



RENTALS

THE RULES OF THE ROAD

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LEASES

WRITTEN VS. ORAL

WRITTEN: Advantages

- Protects both Landlord & Tenant
 - Outlines responsibilities
 - Evidence for Housing Court
 - Indicates who may occupy
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LEASES

WRITTEN VS. ORAL

WRITTEN: Disadvantages

- Both parties cannot just walk
- Rent cannot be increased

LEASES

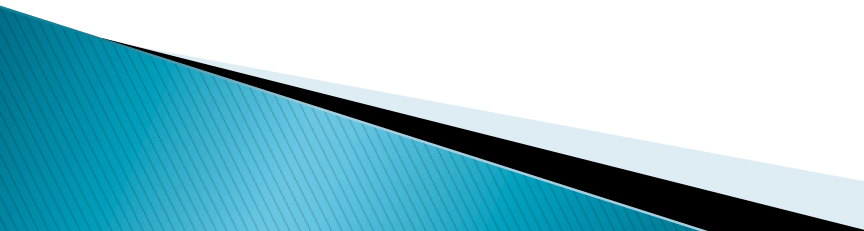
WRITTEN VS. ORAL

ORAL: Advantages

- Both parties can just walk
 - Rent can be increased
 - Tenant can be replaced at will
- 

LEASES: WRITTEN VS. ORAL

ORAL: DISADVANTAGES

- BOTH PARTIES CAN WALK
 - RENT CAN BE INCREASED AT WILL
 - TENANT CAN BE INCREASED AT WILL
 - BOTH PARTIES RIGHTS ARE NOT EXPRESSED
 - NO EVIDENCE TO ENFORCE DEFAULT
- 

The CLOAC Method

Elements of a Valid Lease

- Capacity to Contract
 - Legal Objectives
 - Offer and Acceptance
 - Consideration
- 

Elements of a Valid Lease

•Capacity to Contract

1. Does a 18 year old have the legal capacity to sign a lease?
 2. Does a disabled individual have the legal capacity to sign a lease?
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Elements of a Valid Lease

- Legal Objectives

1. Can a tenant sign a residential lease and then run a business on site?

Elements of a Valid Lease

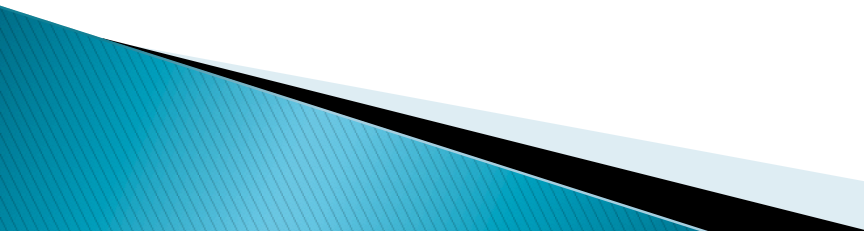
• Offer and Acceptance

Items to Consider:

- Painting allowed
- Pets
- Smoking
- Security Deposit
- Sub-leasing
- Utilities
- Occupancy

Elements of a Valid Lease

- Consideration

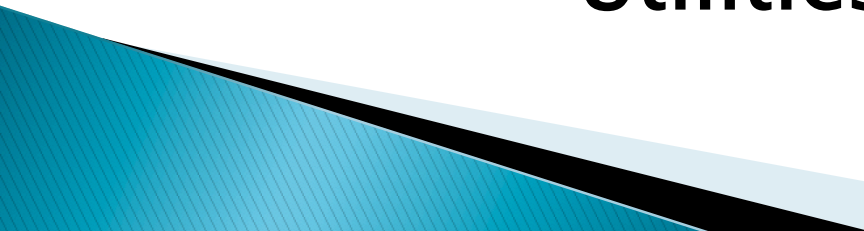
- Can you charge a different amount of rent for three people vs. two people?
 - Can you charge a different amount for a Section 8 recipient?
- 

SECTION 8

Understanding the Voucher System

- What does it cover?
- Is there a dollar ceiling?
- How are the funds transferred?
- Is there an expiration?
- What questions can the Landlord ask?
- Can the Landlord refuse Sec. 8?
- What will HUD require?
- Does the Landlord need a special lease?

What Does Your Lease Say?

- Parties
 - Property Address
 - Terms
 - Rent, Time and Manner of Pmt
 - Use of Premises
 - Condition of Premises
 - Landlord Access
 - Utilities
- 


What Does Your Lease Say?

- Alterations
- Insurance
- Assignment and Sub-leasing
- Quiet Enjoyment
- Security Deposit
- Number of Occupants – health/safety
- Lease Modifications
- Special Conditions

Pets

Association Rules

VERIFY :

- **CERTIFICATE OF OCCUPANCY ISSUED FOR UNIT**
 - **COMPLAINTS FILED WITH HEALTH DEPARTMENT**
 - **CHECK DEED FOR AUTHORIZING PARTIES**
 - **INSPECTION OF UNIT FOR APPARENT MATERIAL DEFECTS**
 - **PAPERWORK : RENTAL LISTING
MOLD DISCLOSURE
LEAD DISCLOSURE PRIOR TO 1978
OTHER ENVIRONMENTAL ISSUES**
- 

AGENT: TENANT REPRESENTATION

RULES OF THE ROAD

VERIFY :

- CERTIFICATE OF OCCUPANCY ISSUED FOR UNIT**
- COMPLAINTS FILED WITH HEALTH DEPT**
- INSPECTION OF UNIT FOR APPARENT MATERIAL DEFECTS**
- PAPERWORK : REPRESENTATION AGRMT**
 - CURRENT CREDIT REPORT**
 - RENTAL APPLICATION**
 - LEASE AGRMT GENERATED BY LANDLORD REP**
 - MOLD DISCLOSURE**
 - LEAD DISCLOSURE PRIOR TO 1978**
 - OTHER ENVIRONMENTAL ISSUES**

LANDLORD: RULES OF THE ROAD

Tenant Selection:

- Credit and Work History
- References
- Income Verification

Landlords & Real Estate Agents

Get a tenant credit check today! Whether you have one rental property or a thousand units, use our tenant screening service to receive a credit report, criminal record and eviction record 24 hours a day, 7 days a week. Online access to check credit reports, criminal records and eviction records is available without a site inspection. Click below to learn more...



→ **TENANT SCREENING**

Employers

How well do you know your employees? Small business owners, corporations, nonprofit organizations and government agencies use our services to safely and securely screen applicants and current employees by verifying personal identity, assessing fiscal responsibility, examining driving history, confirming license status and searching criminal record convictions. Click below to learn more...

→ **EMPLOYEE SCREENING**

What's in Your File?

If you've ever been curious about what others may find out about you, then order your own record below:

- Credit Report
- Criminal Record
- Driving Record
- Eviction Record
- Home Value

What is a consumer report?

Contains:

- **Credit Characteristics**
- **Character**
- **General Reputation**
- **Lifestyle**

Federal Credit Reporting Act:

- **Prepared by a CRA ie Credit Bureau**

Tenant Selection

Landlords will utilize

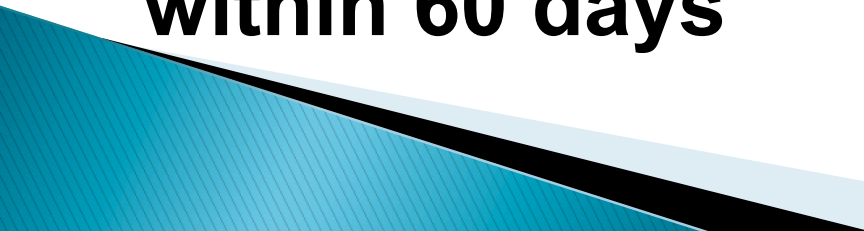
- **Credit report from Trans Union, Experian or Equifax**
- **Report from a tenant screening service**
 - rental history
 - previous landlords or housing court records

What is an Adverse Action?

- **Denying the application**
- **Requiring a co-signer**
- **Requiring a different deposit**
- **Raising the rent**

What is the Adverse Action Notice?

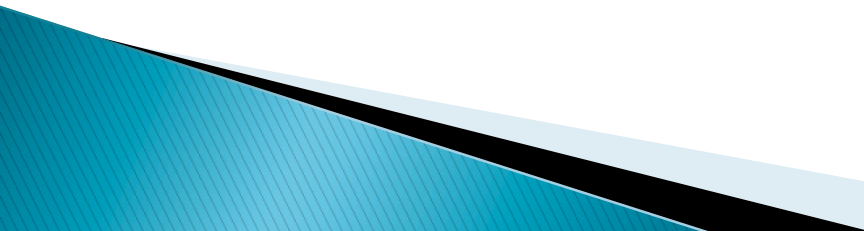
Landlord provides:

- **CRA's name, address and phone number**
 - **Applicant disagreement must be filed within 60 days**
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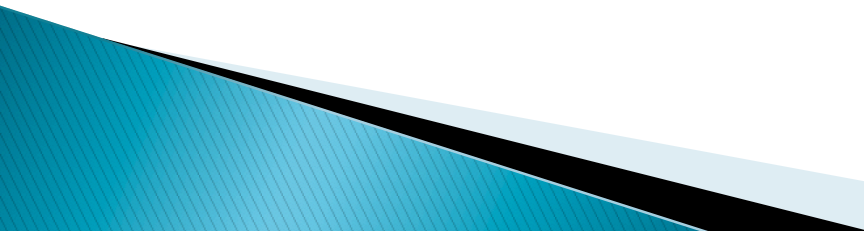
1. A landlord who orders a consumer report from a CRA. Information contained in the report leads to further investigation of the applicant. The rental application is denied because of that investigation.

- a. The landlord tells the applicant to go away
- b. The landlord may charge a premium
- c. The landlord must send an adverse action notice
- d. The landlord may charge more security

2. An applicant with an unfavorable credit history, like past-due credit accounts, who is denied an apartment. Although the credit history was considered in the decision, the applicant's poor reputation as a tenant in his current location played a more important role.

- a. The landlord must send an adverse action notice
 - b. The landlord is not required to do anything
 - c. The landlord based his decision solely on tenant reputation
 - d. The landlord is now taking medication
- 

Non-Compliance with the FCRA

- **Individual may sue for damages in Fed Court**
 - **Court costs and legal fees**
 - **Punitive damages**
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LANDLORD: RULES OF THE ROAD

Tenant Selection:

- Federal Protected Classes

Race

Religion

Familial Status

National Origin

Color

Sex

Handicap

LANDLORD: RULES OF THE ROAD

Tenant Selection:

- **Code of Ethics, Article 10**

**Sexual Orientation
Gender Identity**

Amended 1 / 14

LANDLORD: RULES OF THE ROAD

Tenant Selection:

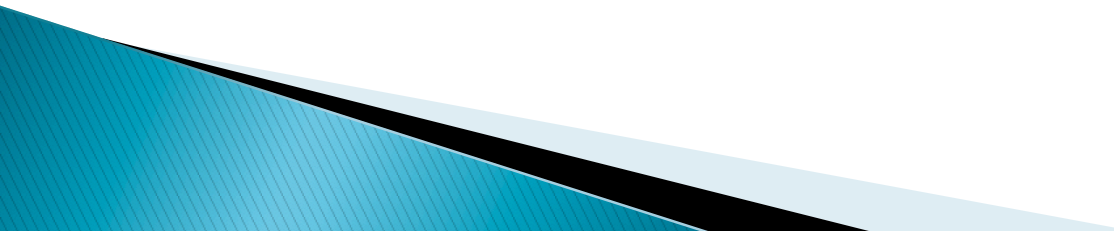
- Advertising
 - Can the Landlord advertise for the following tenants?
 - Single Female
 - Non smoker
 - No Pets
 - No children
 - Only married couples
- 

LANDLORD: RULES OF THE ROAD

Tenant Selection:


Exemptions:

Can a Landlord who owns and occupies a property that is 4 units or less, choose a future tenant disregarding Federal and State protected classes?



LANDLORD: RULES OF THE ROAD

The Litmus Test

- Promote the convenience, safety or welfare of the tenants: equitably distribute services to all the tenants; or protect the property from abusive use
 - Are related reasonably to the purpose for which they were adopted
 - Apply to all tenants equally and fairly
 - Are clear enough to be understood by the tenants
 - Are made known to the tenant when he/she enters into the rental agreement or at the time a new rule or regulation is adopted
- 

**Landlord
for 5 years
He is 28
years old!**

