

# Renting an Apartment

It is important to understand the process of renting an apartment, including your rights and responsibilities.

## Understanding Your Lease

A lease is a legal agreement between the owner of the property and the renter. It lays out the terms and conditions of the agreement and specifies the rights and responsibilities of each party.

It is important that you read and understand the entire lease agreement before signing it. By signing the lease, you promise to adhere to the lease terms. Failing to read or understand the agreement is no excuse for any problems you may encounter later. It is also important to keep a copy of the lease agreement – it will help you understand your responsibilities (as well as your landlord's) in the event of a dispute.

## Applying for a Lease

Once you express your interest in renting an apartment, landlords often perform a background check by accessing your credit and criminal history. This process helps to ensure that you will be able to pay the rent reliably. You may be asked to supply personal information such as a social security number and to sign an application document that gives the landlord permission to access your employment and credit history and your criminal record (should you have one). Landlords may be more hesitant to rent to someone with a history of missed payments and a lower credit score – another reason to manage your debt effectively.

If the landlord feels that you will not be able to fulfill the lease agreement – a common situation for students with little or no income – they may ask for a cosigner. A cosigner is a person who does meet the income requirement for the apartment and will share the financial responsibility for fulfilling the terms of the lease agreement.

## Additional Financial Responsibilities

If your lease application is approved, many landlords require additional payments or deposits. A deposit is an amount of money that is reserved to pay unexpected expenses. If the terms of the lease are fulfilled, the deposits should be returned



in a timely manner – typically 30 days or less. Some states also require that interest is paid on the deposit.

Common additional payments include:

- Security deposit – These deposits typically range from one to two months' rent. They offer the landlord some protection in the event payments are missed or if the property is damaged or needs excessive cleaning after you have moved out.
- Rental agency fee – In the event a landlord uses a property management agency, you may have to pay a non-refundable fee to the agency. These fees are up to the amount of one month's rent.

## Terminating a Lease

In many lease agreements, it is required that the renter notify the landlord only if they plan NOT to renew the lease – otherwise, the lease auto-renews. When the lease is renewed, the landlord has the opportunity to raise the rent. It is up to the renter to determine whether the new lease amount is acceptable – if not, they can move at the end of the lease or attempt to negotiate the lease amount.

If you plan to move at the end of the lease, you will need to notify your landlord by the date specified in your lease agreement – usually between 60 and 90 days. Besides cleaning out the apartment and returning the keys, there are typically no other responsibilities. However, be

sure that the landlord has a new address so that the security deposit may be returned.

Moving out before the end of the lease agreement is called “breaking” a lease. If at all possible, it is best to not break a lease – you could be responsible for the amount of rent unpaid for the entire term of the lease agreement, court and collections costs, and your credit record could also be damaged.

Contrary to what some believe, breaking a lease is not against the law. But it is breaking a contract, and you will be responsible for the associated costs. On the other hand, there are many good reasons for needing to break a lease such as changes in health, family or employment situations. Renters may also break their lease if the condition of the apartment is unsafe or if the landlord is not providing required services such as heat or water.

In the event you must break your lease, it is best to tell the landlord immediately – so both you and the landlord can seek a new renter. In most cases, the landlord would rather lease the apartment to another tenant rather than enter into a legal battle. But in the event you and the landlord cannot find a new tenant, you will be responsible for any unpaid charges and additional fees as specified by your lease.

### **Rights and Responsibilities**

Renters and landlords have both rights and responsibilities in a rental agreement. The specifics of these rights vary from state to state.

In general, renters must:

- Maintain the unit by keeping it clean and disposing of trash properly.
- Avoid damage to the property beyond normal wear and tear.
- Use appliances properly.
- Monitor the condition of the unit and notify the landlord when repairs are needed.
- Follow local laws and regulations.

In general, landlords must:

- Maintain the property, making any necessary repairs.
- Ensure that the grounds are kept in a safe, clean manner.
- Supply cold and hot water for the unit, unless other arrangements are specified in the lease.
- Give reasonable notice before entering the apartment, and avoid an unreasonable number of visits.

In the event of a problem with your apartment, you must communicate the issue in writing to your landlord – preferably by certified mail.

**If you cannot solve your issue working directly with the landlord, it is best to contact a local lawyer for advice. In general, do not stop making rent payments before contacting a lawyer.**