

ONLINE INSTRUCTION ECONOMICS WEEK SIX (6)  
*HOUSING AND THE CONSUMER, PART THREE*



Online Instruction: Week six: Monday June 1,2020 thru Sunday June 7, 2020

Mr. Sapia

Name/Class:

Date:

Economics

Mr. Sapia

## HOUSING LAW AND THE CONSUMER, PART THREE

In most places, landlords have the right to ask for a security deposit. This deposit is an amount of money-- usually one month's rent, but sometimes more-- that is held by the landlord to ensure that the tenant takes care of the apartment or house and abide by the terms of the lease. If the tenant damages the landlord's property, the landlord may keep the security deposit (or a part of it) to pay for the damage. Also, if the tenant does not pay all the rent, the landlord may be able to keep the security deposit to cover the portion of the rent still owed.

Some states put a limit on the amount of the security deposit. Some also require landlords to pay tenants interest on the money and to return it within a specific time after the end of the lease. When a landlord requires a security deposit, the tenant should always get a receipt and should keep it until the deposit is returned. The tenant may also ask that the money be placed in an interest-paying bank account (whether or not this is required by state law).

Security deposits are frequently the subject of disputes between landlords and tenants. Whether damages to the landlord's property are determined to result from normal wear and tear or from tenants neglect depends on all the facts. To protect yourself, make a list of all the facts and damages that exist at the time you move in. Keep a copy of the list, and give another copy to the landlord.

When moving out, you should inspect the apartment or house again and make a list of any damages. Sometimes an inspection with both the landlord and the tenant present can help avoid any disagreements. Bringing a friend along as a witness and making careful notes at the time can also be helpful in case you have a dispute with the landlord. If there are no damages, the landlord should return your money within a reasonable period of time. When the lease expires, most states require the landlord to either return the full amount of the security deposit to the tenant or provide an itemized list of deductions. In some states, you can sue for punitive damages if the landlord fails to return the security deposit or give you the list of deductions. In every state, you have the right to sue the landlord in small claims court if you disagree with the reasons for not returning the security.

Finally, tenants generally have no right to make any changes in the structure or character of the property without the permission of the landlord. Even if the landlord agrees to changes or improvements, the improvement becomes the property of the landlord if it cannot be removed without serious damage to the premises. For example, if you build new cabinets in the kitchen, they become a fixture of the property and cannot be removed at the end of the lease. Fixtures are items attached to the property in such a way that their removal would damage the property. As noted, fixtures belong to the owner of the property.

Many standard form leases contain clauses stating that the tenant cannot hold the landlord responsible for damages for personal injuries that result from the landlord's negligence. For example, the lease may say that the tenant cannot sue the landlord if the tenant is injured because of a broken guardrail that the landlord should have repaired.

This type of clauses known as a **waiver of tort liability**. Under this provision, the tenant agrees to waive, or give up, the usual rights to hold the landlord responsible for personal injuries. Most courts will not uphold such a clause. Therefore, if you and your guest is injured as a result of the landlord's negligence, you can usually recover damages no matter what the lease says. However, you are always better off getting a lease without this type of clause so that you can avoid going to court if at all possible. A few courts still enforce waivers of tort liability but, as mentioned earlier, the number of such courts are decreasing at this time.

Most leases give landlords and their agents the right to enter the premises to make repairs, collect the rent, or enforce other provisions of the lease. This provision is called a **right of entry or access** clause. Taken literally, this provision will allow the landlord to enter your apartment any time, day or night, without your permission. However, the law and almost every state requires that visits by the landlord be at a reasonable time and that reasonable notice of the visit be given to the tenant ahead of time. Moreover, landlords do not have the right to enter your apartment or house without your permission simply to snoop around or check on your housekeeping.

Some leases require tenants to obey all present and future rules that landlords make concerning the property. In most cases these rules are reasonable, but not always. Typical examples include rules against having pets; rules against keeping bicycles or other items in the halls; and rules concerning visitors, cooking, storage, children, building security, and hanging pictures on the walls.

It is important to read and understand all the rules and regulations before you move into a building. Otherwise, you may lose your security deposit or be evicted for violating the apartments rules. If you're going to sign a lease that requires you to obey all rules-- even those made in the future-- it is best to have the lease states, "the tenant agrees to follow all reasonable rules and regulations."

Almost all leases have a clause that speaks to sublets or subleases. A sublease clause requires you to obtain the landlord's permission before subleasing your apartment or house. A sublease takes place when the tenant allow someone else to live on the premises and pays all or part of the rent.

For example, suppose you sign a one-year lease on a small house. After six months, you find a larger house and want to move. If the landlord agrees, a sublease clause would allow you to rent

the small house to someone else for the remainder of the lease. In a sublease situation, the original lease remains in effect. This means that if the new tenants fails to pay the rent, you are still responsible for paying.

To avoid continued responsibility under the lease, a tenant can seek a release. If the landlord gives a release, the tenant is excused from all duties related to the apartment or house and the lease.

Landlords do not have to agree to the tenant's request to sublease. Remember, even if your lease lets you sublet, you are still responsible for paying the rent if the person to whom you sublet does not pay.

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WEEK SIX-- ONLINE INSTRUCTION ECONOMICS STUDENT ANSWER SHEET  
HOUSING LAW, PART THREE

**Directions:** please read each question carefully and record your answer in the space provided for you. Furthermore, please write neatly and in complete sentences. Email me back only the answer sheet. Thank you.

1. Why do most leases require the tenant to get the landlord's permission before subleasing an apartment?

2. Assume the lease requires the tenant to get the landlord's permission before subletting. Moshe, the tenant, leaves town and lets his friend Chaim take over the lease, but Chaim never pays the rent. Does Moshe still owe the landlord the rent?

3. Why do tenants generally have no right to make any changes in the structure character of the property without the permission of the landlord even though they're paying rent for the space?

4. Do you SUPPORT or ATTACK clauses in a lease that requires the tenant to waive or give up their right to hold the landlord responsible for personal injuries that are clearly a results of landlord negligence? EXPLAIN IN MORE THAN THREE/FOUR SENTENCES.

5. Why do some people believe that the right of entry or access clause is illegal?