

35 Lease and Rental Terms You Should Know

- 01 **“As-Is”:** When something is described “As-Is,” it usually refers to something that is part of a transaction. When referring to a rental, it means the property will be given to the renter in the current condition.
- 02 **Abandonment:** Rental abandonment is when a person vacates premises without a written agreement or notifying their landlord. This is usually the result of an inability to pay. In the event of abandonment, any belongings that are left behind will belong to the landlord.
- 03 **Addendum:** An addendum is just a fancy word for an additional requirement or clause at the end of the lease. A simple addendum you might see is a pet policy.
- 04 **Alterations:** When it comes to a rental, alterations are permanent changes done to a property. If you are a renter looking to make an alteration to your rental property, you will need to enter into an alteration agreement. This agreement would be between you and the property manager (and possibly more parties) that indicated you have permission to make changes to a property that isn't yours.
- 05 **Buy-Out Clause:** A buy-out clause is a section of the lease dedicated to the requirements for getting out of a lease. As a renter, you are required to fulfill the terms of a lease. If you don't, you can expect to be in small claims court. Buy-out clauses typically involve an advance notice to vacate and a “buy-out fee.”
- 06 **Check-In/Check-Out Inspection:** Before you move in or move out, you and your landlord will do an inspection to compare the condition of the property before and after you move.
- 07 **Default:** When a person does not pay rent or breaks a term of a lease, they can be considered in default. In this case, the owner is usually required to allow the tenant to rectify the situation. If they do not rectify, the landlord can pursue them or even evict them.
- 08 **Dishonored Checks:** A dishonored check is a check that is returned by the bank because of insufficient funds in the check writer's account. Writing checks without the funds in your account is a big no-no.

- 09 Emergency Contact:** An emergency contact is somebody your landlord can contact in the event of an accident or emergency. A name and phone number are usually the only required information.
- 10 Eviction:** If a resident does not uphold all of the terms in a lease, the property manager/owner can have that resident evicted. Eviction is a process that starts with a written notice to vacate the premises. It can turn into a forcible eviction if the request to vacate is not honored.
- 11 Furnishings:** Furnishings are pieces of furniture or housewares that come available with the home you are renting. Examples would be living room furniture, washer/dryer, or beds. The majority of rentals do not come furnished, but there are some instances where people rent out fully-furnished homes.
- 12 Homeowner's Association:** A Homeowner's Association (HOA) is a planned community or neighborhood with a specific set of rules. If you live within an area with a homeowner's association, there are fees and guidelines that need to be followed. Rules often pertain to things such as noise, lawn care, watering, or other general upkeep. It might also involve the maintenance of community amenities like a pool, gym, or snow removal.
- 13 Indemnify:** Indemnify means to compensate for damage or loss. It can also be referencing a protection against future loss or damage (similar to insurance).
- 14 Interest:** Interest is a percentage of a debt that is owed on top of the debt. When it comes to renting, an owner can charge interest if rent is not paid for on time.
- 15 Landlord:** The landlord is usually the owner of a rental property. They are the person renters will communicate with regarding the rental.
- 16 Lead-Based Paint:** If you see a Lead-Based Paint Addendum, you are in a state that requires lead paint disclosure. If the property you want to rent was built before 1978, owners are required to disclose information about the paint that was used within the home. This information usually says whether or not lead paint was used, and whether or not it's still present on the premises.
- 17 Liable:** Liable means a certain party is legally responsible.

- 18 Lien:** This means that the owner has the right to any and all belongings of the tenant until a debt is paid in full.
- 19 Litigation:** Litigation is the process of taking legal action. Regarding a lease, both a landlord and a tenant can have grounds for litigation.
- 20 Multi-Unit:** A Multi-Unit building is one that has multiple apartments or rooms for rent. Apartment complexes, duplex, triplexes, quadplexes, townhomes, and condominiums are examples of multi-unit housing.
- 21 Negligent:** Failing to take care of something or someone. In a lease, it would be referring to some aspect of the property.
- 22 Occupancy:** The number of people who are living or allowed to live on the property.
- 23 Premises:** A premises involved the entire property that a person would be renting. It involves any buildings and land associated with the property agreement.
- 24 Prohibited:** Prohibited is a stronger way to say that something is NOT ALLOWED.
- 25 Re-Entry:** The act of repossessing or “re-entering” a rental after a lease ends or an eviction occurs.
- 26 Security Deposit:** A security deposit is a lump sum paid to the property owner at the beginning of the lease term. The purpose is to protect the owner from any loss that occurs during the lease term. A commonly required deposit is equal to the first month’s rent. If the tenant takes care of the property, he/she should get all of the deposit back.
- 27 Single Family:** The phrase “single-family home” is almost always referring to a house. It is a type of housing classification. A single-family home is usually a house that is capable of hosting only one family.

- 28 Sublease/Sublet:** A sublet is when a renter decides (or needs) to leave a home, another tenant comes in and fulfills the lease in their absence. For example, person A signs a twelve-month lease but needs to leave after seven months. The tenant is sometimes allowed to find a person to sublease. A sublease isn't always allowed and always needs to be approved by the owner and/or property manager.
- 29 Subordination:** A subordination agreement indicates that if a rental property switches possession, then the renter will still be allowed to live there for the remainder of the lease terms.
- 30 Tenant:** The person or persons that reside in the rental property. A tenant's name is on the lease.
- 31 Trial by Jury:** Leases often require the tenant to waive their right to a trial by jury.
- 32 Utilities:** This word is referencing the various costs that are required to run a property. This includes electricity, gas, water, trash, pest control, internet, and sometimes more. In some cases, the owner is responsible for all utilities. In most cases, the renter is responsible for the majority of the costs.
- 33 Waived:** Waiving usually means an individual agrees not to enforce or apply something. Usually, it pertains to a rule or a right.
- 34 Walk-Through:** A walk-through is typically a scheduled time for the landlord and tenants to tour or inspect the property. After a lease is signed, a landlord might schedule a walk-through to make sure the property is being well-kept.
- 35 Witness:** Witnesses are not usually required for signing a lease. In some cases, leases require a witness when signing a lease.