

Signing a Lease

The **BIG** Idea

- How can a lease help me, and what other protection do I have in case of a dispute with my landlord?

AGENDA

Approx. 45 minutes

- I. Warm Up (5 minutes)
- II. Legal Terms (10 minutes)
- III. Who Benefits? (10 minutes)
- IV. Quiz: Rights and Responsibilities? (10 minutes)
- V. Where to Go for Help (5 minutes)
- VI. Wrap Up (5 minutes)

MATERIALS

STUDENT HANDBOOK PAGES:

- Student Handbook page 179, Tenant-Landlord Disputes
- Student Handbook pages 180 - 181, Lease Agreement
- Student Handbook page 182, Tenant-Landlord Protections
- Student Handbook pages 183-184, Tenant and Landlord Rights & Responsibilities

- Overhead projector

OBJECTIVES

During this lesson, the student(s) will:

- Understand a lease and the rights and responsibilities of tenants and landlords.
- Know where to go for help in case of landlord-tenant disputes.

OVERVIEW

In this lesson, students begin by reviewing a few disputes between tenants and landlords and describing how one might be resolved. Next, they discuss the importance of a lease, review a sample lease, and underline and review new or confusing terms. Then, they complete a chart showing how a lease protects both the landlord and the tenant. Next, they use the lease to complete a quiz about the rights and responsibilities of tenants and landlords. Finally, they review where to go for help to resolve a dispute with a landlord.

PREPARATION

- The following handouts can be made into overhead transparencies or copied onto chart paper:
 - **Student Handbook page 179, Tenant-Landlord Disputes**
 - **Student Handbook pages 180 - 181, Lease Agreement**
 - **Student Handbook page 182, Tenant-Landlord Protections**
 - **Student Handbook pages 183-184, Tenant and Landlord Rights & Responsibilities**
- List the day's **BIG IDEA** and activities on the board.
- List the day's vocabulary words and definitions on the board.

VOCABULARY

Evict: To force a tenant to leave the premises for not following rules of lease or for not paying rent.

Landlord: The person that owns a property that is rented out.

Lease: A written agreement between a landlord and a tenant stating the terms under which a property will be rented.

Rent: Regular payment from a tenant to a landlord to live in a property.

Tenant: The person who rents and lives in a property.

Utility: A service such as gas, electric, or phone.

IMPLEMENTATION OPTIONS

Activity II, Who Benefits?: You may wish to assign half the class to the role of landlord, and the other half to the role of tenant. Have students complete the portion of **Student Handbook page 182, Tenant-Landlord Protections**, which applies to them. Once they've completed the chart, have students share their results as a class.

If you feel your students will struggle with this page or the reading required, you may wish to complete it as a whole-class activity.

Activity V, Where to Go for Help: This section reviews steps to take if a lease is not honored. You may want to share information, procedures, and organizations for your own state or community. (See Tenant Rights for Your State: <http://www.hud.gov/renting/tenantrights.cfm>.)

If time is short, you may choose to omit **Activity IV, Student Handbook pages 183-184, Tenant and Landlord Rights & Responsibilities** and/or the Wrap Up in **Activity VI**.

ACTIVITY STEPS

I. Warm Up (5 minutes)

1. As students enter the classroom, refer them to **Student Handbook page 179, Tenant-Landlord Disputes**. Give students a few minutes to read the scenarios, and then choose one to describe how it might be resolved.
2. **SAY SOMETHING LIKE:** Welcome, everybody. Last week we started talking about important things to know before you rent your first place. We're going to continue that theme today, focusing on the rights and responsibilities of tenants and landlords. It's important that these rights and responsibilities are clearly stated and put in writing. This is the purpose of the lease, which we'll cover in today's lesson.

II. Legal Terms (10 minutes)

1. **SAY SOMETHING LIKE:** When you find a place you want to rent, the next step is to review and sign the lease. A **lease** is a written agreement between a **landlord**, the person who owns the property, and the **tenant**, the person who is renting the property. A lease describes the rights and responsibilities of the tenant and the landlord.
2. It's important to have this written agreement so that each party knows his or her rights are protected and concerns are addressed. Imagine you are a renter. What are some of your concerns? [Take answers from students and write them on the board, such as: wants to live in a safe, clean place; wants to be treated fairly; wants to know that repairs will be made.] What do you think are the landlord's concerns? [Take answers from students and write them on the board, such as: wants to get paid on time; wants apartment to stay in good shape; wants to make money.]
3. **SAY SOMETHING LIKE:** Like any legal document, it's important to review a lease carefully before signing it – no matter how excited you are about the place. Let's take a look at a sample lease. Please turn to **Student Handbook pages 180-181, Lease Agreement**. [Display this page on the overhead projector.] This is just an example of a lease you might encounter when you rent your first place. Different leases spell out different rules. As you'll see, it's meant to protect both the tenant and landlord by stating the rights and responsibilities of each party. I'd like you to take a few minutes to read through the lease. As you read, underline words or phrases that are unfamiliar to you.
4. As a class, review the terms students underlined. Some examples might include: parties, private residence, premises, deposit, dishonored check, occupancy, deemed hazardous,

controlled substance, criminal conviction, sublet/sublease, prior written consent, alterations, upon notice, prior to, terminated, written notice, hold over, fail to vacate.

III. Who Benefits? (10 minutes)

1. **SAY SOMETHING LIKE:** Now that we've read through the lease and figured out some unfamiliar terms, let's take a closer look at what the lease really says. A lease is easier to understand if you think about how it protects both the landlord and the tenant. Please turn to **Student Handbook page 182, Tenant-Landlord Protections.**
2. Place this chart on an overhead projector. Either as a class, or in small groups, have students use the lease to complete the chart. If students do this individually or in groups, take a few minutes to review the answers as a class.

IV. Quiz: Rights and Responsibilities (10 minutes)

1. Have students turn to **Student Handbook pages 183-184, Tenant and Landlord Rights & Responsibilities.** Instruct them to check the tenant's and landlord's rights and responsibilities based on the sample lease they reviewed earlier in class.
2. Review their answers as a class. (Correct answers: 1, 3, 7, 8, 10, 11, 12, 13, 14, 16, 19, 20, 21, 23.)
3. **SAY SOMETHING LIKE:** By now, you should have a good sense of what information is included in a lease. What are some things that surprised you about the lease we reviewed today? Would you agree to rent a place without signing a lease? Why or why not?

V. Where to Go for Help (5 minutes)

1. **SAY SOMETHING LIKE:** While a lease is an essential tool in solving problems, sometimes a landlord or a tenant doesn't honor the lease. First, what do you think happens if a tenant doesn't meet his or her responsibilities? For example, what if a tenant refuses to pay rent or late fees? What if a tenant has loud parties, keeps a pet, or damages the property out of negligent or reckless behavior? [Take answers and write them on the board: A tenant could be evicted or forced to leave, lose the security deposit, or be required to cover expenses for damages beyond normal wear and tear.]
2. **SAY SOMETHING LIKE:** But what if a landlord doesn't meet his or her responsibilities? For example, what if a landlord tries to increase your rent or change the terms of your lease? What if a landlord won't make a repair to your apartment, despite written requests? The first thing you should always do in these situations is to talk to your landlord and work it out between the two of you. But if that doesn't work, you do have options.

3. **SAY SOMETHING LIKE:** If the problem is that the landlord is somehow trying to change the terms of your lease, you can contact your city manager or mayor's office and ask about local tenants' rights organizations. [You may want to share information about groups in your own state or community.]
4. **SAY SOMETHING LIKE:** But a much more common problem is when a landlord does not maintain or repair a property. As a tenant, you should first consider the *nature* of the problem. If the problem makes the property unsafe or uninhabitable, the landlord is legally required to fix it. (If you're not sure about the rules regarding a problem, look at your lease along with your state and local laws.)
5. **SAY SOMETHING LIKE:** What's the first thing you should do if you notice a problem? That's right: *tell the landlord*. You may want to do this in person, but it's a good idea to put this in writing, too. Remember, as a renter, this is *your responsibility*. If the problem affects the immediate safety of the property (like exposed wires), be sure to put this in writing.
6. **SAY SOMETHING LIKE:** But what if your landlord doesn't respond after repeated requests? You have a number of options:
 - If the problem is serious and affects your health or safety, hire someone to make the repairs and deduct the expense from your next month's rent. (It's always a good idea to get an official opinion on what's "unsafe," so you don't get stuck with repairs the landlord's not willing to make. DON'T do this for minor repairs, only for serious problems.)
 - Call your local housing department or building inspector. The problem may violate local or state housing codes, and these organizations could require repairs to be made.
 - Contact your local tenants' rights organization. (The city manager or mayor's office can direct you to these groups.)
 - In some states, you have a right to stop paying rent until the problem is fixed, but be sure to check the laws in your state or town. You may need to pay the rent to a third party, such as a county clerk, until repairs are made.
 - As a last resort, you may need to move out of the apartment, as long as you give the notice required in the lease.

VI. Wrap Up (5 minutes)

1. **SAY SOMETHING LIKE:** Before we end for the day, I'd like you to turn back to today's first activity, **Student Handbook page 179, Tenant-Landlord Disputes**. Take a few minutes to revise your solution based on what you learned today.

2. Ask a few volunteers to share their solutions. If you have time, take one answer for each scenario.
3. **SAY SOMETHING LIKE:** Great job today, everyone. This was the final lesson in our Money Matters unit. We've covered a lot of information in this unit, from using credit cards to buying cars to renting houses. [Announce what the class will be doing next week.]

SKILLS CHECKLIST:

Direct students' attention to **Portfolio page 27, Grade 11 Skills Checklist**. Have students complete the skills checklist questions for Money Matters.

MONEY MATTERS

I CAN ...

List the advantages and disadvantages of credit cards.	<input type="checkbox"/> not at all	<input type="checkbox"/> somewhat	<input type="checkbox"/> very well
Explain why a good credit rating is important.	<input type="checkbox"/> not at all	<input type="checkbox"/> somewhat	<input type="checkbox"/> very well
List things to consider when choosing a credit card.	<input type="checkbox"/> not at all	<input type="checkbox"/> somewhat	<input type="checkbox"/> very well
List questions to ask when buying a car.	<input type="checkbox"/> not at all	<input type="checkbox"/> somewhat	<input type="checkbox"/> very well
Explain the costs of buying, operating, and insuring a car.	<input type="checkbox"/> not at all	<input type="checkbox"/> somewhat	<input type="checkbox"/> very well
List things to consider when renting an apartment.	<input type="checkbox"/> not at all	<input type="checkbox"/> somewhat	<input type="checkbox"/> very well
Understand the terms of a lease.	<input type="checkbox"/> not at all	<input type="checkbox"/> somewhat	<input type="checkbox"/> very well
Describe the steps to take to resolve a problem with a landlord.	<input type="checkbox"/> not at all	<input type="checkbox"/> somewhat	<input type="checkbox"/> very well

Lease Agreement

PARTIES: The parties to this Agreement are: Melissa McCracken hereinafter called Landlord and Mike Mills and Evan Jacobs, hereinafter called Tenant.

PROPERTIES: As consideration for this agreement, Landlord agrees to rent/lease to Tenant and Tenant agrees to rent/lease from Landlord for use solely as a private residence, the premises located at 123 Oak Street in the city of Fargo, ND.

TERM: The term of this Agreement shall be for one year beginning on September 1, 2012 and ending on August 31, 2013.

RENT: The total rent for said property shall be \$7200 to be paid monthly in amounts of \$600 due and payable on the first day of each month. All payments are to be made by check or money order and made payable to Melissa McCracken.

SECURITY DEPOSITS: Tenant shall deposit with the Landlord \$600 to be held as security deposit. This deposit will be returned in full, including any interest acquired, when this lease expires if, after inspection by the Landlord, the premises are in good condition (normal wear and tear excepted) and tenant owes no back rent.

LATE CHARGE: A late fee of \$50 shall be added and due for any payment of rent made after the 15th of the month. Any dishonored check shall be treated as unpaid rent, and subject to an additional fee of \$50.

UTILITIES: Tenant agrees to pay all utilities and/or services based upon occupancy of the premises except the following to be furnished by the Landlord: (X) electricity (X) heat () gas (X) water () hot water () other: _____ (X) trash removal.

USE: The Premises shall not be used for any unlawful purpose, or for any purpose reasonably deemed hazardous by Landlord because of fire or any other risk or in any other manner which would disturb the peaceful, quiet enjoyment of any other neighbor of the Premises. Landlord reserves the right of eviction for all the illegal manufacture, distribution, or use or other illegal activities in connection with controlled substance(s). A criminal conviction shall not be necessary before Landlord can institute an eviction action based thereupon.

SUBLETTING/OCCUPANTS: Tenant shall not lease or sublease nor assign the premises without the written consent of the Landlord. Guest(s) staying over 15 days without the written consent of Landlord shall be considered a breach of this agreement.

PETS: No animal 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 Landlord.

NOISE: Tenant agrees not to use the premises in such a manner as to disturb the peace and quiet of other tenants in the building and the immediate neighbors.

CONDITION OF PREMISES/ALTERATIONS: Tenant agrees to occupy the premises and shall keep same in good condition, except for reasonable wear and tear, and shall not make any alterations, including changing or adding locks, without the written consent of the Landlord.

REPAIRS AND MAINTENANCE: Tenant agrees to notify Landlord immediately if any repairs are necessary. Landlord agrees to regularly maintain the building and grounds in a clean, orderly, and safe manner, including removal of ice and snow. Landlord further agrees upon notice by Tenant to complete, within a reasonable time, all necessary repairs including those of appliances and utilities, which are furnished with the premises.

RIGHT OF ENTRY: Landlord may enter premises at reasonable times for the purposes of inspection, maintenance or repair, and to show the premises to buyers or prospective tenants. In all instances, except those of emergency or abandonment, the Landlord shall give 24-hour notice prior to such an entry.

CHANGE OF TERMS: The terms and conditions of this agreement are subject to future change by Landlord after the expiration of the agreed lease period upon 30-day written notice setting forth such change and delivered to Tenant.

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. The premises shall be considered vacated only after all areas including storage areas are clear of all Tenant's belongings, and keys and other property furnished for Tenant's use are returned to Landlord. Should the Tenant hold over beyond the termination date or fail to vacate all possessions on or before the termination date, Tenant shall be liable for additional rent and damages.

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

TENANT'S Signature _____ Date _____

TENANT'S Signature _____ Date _____

LANDLORD'S Signature _____ Date _____

Tenant-Landlord Protections

The lease protects both the tenant and the landlord. Based on the lease you just reviewed, complete the chart below to show how each party is protected regarding these different issues. (Do not fill in gray boxes.)

	How is the landlord protected?	How is the tenant protected?
Security deposits		
Late charge		
Use of apartment		
Subletting/Occupants		
Pets		
Conditions/Alterations		
Repairs/Maintenance		
Right of Entry		
Change of Terms		
Termination		

Tenant and Landlord Rights & Responsibilities

The lease describes the rights and responsibilities of both the tenant and the landlord. Based on the lease you just reviewed, check the rights and responsibilities of each party below.

TENANT

Rights

- To rent the premises without any changes to the lease before its term ends.
- To keep a pet on the premises, as long as it's small and quiet.
- To live in a premises in which the building and grounds are maintained in a safe and clean manner.
- To paint the bedroom walls.
- To have parties at any time of the day or night.
- To sublet the apartment to a responsible friend if rent is paid on time.

Responsibilities

- To pay the monthly rent by the end of that month.
- To pay for all utilities besides electricity, water, and trash removal.
- To maintain the grounds, such as removing ice and snow.
- To keep the premises in good condition.
- To notify landlord immediately of repairs are needed.
- To vacate the premises and remove all belongings at the end of the lease, unless there is a written agreement extending the lease.

LANDLORD

Rights

- 13. To charge a late fee if the rent is more than a week late.
- 14. To evict the tenant for use of controlled substances.
- 15. To show the apartment to potential renters without notifying tenants.
- 16. To keep the security deposit if tenants still owe rent or to cover damages to premises beyond normal wear and tear.
- 17. To change the rent or conditions of the lease before its term ends.

Responsibilities

- 18. To pay for the phone services of the premises.
- 19. To return security deposit (with interest) if premises are in good condition after end of lease.
- 20. To give tenants 24-hour notice before entering premises, except in case of emergency.
- 21. To maintain building and grounds in safe and clean manner.
- 22. To clean the interior rooms of the premises.
- 23. To make repairs in a reasonable time to building or appliances furnished with the premises.

