



OWNERS GUIDE TO LEASING

This guide has been prepared for use by any owner at Lakewood Park desiring to rent their unit. Whether you own one rental property or several, your goals are to run a profitable business, protect your investment and avoid legal hassles. Your success depends heavily on knowing and complying with dozens of state, federal, and local laws as well as any association rules and regulations that affect you. We hope you find this guide useful.

LEGAL RESOURCES

All landlords should familiarize themselves with the following legal areas:

1. Lakewood Park Condominium Association Declarations, Covenants and Restrictions – Section 19.2
2. Florida Statute – Chapter 83: Landlord – Tenant Law

RENTAL REQUIREMENTS

Prior to entering into a Lease Agreement with a prospective tenant, all Lease Agreements MUST be approved by the Association Manager. A unit owner will provide the Association Manager with a copy of the proposed Lease Agreement. The Lease Agreement must include the following terms:

1. The term of the Lease must not be less than seven (7) months. Short term leases are not permitted.
2. Below statement must be incorporated into the lease:
Tenant acknowledges the mandatory condominium association's governing documents. Tenant acknowledges his and her legal requirement to abide by the association's recorded and governing documents and shall not cause any violation of the association's documents, rules or regulations. Violation of the association's covenants, conditions, and restrictions shall constitute a material violation of the Lease Agreement.
3. All occupants of the rental unit must be listed on the lease.
4. Owners are required to furnish the Association with a copy of your front door key(s) for the purpose of emergency access only.
5. Any other keys, such as mailbox keys, as well as any amenity access cards will be furnished to the tenant by the Landlord.
6. Upon approval of the Lease Agreement, all tenants must be registered with the Association Office.
Please contact association manager for Registration Packet (also available on website)

****NOTE: In order for any tenant to complete registration process, an owner must be current with all assessments.**

Tips to manage your rental property at Lakewood Park:

- Being a landlord is a very tough job. You will need to be emotionally ready to deal with tenant issues, such as: chasing down late paying tenants and dealing with evictions, repairs and maintenance issues. Expect to be called at all times including during important business meetings, at your kids football match or when you are on vacation.
- Consider hiring a property management company... interview several and have them show you a sample of what a monthly owner statement is like.
- Screen your tenants, including criminal background and credit. There are many ways to do this, here is a suggestion: <http://www.e-renter.com/> , <http://www.tenantalert.com/>
- Rent Recovery Service/Collections - <http://www.rentrecovery.com/>
- Have standard forms ready for use such as Three Day Notice, and a Seven Day Notice to Cure. Find a good form resource that you are comfortable with and learn how to use the forms. Check your local book store. <http://floridarei.com/forms.php>
- Always handle repairs and maintenance issues as soon as you are notified about them. Have a system in place to deal with maintenance and repairs as well as a good handyman to handle these issues for you. You will also need to have access to a good plumber, air conditioning company, electrician etc....
- Each time a unit is vacated, be prepared to make the property rentable. This will usually include cleaning and painting the property at a bare minimum. Not only will this cost money but you will not be receiving any rental income while you clean and repair the property.
- Marketing and advertising to find tenants can be expensive. Expect to pay money for classified ads, signs, lock boxes, flyers etc. Find out where you can post ads for free like craigslist.com. We place your name and number on our rental list for free. The list is on our bulletin boards, website and we hand it out at the office.
- Do not discriminate based on race, ethnicity, sex, religion, disability, sexual orientation, age, political view points and any other violations of Federal Housing Laws. Be aware of local laws including code enforcement requirements, zoning etc.
- Plan on having "reserves" of at least six month's rent in case of an emergency such as a hurricane, fire, flood, damaged roof etc.
- When you calculate your cash flow for the property, assume that one month's rent will go towards repairs and one month's rent will go towards vacancies. This is a good conservative assumption which considers that you will only keep ten out of every twelve months rent.
- Being a landlord is a business. Treat it as such and do not let emotions get in the way of reason. Your tenants rent payment is what pays your mortgage. If they cannot pay then they need to either leave voluntarily or you will have to evict them.
- Either you control the tenant or the tenant controls you. Be firm and when they are late charge a late payment and put a 3 day notice on their door. Let them know that there will be no tolerance for late payments.
- Always keep your rental properties clean, tidy and well maintained.
- Be kind and courteous but fair and firm with your tenants. Do not become overly friendly with them. You are their landlord and they are your tenant. It is very important for that relationship to stay that way.
- Be aware of Florida Law and Statutes in regards to dealing with Security Deposits, Notices, Late Fees, and returned checks.
- Utilize move-in and move out checklists.

What should my lease Contain

While the exact terms of a lease will differ based on many factors, there are certain basic clauses all landlords should include in their leases. These provisions answer the questions WHO, WHERE, WHEN, WHET and HOW.

1. Parties- 'WHO' the Agreement is Between

Every lease agreement must clearly spell out who the lease is between. In the case of a lease for rental property, this agreement is between the landlord, and/or the landlord's agent, and the tenant.

2. Identification of Property- 'WHERE' the Property is Located

You will want to include the name of your property, if you have a name for it, such as "Sunset Estates," or "Ocean Villas." You will also include the full mailing address of the property: house number, street name, town, state and

3. Lease Term- 'WHEN' the Contract Is Valid

You will want to include the exact date: day, month and year, the lease begins and the exact date: day, month and year, the lease ends.

4. Amount of Rent Due- 'WHAT' the Tenant Has to Pay

It is essential to include the full amount of rent due over the period of the entire lease and then break it down by the amount due per month. You should include the dollar amount of rent the tenant must pay each month and the date on which this rent is due.

5. Acknowledgement- 'HOW' the Contract Becomes Binding

If the lease is not signed and dated, it is worthless. The signatures acknowledge that the landlord and the tenant agree to abide by the terms of the lease. The landlord, or the landlord's agent, such as a property manager, must sign and date the lease. The tenants must also sign and date the lease. Make sure to have all tenants over the age of 18

You must keep a signed copy of the lease for your records and must provide the Tenant with a signed copy of the lease as well.

Below are recommendations that you should have on your lease.

Example 1

*** NUMBER OF OCCUPANTS:** The most people allowed to live in the leased property are _____ adults _____ children.
Names of all occupants not signing this lease: _____.

(All residents that are above the age of 18 should also sign the Rules, Regulations and the Fitness Center Liability Forms).

LIST OF KEYS

Note: Owners are responsible to furnish tenants with amenity access.

We recommend that a list of keys given to the tenant be made part of the lease.

Example 2

***ACCEPTANCE OF KEYS:** The Undersigned Lessee hereby acknowledges receipt of the following access devices:

Entry: 2

Amenity Access Card: 1

Mailbox: 2

Amenity Gate Key: 1

Lessee shall return the above at the end of the lease term in good condition. Lessee shall be responsible for any cost associated with the replacing broken, lost or stolen keys.

Notice of intent to impose a claim on security deposit requirements

Florida Statutes Chapter 83.49 govern the rights and duties of landlord and tenant regarding the security deposit

[to view Florida Statutes online go to
<http://www.flsenate.gov/Statutes/index.cfm>].

One of the purposes of these statutes is to reduce the amount of lawsuits over security deposits, so the legislature established a series of hurdles each party must cross in order to preserve their rights. Because the rules are meant to deny litigants the key to the court house door, they are strictly enforced.

The responsibilities of the landlord and the tenant are determined by whether the tenant vacates:

1. at the end of a written lease.
2. before the end of a written lease
3. at the end of an oral lease
4. before the end of an oral lease.

1. Tenant vacates and the end of a written lease.

In order to impose a claim against the security deposit the landlord must send a notice of intent to impose a claim to the tenant. The notice must:

1. be sent to the tenants by certified mail
2. be sent within 30 days after the tenants vacated the leased premises
3. state the amount of the deposit being claimed by the landlord
4. specify the reasons for the claim
5. inform the tenants that the tenants must assert any objections to the claim within 15 days of receipt of the notice or the tenants will forfeit their right to object.
6. Provide the landlord address the tenants should send their objection to.

If the landlord fails to send the notice within the 30 days, or if the landlord sends a defective notice, the landlord forfeits his right to impose a claim against the security deposit. This is regardless of the amount of damage done by the tenants. The landlord may, however, still sue the tenant for damages after returning the entire security deposit.

The notice is to be sent to the tenants last know address. If the tenant did not provide a forwarding address, the landlord should send the notice to the leased premises.

A court has ruled that a landlord who did not the tenant's new address, but did know the tenant's attorney's address, was not required to send the notice to the attorney, but was allowed to send the notice to the leased premises [*Newman v. Gray* 4 Fla Law Weekly Supp 271 (Dade County 1996)].

Once the landlord has sent a proper notice of intent to impose claim, the burden shifts to the tenant to send an objection by certified mail within 15 days of receiving the notice. If the tenant fails to do so, the tenant absolutely waives any right to object to the landlord's claim and the landlord must remit that amount the landlord did not claim within 30 days of the date the landlord sent the original notice of intent to impose claim.

2. Tenant vacates before the end of a written lease or

3. at the end of an oral lease or

4. before the end of an oral lease:

The landlord does not have to send a notice of intent to impose claim on the security deposit unless the tenant first sends the landlord a notice. The tenant's notice must

1. be send seven days before the tenant vacates the leased premises
2. be sent by certified mail or hand delivered
3. provide a forwarding address for the landlord

If the tenant does not send this notice, the landlord does not have to send a notice. The tenant's failure to send the notice does not affect the parties' rights to the deposit money.

Another way of vacating before the end of the lease is when the landlord evicts the tenant. In this case, the landlord should not have to send a notice, but one court ruled that the landlord did have to [*Speigner v. Holland* 1 Fla Law Weekly Supp 529a (Brevard County 1993)]. I suggest that you send a notice anyway so it is not an issue. To get a "Notice of Intent to Impose Claim on Security Deposit" go to FloridaREI.com, "landlord forms page, "Claim on Security Deposit."