

GET A HEAD START: LEASE SMART

Module Guide

TIME REQUIRED:

This module can be adapted or adjusted for presentations of 30 minutes to one hour.

RECOMMENDED AUDIENCE:

College students or students soon to be entering college.

MAJOR CONCEPTS:

- ③ A lease as a legal contract
- ③ Information used to evaluate perspective tenants
- ③ Credit report
- ③ Deposit vs. fee
- ③ Security deposit
- ③ Options when leaving a lease early, including subleasing
- ③ Ordinary wear and tear
- ③ Procedures when moving in and moving out of rental property
- ③ Renter's insurance
- ③ Renter's rights and responsibilities

RATIONALE FOR THE MODULE:

Young adults encounter many new and exciting experiences while in college. A prime example is renting an apartment or house. Many college students live off campus. Most have very limited knowledge about rental laws, tenant rights, and how to deal with general concerns about renting. Many college students sign a lease without a complete understanding of the legally binding nature of their lease, and many do not even read their lease before signing on the dotted line.

MATERIALS AND EQUIPMENT:

Laptop computer with Microsoft PowerPoint installed or transparencies and overhead projector

A Georgia residential lease form (you can buy one at office supply stores for under \$10)

HANDOUTS:

- HO #1 Lease Clauses
- HO #2 Lease Clauses Deciphered
- HO#3 Lease Glossary
- HO#4 Repair and Deduct in Georgia Leases: Additional Information for PFC Counselors
- HO #5 Evaluation

PROCEDURE:

- I. Decide which handouts you plan to use and make the appropriate number of copies
- II. Introduce yourself and the Peer Financial Counseling Program
- III. Ask the people in the back if they can hear you
- IV. Start presentation
- V. Provide handouts as needed
- VI. Encourage discussion using suggested activities as time permits
- VII. Thank sponsoring organizations
- VIII. Have participants complete and return evaluations (HO#5)

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SUGGESTED ACTIVITIES

Many college students (and others) probably don't read a lease because they don't think they can. Use the activities suggested here along with HO#1 and #2 to show students 1) the importance of reading a lease, 2) that they CAN read a lease, and 3) that it's ok to take the lease home to read it or to ask for help with reading the lease. The clauses that appear in HO#1 (Lease Clauses) are also in the Lease Clause Power Point if you want to put them up on the screen. An alternative is to use HO#1 as a handout. This is a good activity to ask participants to do in small groups. Choose two or three sections for all groups to read or assign different sections to different groups. Use HO#2 to answer questions about the lease clauses. You also can use clauses from a residential lease form that you can buy at local office supply stores or leases from local rental properties. Remind participants that you are NOT giving legal advice.

Who Is Who In a Lease? (Slide #2)

Leases refer to the individuals as the lessor and the lessee. Which one is which? Read Section 1 on HO#1. Who do you think is the lessor and who is the lessee?

What's In a Lease? (Slide #3)

Read Section 2 in HO#1. The clauses listed here include important components of a lease and most participants can read them if they try. Ask participants to form small groups to read the clauses and answer the following questions: What does each clause state? Suppose our renter pays her rent two days late two months in a row and the second month her check bounces. What are the costs of her actions? What other consequences will there be? See HO#2 for answers.

What About Security Deposits, Other Deposits, and Fees? (Slides #7-10)

Read Section 3 in HO#1. What does the Security Deposit clause say? Most participants will understand the important parts but refer to HO#2 if they need help.

Read Section 4 in HO#1. What is ordinary wear and tear? What's negligence? (Refer to HO#2 and #3 if you need help.) Print the items in the list after Section #4 on cards and distribute them among small groups. Ask them to decide if a landlord would consider each item to be ordinary wear and tear or the result of negligence, carelessness, accident, or abuse. Discuss why landlords and tenants might disagree about how to classify an item. Refer to HO#2 to see how landlords would likely classify each item. Remind participants to read the lease and the rules and regulations for other information about how the landlord defines negligence.

What About Moving In and Moving Out? (Slide #9)

Read Section 5 in HO#1. What do the clauses say? These may be tough ones so refer to HO#2 as needed.

Maintenance and Repairs (Slide #10)

Read Section 6 in HO#1. What does the clause state? Refer to HO#2 as needed. Ask participants about their experiences – good and bad.

Leaving Before the Lease Is Up -- Subleasing (Slide #11)

Read Section 6 in HO#1. What does the clause state? Refer to HO#2 as needed. Read Section 6 in HO#1. What does the clause state? Refer to HO#2 as needed. Ask participants about their experiences – good and bad.

ANSWERS TO CHECKING KNOWLEDGE QUESTIONS ON EVALUATION (HO#4)

1. D. By law, a landlord can't refuse to rent based on family status (including having children) but a landlord can (and often will) check a prospective tenant's credit history and criminal background. (Slide 2)
2. D. Generally something classified as a deposit should be returned if you've met those conditions. The conditions for returning a security deposit usually are paying all of the rent and leaving the unit in good condition – meaning you or your guests haven't damaged it. (Slide 7)
3. B. Subleasing requires written permission from the landlord. (Slide 11)
4. B. Check your lease and the rules and regulations but A, C, and D would likely result from your misuse or negligence. (Slide 10)
5. A. If your name is on the lease, the landlord can hold you responsible for paying the rent and evict you if you don't. (Slide 12)