

FINE PRINT: Residential Lease

In this activity, you will explore an apartment lease in more detail to understand its various components. Then, you will answer questions using the sample residential lease below.

Part I: Read The Fine Print

Analyze this sample lease and answer the questions that follow.

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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, Capital Rabbit Properties, LLC, shall be referred to as "OWNER" and Tenant(s)/Lessee, Candace P. Pickles, 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 4242 Merryville Lane in the city of Rose Glen, MD 21013.

1. **TERMS:** RESIDENT agrees to pay in advance \$ 1200 per month on the 1st day of each month. This agreement shall commence on Mar 1, 20 and continue; (check one)

A. until Feb 28, 21 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 by mail or delivery to 4000 Wren Rd, Suite 1414. 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 \$ 1200, and a Security Deposit of \$ 1200, and additional charges/fees for keys & mailbox of \$125, parking \$17, for a total payment of \$ 2542. All payments are to be made payable to Capital Rabbit Properties, LLC.

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 21 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 14 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 \$ 25, (not to exceed 3% of the monthly rent), shall be added and due for any payment of rent made after the 5th of the month. Any dishonored check shall be treated as unpaid rent, and subject to an additional fee of \$ 35.

5. **UTILITIES:** RESIDENT agrees to pay all utilities and/or services based upon occupancy of the premises except water, sewage, garbage, recycling.

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 2 weeks.

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 \$ 750 shall be required along with additional monthly rent of \$ 35 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 Space D126. The parking fee for this space (if applicable is \$ 17 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.

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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. **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.

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

25. **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.

26. **LEAD NOTIFICATION REQUIREMENT:** For rental dwellings built before 1978, RESIDENT acknowledges receipt of the following: (Please check)

Lead Based Paint Disclosure Form

EPA Pamphlet

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27. ADDITIONS AND/OR EXCEPTIONS

No sublets; no short term rentals

28. **NOTICES:** All notices to RESIDENT shall be served at RESIDENT'S premises and all notices to OWNER shall be served at 4000 Wren Rd, Suite 1414, Maiden Mission, MD.

29. **INVENTORY:** The premises contains the following items, that the RESIDENT may use.

washer, dryer

30. **KEYS AND ADDENDUMS:** RESIDENT acknowledges receipt of the following which shall be deemed part of this Agreement: (Please check)

Keys #of keys and purposes 1 front door, 1 mailbox

House Rules Pet Agreement Other Parking Agreement

31. **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.

32. **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 Candace Pickles

Date 01/22/2020

RESIDENT'S Signature  Signature

Date 

OWNER'S or Agent's Signature Robin Russo

Date 01/23/2020

1. Which statement best describes the parties in this lease?
 - a. Candace Pickles is the renter, Capital Rabbit Properties is the agent, Robin Russo is the owner
 - b. Candace Pickles is the owner, Capital Rabbit Properties is the agent, Robin Russo is the renter
 - c. Candace Pickles is the agent, Capital Rabbit Properties is the renter, Robin Russo is the owner
 - d. Candace Pickles is the renter, Capital Rabbit Properties is the owner, Robin Russo is the agent

2. How long does this lease last?
 - a. Month-to-month agreement
 - b. 12 months
 - c. 18 months
 - d. 2 years

3. How much is the monthly rent for this apartment plus its parking space?
 - a. \$1200
 - b. \$1217
 - c. \$2542
 - d. Not stated in this lease

4. How much money was due at the time of signing this lease?
 - a. \$1200
 - b. \$1342
 - c. \$2400
 - d. \$2542

5. Assuming she hasn't caused any damage to the apartment, how much money can the resident expect to receive from the owner within a month of moving out?
 - a. None
 - b. \$600
 - c. \$1200
 - d. \$2542

6. When will the landlord begin charging late fees?
 - a. There are no late fees in the agreement
 - b. The 2nd of each month
 - c. The 6th of each month
 - d. The 16th of each month

7. Which utilities are included in the cost of the monthly rent payments?
 - a. Security deposit
 - b. Water, sewage, garbage, recycling
 - c. Gas, electric, phone, internet
 - d. Gym membership, laundry facilities, security system

8. Which statement best describes this apartment's rules on overnight guests?
 - a. Overnight guests are allowed as long as they stay for over 15 days
 - b. Overnight guests are allowed if they stay fewer than 15 days and the resident is home for the duration
 - c. Overnight guests are allowed, as long as they sign a short-term rental agreement
 - d. Overnight guests are never allowed

9. If the tenant decides to get a pet turtle 5 months after moving into the apartment, she must take each of the following actions EXCEPT...
 - a. Ask permission at least 15 days in advance
 - b. Pay an additional \$750 security deposit
 - c. Add \$35 per month onto the rent payment
 - d. Sign a Pet Agreement

10. According to this lease, the resident also received a copy of each of the following documents EXCEPT...
 - a. Pet Agreement
 - b. Lead Based Paint Disclosure Form
 - c. House Rules
 - d. Parking Agreement

Part II: What Did You Learn?

Use what you learned from analyzing the residential lease to answer this question.

11. Explain the importance of having a formal lease and reading it thoroughly before you sign.