

ALOC NEWS

www.cumberlandlandlords.com

July 10, 2006

Associated Landlords of the Cumberland Area
ALOC Phone (301) 759-0530 P.O. Box 1867

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Leases

The state of Maryland requires a written lease for most Landlords and we all should have properly signed leases for all of our Tenants before they move in. Many leases are available through many different channels and of course one can choose to pay a lawyer to write up a custom lease. The problem with these options is that you will pay vastly more than what it costs for an ALOC lease and you may not have a lease that is in compliance with all of the regulations.

Why is this? First each state has very specific regulations about what can be in a lease and some even require specific wording. Maryland is one of those states! Maryland requires that you advise the tenants of their rights regarding Security Deposits and they also have EXACT wording about smoke detectors. Because these special requirements cannot be found in one central place in Maryland law, few if any "boilerplate" leases available from the Internet will be in compliance. Many lawyers will also not be familiar with these peculiarities.

Now for some specific things you cannot include in a lease:

- a. Late fees in excess of 5 %.
- b. Landlord cannot seize or take possession of Tenants property without due process (need to go through courts)
- c. Tenant waiving rights to a jury trial.
- d. A provision whereby the Tenant agrees to waive or forego any rights or remedies against the Landlord as provided by law.
- e. Any provision whereby the Tenant agrees to a period for the Landlords notice to quit that is less than the period prescribed by law.
- f. A provision allowing for automatic lease renewal that is not specifically acknowledged by the Tenant by signature or initials.
- g. No lease may require a Tenant to give a longer notice period to terminate the Tenancy than the period granted by the landlord to likewise notify the tenant.
- h. You cannot have clauses that terminate a lease if the property is sold. The lease term will continue with the new owner until its natural expiration date or a breach occurs allowing earlier termination for cause.
- i. Any provision which is against public policy.

There are many other provisions in leases that are routinely shot down in flames in court. Some judges follow the law to the letter while others weave their own interpretation into the proceedings. Based on experience here are some other clauses/provisions to avoid:

- a. Transfer responsibility for normal routine repairs to tenants. This is especially problematic as most municipalities require that electrical and plumbing work be done by licensed and or qualified technicians
- b. Don't try to disguise excessive late charges by giving a "discount" for early payment.
- c. Clauses that require Tenants to pay fees for what many judges may interpret as a normal Landlord expense that cannot be charged to the Tenant.
- d. Clauses stating that the Tenant accepts the property as is. In Maryland you cannot rent a unit that it is not in full compliance with all applicable laws and codes. This includes local housing codes, MDE regulations, Maryland Real Property Law as well as certain Consumer Protection laws.
- e. Provisions whereby the Tenant agrees to fix up or repair a unit that is not code compliant in return for a rent reduction or security deposit waiver. The unit must be in full compliance before the Tenant moves in.
- f. Provisions that treat the Tenant's Security Deposit as liquidated damages. The handling of the Security Deposit must be in strict accordance with Maryland Real Property Law in section 8-203.

More to follow in the August Newsletter!

National Tenant Network

One of the best ways to avoid Tenant problems is to have a good way to check into the background of your prospective Tenants. Many of us have used the National Tenant Network and it will certainly simplify the process. Any member needing an informational package about the NTN can pick it up at TWR 549 N. Centre St. in Cumberland. You can also see the ad below and call them to sign up. You will need to mention that you are an ALOC member.

National Tenant Network

Brian D. Haymaker
President
15 East Boscawen St. 2nd floor
Winchester, VA 22601
866-387-6320
www.ntnnet.com

Carey Walker

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Maryland Property Owners Network

The Maryland Property Owners Network will meet on July 14th to finish up the establishment of a formal statewide group with officers and a Board of Directors. Bill Russell from Frostburg and Jeff Hutter from ALOC will attend along with other groups from around the state.

MDE Revision of "Notice of Tenants Rights"

Earlier this year the MDE revised the above booklet that we must hand out to new Tenants as they move in and once every two years thereafter in f there is no change in the tenancy. The booklets we have in stock at TWR will be upgrade accordingly. The forms can of course be downloaded direct from the Internet if desired.

Cumberland Housing Registration

All Cumberland Landlords should have received their renewal forms and turned them into the City along with payment by the end of June. If by chance you have not taken care of this by now it would be advisable to stop by City Hall and see that this is taken care of to avoid potential fines or penalties.

Leases and other Documents

ALOC has available leases, rental applications and tenant checklists for sale, at cost, to members. The cost for each item is as follows:

Large print regular or HUD Lease @ \$ 1.70

Rental Application @ \$ 0.50

Move in Checklist @ \$ 0.50

Lead Paint Brochures, both EPA & Maryland and document receipt@ \$3.50 for the set - Document Receipt for MDE & EPA brochures (disclosure) @ \$ 0.25

These forms are kept at Jeff Hutter's office, TWR Comm. at 549 N. Centre Street. Any paid member can stop by and pick up whatever they need. If you need more than 5 of each item please call at least 24 hours in advance so that we can make sure we have plenty on hand. Call 777-2692 ext 115 Monday through Friday and you can talk to Pam, Kathy or Gary.

TWR has limited Saturday hours from 9am-1pm most Saturdays (closed some Holiday weekends)

Please note: We do not keep MDE or City Housing registration forms on hand.

ALOC Officers

J. Jeffrey Hutter President

Carey Walker Vice President

Stephanie Wharton Secretary

J. Jeffrey Hutter Treasurer

Board of Directors

Clarence Anderson
Steve Jenkins
Bob Saville

Meeting Schedule

September 11, 2006

November 13, 2006

February 12, 2007

May 14, 2007

**Meetings are held at the
South Cumberland Library
on Race and Seymour St.
at 6:30 PM**

Thoughts for the Month

The future belongs to those who believe in the beauty of their dreams.

Eleanor Roosevelt

The difference between the impossible and the possible lies in a person's determination.

Tommy Lasorda

TWR Communications 301-777-2692 9-30-06

TWR supplies quality high speed Internet Access, both dialup and Wireless in the Tri-state area. TWR provides other computer services including training, computer repairs, networking and website hosting. If you have need of storage space check out our self-storage facilities on Necessity St.

TWR is an agent for Cellular One, operates a wide area network with wide area paging and mobile 2-way radio. Check us out at twr@hereintown.net

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