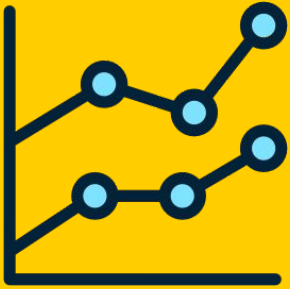




# → **All About Leases:** **From Creation to Amendment**

A webinar by   **turbotenant**

This webinar will be recorded and emailed to you after our session ends.



## **Intro Poll:**

How many rental units do you own?

Have you attended a TurboTenant webinar before?

Do you have a TurboTenant account?

Where did you get the lease you use currently?

## Key Takeaways:

- A lease is a legally binding document, so make it accessible to both you and your tenant(s) for maximum benefit.
- Your state may require specific disclosures that, if you fail to provide, could result in heavy fines and steep penalties.
- There are clauses you could add to your lease to strengthen it significantly - even in case of death.



# The Importance of Understanding Lease Agreements

- You and your tenant are equally bound to the terms of your lease
  - Your goal: make sure you and your tenant know what you're agreeing to
    - Feel confident enough to recommend resources to help your tenant understand their legal obligations

# Why Would I Want My Tenant Reviewing the Lease With a Legal Professional?

- Shows that you care about everyone understanding their obligations to each other
- Gives your tenant a chance to ask questions and negotiate - *that's not a bad thing*
- Could aid in legal defense in the rare chance that something happens and you have to go to court

# Shout It Out in the Chat:

## What goes in a residential lease?



**Names of All Parties** - Tenants, landlords, and co-signers will all be legally bound



**Length** - When the lease starts and ends with clear move-in/out dates



**Rent Price** - The exact amount along with late fees, and utility costs (if included)



**Security Deposit** - How much, how it will be collected, and reasons for deductions

# The Components of a Residential Lease Agreement

- **Section 1:** Provides basic details like address, lease start/end dates, total monthly rent, late fee, move-in fee, etc.
  - Similar structure across most states
- **Section 2:** Often contains state- or city-specific information, such as disclosures
- **Section 3:** Typically standard across most lease agreements - usually contains clauses about subletting, altering the property, and following the law

# Common Disclosures

- According to Nolo:
  - Whether the landlord will charge nonrefundable fees
  - Existing damage to the property
    - *A move-in checklist helps greatly here*
  - Smoking policy
  - Recent flooding
  - Outstanding building inspection/condemnation housing violations
  - Right to be present at closing inspection
  - Rights of domestic violence victims

**Did You Know?:** The only federally required disclosure is [the lead paint disclosure](#). Everything else is required by state or local law.



# State-Specific Disclosure Example

- *California*
  - Asbestos Notice - Section 2.20
  - Methamphetamine/Fentanyl Notice - Section 2.21
  - Flood Zone Notice - Section 2.22
  - Prior Death Notice - Section 2.23
  - Military Testing Site Notice - Section 2.24
  - Shared Utility Notice - Section 2.25
  - Bed Bug Information - Section 2.26

TurboTenant appends the required disclosures to your lease when you create it with us, helping you stay state-compliant!

# States Without Addl Disclosure Requirements

- *Though local ordinances may apply, per Legal Nature:*
  - Arkansas
  - Colorado
  - Idaho
  - Louisiana
  - Mississippi
  - Missouri
  - Vermont

# Common Unenforceable Clauses, pt 1

- *Mileage may vary, depending on your state:*
  - Requiring a tenant to waive the right to the return of the security deposit
  - Waiving a landlord's responsibility for acts of gross negligence
  - Requiring a tenant who has been called into military service before the end of a lease term to pay for the remainder of rent due for their entire lease term (See Federal Soldiers and Sailors Civil Relief Act (50 U.S.C. App. §534))

## Common Unenforceable Clauses, pt 2

- Requiring a tenant to waive the covenant of quiet enjoyment of the premises
- Requiring a tenant to waive the warranty of habitability of the premises
- Allowing the landlord to forcibly remove a tenant and the tenant's personal property without going through the eviction process

## Poll:

**How much do you trust the lease  
you're using now?**



# Take Your Lease Beyond the Basics

## Create Your State-Specific Lease Agreement

PREVIEW LEASE

Complete Each Section

- Lease Specifics EDIT
- Rent, Deposit, & Fees START
- People on the Lease START
- Pets, Smoking, & Insurance START
- Utilities, Services, & Keys START

### Rent, Deposits, & Fees

**Monthly Rent**

\$ 2,200.00

Will you charge pet rent?

Yes  No

**Deposit(s)**

\$ 1,500.00

Do you require a pet deposit?

Yes  No

### Provisions & Attachments

**Additional Terms**

Lead-based Paint Disclosure

**Attachments**

# Less Common Disclosures Worth Considering, pt. 1

- Subleasing/subletting
- Improvement ownership
  - Can tenants remove fixtures they installed upon move out?
- Liability
  - Is the landlord liable for damages incurred by the tenant if they're injured because of inadequate maintenance of the property?

## Less Common Disclosures Worth Considering, pt. 2

- Play structures/large outdoor equipment
  - Defining how your unit's outdoor space should be used, along with highlighting the types of notification you'd like to receive before something is put up, can help keep everyone safe
- Break lease options
  - Detailing how much money each party would be responsible for in order to terminate the lease early can save you from eviction down the road



# What if I Want to Change My Active Lease?

- Use a lease addendum!
  - Per [ContractCounsel](#): “An addendum to a lease is a separate legal document added by the landlord to the original lease agreement between the landlord and tenant.

Lease addendums are used to provide additional information that the original lease does not cover.”

# Lease Addendum Components

- Should include:
  - The renter's name
  - The landlord's name
  - The rental property's address
  - The date of the addendum
  - The lease start date
  - The provision itself
  - Signatures from the landlord and all involved tenants

**Pro Tip:** You could try to write your own lease addendum - or you could [purchase an addendum from the experts at TurboTenant.](#)

# Frequently Asked Questions: Lease Edition



## Does my lease stop applying if I die?

- **Likely not** - your tenant has the right to finish out the lease as stated
  - Unless you had a provision terminating the lease upon your passing, as allowed by your local laws

# What happens to the lease if a rental property is sold?

- Assuming there's no clause in the lease, **the new owner/landlord must honor the rental contract if it existed at the time of the sale**
  - Legally bound to follow all lease terms, including the termination date and the amount of rent, unless an amendment is signed by all parties
  - The tenant should continue to pay you until you provide a written notice directing the payment elsewhere

# What happens to the lease if a rental property is foreclosed?

- Typically, all tenants with a written lease must be allowed to remain in the unit through the term of their lease
  - Unless the new owner intends to live in the new rental
- No written lease or the new owner wants to live in the unit?
  - The tenant must be given a written notice to vacate...  
UNLESS →

# What happens to the lease if a rental property is foreclosed? Pt. 2

- The tenant must be given a written notice to vacate unless:
  1. the tenant has an ownership interest in the rental property being foreclosed
  2. the tenant is a member of the foreclosed owner's family
  3. the tenant is not subsidized through a government program and is paying substantially less than fair market rental

# What happens if I break the lease as a landlord?

- Your tenant can sue you
  - Remember, a lease is a legally binding document that binds *both* parties to its terms
  - All states (except Arkansas) allow tenants to sue their landlord if they provide an uninhabitable residence, according to [Bay Management Group](#)

*Recommended resource:*

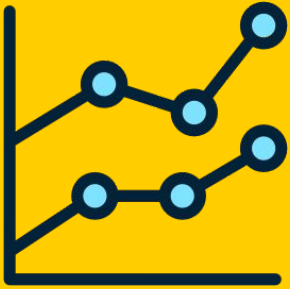
- [How long does a landlord have to fix something?](#)



# Q & A



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## **Final Poll:**

- 1. How did today's session compare to your expectations?**
- 2. I can use the information from this webinar:**