove, and refrigerator.
- Ensure unit is in compliance with housing codes.
- Maintain common areas, such as entryways, hallways, parking lots, and decks.
- Provide adequate fire protection.
- Maintain properly functioning plumbing and heating systems.
- Ensure the home is in good condition when a new tenant moves in.

## Tenant Tips

- Be persistent in contacting the landlord when household items need repair.
- Complete a home inspection before moving in.
- Complete a home inspection when moving out.

See Resources for a sample move-in/move-out inspection form.

## KNOWLEDGE CHECK 5

Determine whether each of the following responsibilities is a typical landlord responsibility or a typical tenant responsibility. If the responsibility belongs to the landlord, write an “A” before that sentence. If the responsibility belongs to the tenant, write a “B” before that sentence.

- \_\_\_ 1. Maintain properly functioning heating and water systems.
- \_\_\_ 2. Keep home in compliance with housing codes.
- \_\_\_ 3. Keep the unit as clean and safe as conditions permit.
- \_\_\_ 4. Clean the unit regularly.
- \_\_\_ 5. Provide adequate fire protection.
- \_\_\_ 6. Remove trash.

## EXECUTION AND TERMINATION OF A LEASE AGREEMENT

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### BEFORE SIGNING A LEASE

After Jake and Angela review the brochure, Jake suggests a few actions for Angela to take before signing a lease:

- Understand all conditions outlined in the lease.
- Verify that the lease does not contain any blank areas.
- Ensure that any promises made by the landlord have been put in writing.
- Review the term of the lease and any other important dates, such as when the rent is due.

### EARLY LEASE TERMINATION

While discussing the lease, Jake points out that if either the tenant or landlord breach lease conditions, the other party has the right to terminate the lease early.

Another situation that may cause an early lease termination occurs when a tenant needs to move for personal reasons, such as job relocation. A case like this may involve financial obligations for tenants.

Some leases include a clause that explains specific fees and regulations associated with a tenant request for early release from a lease. Each state also has laws regarding terminating leases early.

In order to minimize negative effects of a tenant-initiated early lease termination, Jake recommends that tenants communicate well with landlords and understand state laws.

Jake then explains to Angela how taking these steps can minimize the negative effects of terminating a lease early.

### **Communicate with Landlord**

A landlord may release a tenant from a lease without any financial obligations if the landlord is given enough advance warning to find a new tenant.

### **Understand State Laws**

Depending on the state, it is possible for tenants to terminate a lease without paying rent for the entire lease period in circumstances such as:

- The landlord breaches conditions stated in the lease.
- The property becomes uninhabitable.
- You, or your spouse, are relocated for a military assignment.

In most cases, the law also requires a landlord to make a reasonable effort to re-lease the property so that the tenant won't remain liable to pay rent during the entire term of the lease. In this situation, the tenant may still be charged for expenses associated with advertising the unit to find a tenant to replace them.

## **AVOIDING DISPUTES**

**JAKE.** Understanding state laws and communicating frequently with your landlord are important ways to avoid and resolve other disputes with landlords as well.

**ANGELA.** That makes sense. Do you have any other suggestions for avoiding and resolving disputes with my landlord?

**JAKE.** Yes, I suggest that you:

- Document everything, including promises your landlord makes and maintenance requests, and refer back to your records.
- Seek mediation from an agency that specializes in tenant-landlord disputes.

## KNOWLEDGE CHECK 6

Match the client description on the left to the information that a housing counselor could share to help protect the client's best interest on the right.

- |   |   |
|---|---|
| A. A client wants to end her lease early because she will be moving to a new state for a different job.                         | ___ 1. In most cases like yours, the law requires a landlord to make a reasonable effort to re-lease the property so that the tenant won't remain liable to pay rent during the entire term of the lease. |
| B. A client wants to terminate a lease because the landlord has not fixed the heat after multiple requests over several months. |   |
| C. A client wants to terminate her lease early because her husband is being relocated for a military assignment.                | ___ 2. Depending on the state, it is possible for tenants to terminate a lease without paying rent for the entire lease period in this type of situation.   |
|   | ___ 3. You have the right to terminate a lease if the landlord breaches lease conditions, including maintaining properly functioning heating and water systems.   |

## RENTERS INSURANCE COVERAGES

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### RENTERS INSURANCE COVERAGES

Another topic that Jake addresses with Angela to prepare her for tenancy is renters insurance. First, he explains the types of financial protections, or coverages, that renters insurance typically includes and add-ons that renters can select. These coverages are similar to those offered in homeowners insurance policies.

### Content Coverage

Contents coverage is also known as personal possessions coverage. Contents coverage reimburses policyholders for **personal property** destroyed by certain **perils**. Depending on the policy, insurers can reimburse the tenant for damaged clothing, furniture, household items, musical instruments, laptops, and other items. For example, if a thief stole a flat-screen television and laptop from a home, insurers may reimburse homeowners for the value of the stolen items.



### Personal Property

While homeowners policies cover most personal property, certain valuable items such as expensive jewelry, artwork, or silverware may have limited coverage. Clients with valuable family heirlooms or other expensive items may want to consider a “floater,” a separate policy that provides insurance for specific valuables.

### Loss-of-Use Coverage

Loss-of-use coverage is also known as additional living expense coverage. It provides funding for housing and food expenses of policyholders who temporarily cannot live in their rental home when it is damaged or destroyed by certain **perils**. For example, if part of a home is destroyed by fire, the residents may live in a hotel while the home is being repaired and may claim funds from their insurer for the hotel and food expenses.



### Perils

Qualifying perils may vary by insurance policy. Some examples of possible qualifying perils include fire, windstorms, hail, vandalism, and theft. Most regular renters insurance policies will not cover damage caused by earthquakes or flooding.

### Personal Liability Coverage

Personal liability coverage provides **funding** for a defense lawyer or legal judgment if a policyholder is sued for a negligent act that led to a guest’s injury. For example, if a person is injured from tripping over clutter in a home that is not his/her own, s/he might choose to sue the policyholder for negligence.



### Funding

Personal liability coverage provides funding only up to a certain limit. Those who need a larger amount of liability protection can purchase an “umbrella” policy, which kicks in when a limit on the main coverage is reached.

## Add-Ons

Add-ons are often referred to as “riders” and “endorsements.” Common add-ons include:



- **Earthquake Coverage**—Since typical renters insurance does not cover damage to possessions from earthquakes, renters who live in areas with high risk for earthquakes might consider purchasing an earthquake rider.
- **Business Merchandise Coverage**—Those who have home businesses or have products in their rental home, which they sell online, might consider protecting the value of their merchandise through this coverage.
- **Incidental Business Liability**—This coverage is particularly beneficial for those with a small home business that brings customers to the home, such as a babysitting business. It helps protect against liability claims related to the business.

## RENTERS INSURANCE FAQs

Next, Jake answers some basic questions that Angela has about renters insurance.

### Who do you recommend gets it?

You may be required by a landlord, through a rental agreement, to obtain renters insurance. Whether or not it is required, it is advisable for most renters to have insurance since it usually offers a large amount of financial security for a relatively small monthly premium.

### What is included?

Generally speaking, renters insurance covers damage to personal possessions inside a home destroyed by disasters such as fire, smoke, lightning, theft, vandalism, windstorm, and water.

### What is excluded?

Typically, renters insurance does not cover damage to possessions caused by floods or earthquakes. Neither does it cover damage to the actual structure of the building caused by any perils. It's essential to read the policy thoroughly to be aware of other exclusions.

### What affects the costs?

#### Value of Personal Property

The most significant factor affecting the cost of renters insurance is the value of your personal property. To determine the value of your property, take an inventory of your possessions. The inventory might include photos of each item, when you acquired each item, the price you paid for each item, and receipts for large items. This inventory is best kept in a safe place outside of the home, such as a bank safe deposit box.

## **Discounts and Other Factors**

Other factors that may influence the cost of renters insurance include the base deductible, the number of insurance claims you have made in the past, and the number and type of discounts that apply in your situation. Though some of the following may require landlord approval, here are several examples of actions that may qualify you for discounts:

- Buying package insurance, or bundling insurance. This means that the same carrier that holds your car insurance or other insurance packages also provides your renters insurance.
- Installing deadbolts.
- Purchasing smoke alarms.
- Installing an interior sprinkler system.
- Increasing your credit score.

## **Actual Cash Value vs. Replacement Cost**

There are two varieties of insurance policies: actual cash value and replacement cost. Actual cash value policies consider depreciation and reimburse you for what you would be able to sell the item for at the time it was damaged or destroyed. Replacement cost policies, on the other hand, will pay you for the amount that it would cost to replace the item with a new item of the same variety.

Here is an example that demonstrates why paying a higher premium to purchase a replacement cost policy is generally worthwhile.

Jane's father gave her his ten-year-old refrigerator when she moved into her rental home. Her refrigerator was destroyed that same year in a house fire. With an actual cash value policy, she would have received \$50 for her refrigerator and would have spent \$1,650 out of pocket to replace it with a new one that cost \$1,700; however, if she had a replacement cost policy, she may have received the entire \$1,700 from her insurer.



## KNOWLEDGE CHECK 7

Jamie has an actual cash value renters insurance policy with contents coverage, loss of use coverage, and liability coverage. For which expense will she likely be reimbursed?

- A. The cost of rebuilding the living room, which was destroyed by fire
- B. The entire cost of purchasing a brand new bedroom set damaged by a pipe burst and subsequent water damage
- C. Expenses associated with purchasing replacement materials for the artwork she makes and sells through an online vendor
- D. Expenses for legal fees when Jamie is sued by her daughter's classmate who injured himself when he tripped over clutter at Jamie's apartment

## KNOWLEDGE CHECK 8

Jamie has a lucrative Etsy shop and stores her handmade crafts in the garage of her rental home. Which type of add-on policy should Jamie consider in case her crafts are destroyed in a disaster?

- A. Incidental Business Liability
- B. Loss of Use Coverage
- C. Business Merchandise Coverage
- D. Personal Liability Coverage

## SUMMARY

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In this module, you learned to:

1. Comprehend rental housing counseling topics which include counseling regarding future homeownership opportunities, seeking affordable rental housing, assisting displaced residents, and providing referrals to other housing services.
2. Demonstrate knowledge of lease terms and concepts by describing to a client the impact a lease has on the client's right to the use and enjoyment of the leased property, including negative impacts of early termination.
3. Apply knowledge of common maintenance requirements found in a tenancy lease when reviewing a client's responsibilities to maintain appliances, walls, and other physical assets within a leased property.
4. Employ conflict resolution strategies necessary to assist in the amicable resolution to client's "tenant/landlord" disputes.
5. Comprehend the importance of renter insurance coverage and the purpose of maintaining a policy.

### KNOWLEDGE CHECK ANSWER KEY

**1. (B) Approve Ruth for a Housing Choice Voucher.**

Housing counselors cannot approve clients for Housing Choice Vouchers; however, they can refer clients to local housing agencies where they can submit an application.

Incorrect answers: (A) Provide Ruth with contact information for local housing authorities that administer rental assistance programs; (C) Help Ruth understand what may deter a landlord from approving her rental application; and (D) Assist Ruth in distinguishing between her housing wants and needs—As we saw in the session with Jake and Angela, this is a topic that should be discussed in a rental housing session.

**2. Correct matched items:**

(A) A client makes \$35,000 a year and is applying to rent a home that costs \$18,000 a year: 1. The client can invite friends to move into the townhouse with him/her and share the rent.

(D) Mary did not pay her electricity bill during the last month in her previous rental: 2. The client can prioritize paying off debts to utility companies.

(E) Jordan has lived in a friend's home for the past eight years. He paid him rent every month but had no formal lease agreement: 3. The client can provide the prospective landlord with a letter of recommendation from the individual to whom s/he informally paid rent.

(B) When Jeff and May got divorced, May moved out. Jeff was left to pay rent for his home with one income instead of two incomes, as they had done before. This led him to have late payments, which decreased his credit score: 4. The client can be upfront with the potential landlord about why s/he had late payments on the previous rental. S/he can also describe how the current situation differs in a way that will allow him/her to consistently make payments on time.

(C) Jackson has had five bounced checks in the past year: 5. The client can take a financial management course and ask his/her housing counselor to confirm that s/he has done so.

**3. (C) The resident agrees to permit the landlord to enter the apartment unannounced to show the unit to potential tenants.**

Tenants are not required to let landlords enter the unit without prior notice except in the case of emergency.

Incorrect answers: (A) Guests may not stay at the housing unit more than 15 days without the owner's written consent—Guidelines for the number of guests allowed to stay at the unit and how long they stay are often outlined in lease agreements; (B) The resident is permitted to park only in the parking location 152—Restrictions on parking location and parking fees are typically outlined in lease agreements; and (D) The resident agrees to keep the premises and all items in order and good condition— A tenant is responsible for maintaining general order by depositing waste, cleaning carpets and floors, and other regular household tasks.

**4. (D) Calling Tatiana in advance to advise her that he will come by to replace a broken cabinet door**

If a landlord notifies the tenant with ample time before coming to the property, s/he is upholding the lease.

Incorrect answers: (A) Fixing a broken stovetop seven months after she submitted a request for repair—Leases generally state that a landlord must make timely repairs to the rental unit; (B) Arriving on the site of the property for a random home inspection, without prior warning—Leases generally require that a landlord give prior notice before s/he comes to the property; and (C) Neglecting to pay the water bill, resulting in two weeks without water service—In situations where the landlord pays the bills directly, s/he is typically bound by a lease to provide uninterrupted gas and water service.

**5. Correct matched items:**

Landlord's responsibilities: Maintain properly functioning heating and water systems, keep home in compliance with housing codes, and provide adequate fire protection.

Tenant's responsibilities: Keep the unit as clean and safe as conditions permit, clean the unit regularly, and remove trash.

**6. Correct matched items:**

(A) A client wants to end her lease early because she will be moving to a new state for a different job: 1. In most cases like yours, the law requires a landlord to make a reasonable effort to re-lease the property so that the tenant won't remain liable to pay rent during the entire term of the lease.

(C) A client wants to terminate her lease early because her husband is being relocated for a military assignment: 2. Depending on the state, it is possible for tenants to terminate a lease without paying rent for the entire lease period in this type of situation.

(B) A client wants to terminate a lease because the landlord has not fixed the heat after multiple requests over several months: 3. You have the right to terminate a lease if the landlord breaches lease conditions, including maintaining properly functioning heating and water systems.

**7. (D) Expenses for legal fees when Jamie is sued by her daughter's classmate who injured himself when he tripped over clutter at Jamie's apartment**

Jamie has personal liability coverage, which provides funding for a defense lawyer or legal judgment if Jamie is sued for a negligent act that led to an injury of a guest.

Incorrect answers: (A) The cost of rebuilding the living room, which was destroyed by fire—Renters insurance does not usually cover damages to the actual structure of the building caused by any perils; (B) The entire cost of purchasing a brand new bedroom set damaged by a pipe burst and subsequent water damage—Jamie would need a replacement cost policy, rather than an actual cash value policy, in order to be reimbursed for the entire cost of a new bedroom set; and (C) Expenses associated with purchasing replacement materials for the artwork she makes and sells through an online vendor—Jamie does not have business merchandise coverage, so she will not be reimbursed for any materials or products in her rental home that are associated with her home business.

**8. (C) Business Merchandise Coverage - this type of coverage would protect the value of Jamie's crafts and supplies in case they are destroyed.**

Incorrect answers — (A) Incidental Business Liability — this type of add-on policy would not benefit Jamie as she does not have customers in her home. (B) Loss of Use Coverage — this type of coverage is typically included in a rental policy and would not normally cover small business merchandise, (D) Personal Liability Coverage — this type of coverage is typically included in a rental policy and provides protection from lawsuits related to incidents occurring inside the rental.

## RESOURCES

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### HUD.GOV

[www.hud.gov](http://www.hud.gov)

### HUD PUBLIC HOUSING AUTHORITY CONTACT INFORMATION BY STATE

[www.hud.gov/program\\_offices/public\\_indian\\_housing/pha/contacts](http://www.hud.gov/program_offices/public_indian_housing/pha/contacts)

### HUD RENTAL HOUSING TOOLKIT FOR HOUSING COUNSELORS

[www.hudexchange.info/resources/documents/Rental-Housing-Toolkit-for-Housing-Counselors.pdf](http://www.hudexchange.info/resources/documents/Rental-Housing-Toolkit-for-Housing-Counselors.pdf)

### SAMPLE LEASE FORM

#### LEASE

#### BASIC RENTAL AGREEMENT OR RESIDENTIAL LEASE

This Rental Agreement or Residential Lease shall evidence the complete terms and conditions under which the parties whose signatures appear below have agreed. Landlord/Lessor/Agent, \_\_\_\_\_, shall be referred to as "OWNER" and Tenant(s)/Lessee, \_\_\_\_\_, shall be referred to as "RESIDENT." As consideration for this agreement, OWNER agrees to rent/lease to RESIDENT and RESIDENT agrees to rent/lease from OWNER for use solely as a private residence, the premises located at \_\_\_\_\_ in the city of \_\_\_\_\_.

1. TERMS: RESIDENT agrees to pay in advance \$\_\_\_\_\_ per month on the \_\_\_\_ day of each month. This agreement shall commence on \_\_\_\_\_, and continue; (check one) A. \_\_\_\_ until \_\_\_\_\_, \_\_\_\_ as a leasehold. Thereafter it shall become a month-to-month tenancy. If RESIDENT should move from the premises prior to the expiration of this time period, he shall be liable for all rent due until such time that the Residence is occupied by an OWNER approved paying RESIDENT and/or expiration of said time period, whichever is shorter. B. \_\_\_\_ until \_\_\_\_\_, \_\_\_\_ on a month-to-month tenancy until either party shall terminate this agreement by giving a written notice of intention to terminate at least 30 days prior to the date of termination.

2. PAYMENTS: Rent and/or other charges are to be paid at such place or method designated by the owner as follows \_\_\_\_\_. All payments are to be made by check or money order and cash shall be acceptable. OWNER acknowledges receipt of the First Month's rent of \$\_\_\_\_\_, and a Security Deposit of \$\_\_\_\_\_, and additional charges/fees for \_\_\_\_\_, for a total payment of \$\_\_\_\_\_. All payments are to be made payable to \_\_\_\_\_.

3. SECURITY DEPOSITS: The total of the above deposits shall secure compliance with the terms and conditions of this agreement and shall be refunded to RESIDENT within \_\_\_\_\_ days after the premises have been completely vacated less any amount necessary to pay OWNER; a) any unpaid rent, b) cleaning costs, c) key replacement costs, d) cost for repair of damages to premises and/or common areas above ordinary wear and tear, and e) any other amount legally allowable under the terms of this agreement. A written accounting of said charges shall be presented to RESIDENT within \_\_\_\_\_ days of move-out. If deposits do not cover such costs and damages, the RESIDENT shall immediately pay said additional costs for damages to OWNER.

4. LATE CHARGE: A late fee of \$\_\_\_\_\_, (not to exceed \_\_\_\_% of the monthly rent), shall be added and due for any payment of rent made after the \_\_\_\_\_ of the month. Any dishonored check shall be treated as unpaid rent, and subject to an additional fee of \$\_\_\_\_\_.

5. UTILITIES: RESIDENT agrees to pay all utilities and/or services based upon occupancy of the premises except \_\_\_\_\_.

6. OCCUPANTS: Guest(s) staying over 15 days without the written consent of OWNER shall be considered a breach of this agreement. ONLY the following individuals and/or animals, AND NO OTHERS shall occupy the subject residence for more than 15 days unless the expressed written consent of OWNER obtained in advance \_\_\_\_\_.

7. PETS: No animal, fowl, fish, reptile, and/or pet of any kind shall be kept on or about the premises, for any amount of time, without obtaining the prior written consent and meeting the requirements of the OWNER. Such consent if granted, shall be revocable at OWNER'S option upon giving a 30 day written notice. In the event laws are passed or permission is granted to have a pet and/or animal of any kind, an additional deposit in the amount of \$\_\_\_\_\_ shall be required along with additional monthly rent of \$\_\_\_\_\_ along with the signing of OWNER'S Pet Agreement. RESIDENT also agrees to carry insurance deemed appropriate by OWNER to cover possible liability and damages that may be caused by such animals.

8. LIQUID FILLED FURNISHINGS: No liquid filled furniture, receptacle containing more than ten gallons of liquid is permitted without prior written consent and meeting the requirements of the OWNER. RESIDENT also agrees to carry insurance deemed appropriate by OWNER to cover possible losses that may be caused by such items.

9. PARKING: When and if RESIDENT is assigned a parking area/space on OWNER'S property, the parking area/space shall be used exclusively for parking of passenger automobiles and/or those approved vehicles listed on RESIDENT'S Application attached hereto. RESIDENT is hereby assigned or permitted to park only in the following area or space \_\_\_\_\_. The parking fee for this space (if applicable is \$\_\_\_\_\_ monthly. Said space shall not be used for the washing, painting, or repair of vehicles. No other parking space shall be used by RESIDENT or RESIDENT'S guest(s). RESIDENT is responsible for oil leaks and other vehicle discharges for which RESIDENT shall be charged for cleaning if deemed necessary by OWNER.

10. NOISE: RESIDENT agrees not to cause or allow any noise or activity on the premises which might disturb the peace and quiet of another RESIDENT and/or neighbor. Said noise and/or activity shall be a breach of this agreement.

11. DESTRUCTION OF PREMISES: If the premises become totally or partially destroyed during the term of this Agreement so that RESIDENT'S use is seriously impaired, OWNER or RESIDENT may terminate this Agreement immediately upon three day written notice to the other.

12. CONDITION OF PREMISES: RESIDENT acknowledges that he has examined the premises and that said premises, all furnishings, fixtures, furniture, plumbing, heating, electrical facilities, all items listed on the attached property condition checklist, if any, and/or all other items provided by OWNER are all clean, and in good satisfactory condition except as may be indicated elsewhere in this Agreement. RESIDENT agrees to keep the premises and all items in good order and good condition and to immediately pay for costs to repair and/or replace any portion of the above damaged by RESIDENT, his guests and/or invitees, except as provided by law. At the termination of this Agreement, all of above items in this provision shall be returned to OWNER in clean and good condition except for reasonable wear and tear and the premises shall be free of all personal property and trash not belonging to OWNER. It is agreed that all dirt, holes, tears, burns, and stains of any size or amount in the carpets, drapes, walls, fixtures, and/or any other part of the premises, do not constitute reasonable wear and tear.

13. ALTERATIONS: RESIDENT shall not paint, wallpaper, alter or redecorate, change or install locks, install antenna or other equipment, screws, fastening devices, large nails, or adhesive materials, place signs, displays, or other exhibits, on or in any portion of the premises without the written consent of the OWNER except as may be provided by law.

14. PROPERTY MAINTENANCE: RESIDENT shall deposit all garbage and waste in a clean and sanitary manner into the proper receptacles and shall cooperate in keeping the garbage area neat and clean. RESIDENT shall be responsible for disposing of items of such size and nature as are not normally acceptable by the garbage hauler. RESIDENT shall be responsible for keeping the kitchen and bathroom drains free of things that may tend to cause clogging of the drains. RESIDENT shall pay for the cleaning out of any plumbing fixture that may need to be cleared of stoppage and for the expense or damage caused by stopping of waste pipes or overflow from bathtubs, wash basins, or sinks.

15. HOUSE RULES: RESIDENT shall comply with all house rules as stated on separate addendum, but which are deemed part of this rental agreement, and a violation of any of the house rules is considered a breach of this agreement.

16. CHANGE OF TERMS: The terms and conditions of this agreement are subject to future change by OWNER after the expiration of the agreed lease period upon 30-day written notice setting forth such change and delivered to RESIDENT. Any changes are subject to laws in existence at the time of the Notice of Change Of Terms.



17. **TERMINATION:** After expiration of the leasing period, this agreement is automatically renewed from month to month, but may be terminated by either party giving to the other a 30-day written notice of intention to terminate. Where laws require “just cause”, such just cause shall be so stated on said notice. The premises shall be considered vacated only after all areas including storage areas are clear of all RESIDENT’S belongings, and keys and other property furnished for RESIDENT’S use are returned to OWNER. Should the RESIDENT hold over beyond the termination date or fail to vacate all possessions on or before the termination date, RESIDENT shall be liable for additional rent and damages which may include damages due to OWNER’S loss of prospective new renters.

18. **POSSESSION:** If OWNER is unable to deliver possession of the residence to RESIDENTS on the agreed date, because of the loss or destruction of the residence or because of the failure of the prior residents to vacate or for any other reason, the RESIDENT and/or OWNER may immediately cancel and terminate this agreement upon written notice to the other party at their last known address, whereupon neither party shall have liability to the other, and any sums paid under this Agreement shall be refunded in full. If neither party cancels, this Agreement shall be prorated and begin on the date of actual possession.

19. **INSURANCE:** RESIDENT acknowledges that OWNERS insurance does not cover personal property damage caused by fire, theft, rain, war, acts of God, acts of others, and/or any other causes, nor shall OWNER be held liable for such losses. RESIDENT is hereby advised to obtain his own insurance policy to cover any personal losses.

20. **RIGHT OF ENTRY AND INSPECTION:** OWNER may enter, inspect, and/or repair the premises at any time in case of emergency or suspected abandonment. OWNER shall give 24 hours advance notice and may enter for the purpose of showing the premises during normal business hours to prospective renters, buyers, lenders, for smoke alarm inspections, and/or for normal inspections and repairs. OWNER is permitted to make all alterations, repairs and maintenance that in OWNER’S judgment is necessary to perform.

21. **ASSIGNMENT:** RESIDENT agrees not to transfer, assign or sublet the premises or any part thereof.

22. **PARTIAL INVALIDITY:** Nothing contained in this Agreement shall be construed as waiving any of the OWNER’S or RESIDENT’S rights under the law. If any part of this Agreement shall be in conflict with the law, that part shall be void to the extent that it is in conflict, but shall not invalidate this Agreement nor shall it affect the validity or enforceability of any other provision of this Agreement.

23. **NO WAIVER:** OWNER’S acceptance of rent with knowledge of any default by RESIDENT or waiver by OWNER of any breach of any term of this Agreement shall not constitute a waiver of subsequent breaches. Failure to require compliance or to exercise any right shall not be constituted as a waiver by OWNER of said term, condition, and/or right, and shall not affect the validity or enforceability of any provision of this Agreement.



24. ATTORNEY FEES: If any legal action or proceedings be brought by either party of this Agreement, the prevailing party shall be reimbursed for all reasonable attorney's fees and costs in addition to other damages awarded.

25. JOINTLY AND SEVERALLY: The undersigned RESIDENTS are jointly and severally responsible and liable for all obligations under this agreement.

26. REPORT TO CREDIT/TENANT AGENCIES: You are hereby notified that a nonpayment, late payment or breach of any of the terms of this rental agreement may be submitted/reported to a credit and/or tenant reporting agency, and may create a negative credit record on your credit report.

27. LEAD NOTIFICATION REQUIREMENT: For rental dwellings built before 1978, RESIDENT acknowledges receipt of the following: (Please check) ☐ Lead Based Paint Disclosure Form ☐ EPA Pamphlet

28. ADDITIONS AND/OR EXCEPTIONS \_\_\_\_\_  
\_\_\_\_\_.

29. NOTICES: All notices to RESIDENT shall be served at RESIDENT'S premises and all notices to OWNER shall be served at \_\_\_\_\_.

30. INVENTORY: The premises contains the following items, that the RESIDENT may use. \_\_\_\_\_  
\_\_\_\_\_.

31. KEYS AND ADDENDUMS: RESIDENT acknowledges receipt of the following which shall be deemed part of this Agreement: (Please check) ☐ Keys #of keys and purposes \_\_\_\_\_  
\_\_\_\_\_ ☐ House Rules ☐ Pet Agreement ☐ Other \_\_\_\_\_

32. ENTIRE AGREEMENT: This Agreement constitutes the entire Agreement between OWNER and RESIDENT. No oral agreements have been entered into, and all modifications or notices shall be in writing to be valid.

33. RECEIPT OF AGREEMENT: The undersigned RESIDENTS have read and understand this Agreement and hereby acknowledge receipt of a copy of this Rental Agreement.

RESIDENT'S Signature \_\_\_\_\_

Date \_\_\_\_\_

RESIDENT'S Signature \_\_\_\_\_

Date \_\_\_\_\_

OWNER'S or Agent's Signature \_\_\_\_\_

Date \_\_\_\_\_

## SAMPLE MOVE-IN/MOVE-OUT INSPECTION FORM

4350.3 REV-1

Appendix 5

### Appendix 5: Sample Move-In/Move-Out Inspection Form

[Company name]

[Company address]

Property Resident

Apartment No. Unit Size Move-In Inspection Date Move-Out Inspection Date

Item	Condition		Cost to Correct
	Move-In	Move-Out	
ENTRANCE/HALLS			
Steps and landings			
Handrails			
Doors			
Hardware/Locks			
Floors/Coverings			
Walls/Coverings			
Ceilings			
Windows/Coverings			
Lighting <sup>1</sup>			
Electrical Outlets			
Closets <sup>2</sup>			
Fire alarms/equipment			

Item	Condition		Cost to Correct
	Move-In	Move-Out	
<b>LIVING ROOM</b>			
Floor/Coverings			
Walls/Coverings			
Ceiling			
Windows/Covering			
Lighting <sup>1</sup>			
Electrical outlets			
<b>DINING ROOM</b>			
Floor/Coverings			
Walls/Coverings			
Ceiling			
Windows/Coverings			
Lighting <sup>1</sup>			
Electrical outlets			
<b>KITCHEN</b>			
Range			
Refrigerator			
Sink/Faucets <sup>3</sup>			
Floor/Coverings			
Walls/Coverings			
Ceiling			
Windows/Coverings			

Item	Condition		Cost to Correct
	Move-In	Move-Out	
Lighting <sup>1</sup>			
Electrical outlets			
Cabinets			
Closets/Pantry <sup>2</sup>			
Exhaust fan			
Fire alarms/equipment			
<b>BEDROOM(S)</b>			
Doors and locks			
Floor/Coverings			
Walls/Coverings			
Ceiling			
Windows/Covering			
Closets <sup>2</sup>			
Lighting <sup>1</sup>			
Electrical outlets			
<b>BATHROOM(S)</b>			
Sink/Faucets <sup>3</sup>			
Shower/Tub <sup>3</sup>			
Curtain rack/Door			
Towel rack			
Toilet			

Item	Condition		Cost to Correct
	Move-In	Move-Out	
Doors/Locks			
Floor/Coverings			
Walls/Coverings			
Ceiling			
Windows/Coverings			
Closets <sup>2</sup>			
Cabinets			
Exhaust fan			
Lighting <sup>1</sup>			
Electrical outlets			
<b>OTHER EQUIPMENT</b>			
Heating Equipment			
Air-conditioning unit(s)			
Hot-water heater			
Smoke/Fire alarms			
Thermostat			
Door bell			
<b>TOTAL</b>			
1. Fixtures, Bulbs, Switches, and Timers 2. Floors/Walls/Ceiling, Shelves/Rods, Lighting 3. Water pressure and Hot Water			

## Move-In

This unit \*\*is in decent, safe and sanitary condition.\*\* Any deficiencies identified in this report will be remedied within 30 days of the date the tenant moves into the unit.

\_\_\_\_\_  
Manager's Signature

I have inspected the apartment and found \*\*this unit to be in decent, safe, and sanitary condition. Any deficiencies are noted above.\*\* I recognize that I am responsible for keeping the apartment in good condition, with the exception of normal wear. In the event of damage, I agree to pay the cost to restore the apartment to its original condition.

\_\_\_\_\_  
Resident's Signature

\_\_\_\_\_  
Resident's Signature

	By	Date
Prepared	_____	_____
Reviewed	_____	_____
Prepared	_____	_____
Reviewed	_____	_____

## Move-Out

\_\_\_\_\_  
Manager's Signature

\_\_\_ Agree with move-out inspection

\_\_\_ Disagree with move-out inspection

If disagree, list specific items of disagreement.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Resident's Signature

\_\_\_\_\_  
Resident's Signature

	By	Date
Prepared	_____	_____
Reviewed	_____	_____
Prepared	_____	_____
Reviewed	_____	_____