



Lease Break

There are many reasons why one would need to break their lease. While we realize that everyone's reason may be different, justifiable, or require special consideration, we would like to explain what the consequences are so you can analyze the situation in order to prepare yourself in a proper manner.

There are two types of Lease Breaks. The following will explain both. However before doing so you need to be reminded that your lease is a legal binding contract. As with any contract, there are proper procedures that must be followed. Should you not follow the procedures, breaking a lease can be very expensive. This added to the stress of moving may make this a very unpleasant experience.

First, you should know that the actions that come of a lease break are not personal, nor will we ever treat it as such. As stated above, your lease is a legal contract and is a business matter. No matter how good a tenant you may have been, we are bound by Fair Housing Laws and must treat everyone in the same way.

All of the following are either built into your lease, or was negotiated when you signed your lease.

Please remember, your lease states that you cannot use your security deposit to pay rent !!!

1) Military/Diplomatic/Employment Transfer:

Military Transfer or Discharge -: A member of the armed forces can be relieved of their lease by submitting a 30 day written notice no later than the first day of any given month, and responsibility will end on the last day of the month. You **MUST** leave utilities on through that last date which may not be the same of your actual move out date. The notice **MUST** be accompanied by a **FULL** set of PCS travel orders, and a check for the "Liquidated Damages", (if any apply) spelled out in the early termination clause of the lease. (Liquidated Damages is just another term for early termination fee). Your orders for your transfer or discharge **MUST** state that you will be moving more than 35 miles from the home in which you rent. If they do not, you cannot utilize your transfer clause.

Diplomatic Transfer -: The same applies as the Military transfer except we **MUST** have a letter from your embassy explaining your transfer. It will be verified.

Employment Transfer -: A lease can be broken by someone being transfer by their employment if they are moving more than 35 miles away. The same terms apply as the military transfer except we would need a letter from your employer. In addition, these terms **had to have been agreed to when your lease was signed**. Otherwise the transfer clause **DOES NOT** apply to employment transfers.

2) Regular Lease Break:

If you do not fall into one of the above three categories, then it is classified as a "Regular Lease Break", and the following does apply:

You are responsible for all rent, utilities, and normal tenant maintenance until the end of your lease – OR – until a new qualified tenant reoccupies the home, whichever occurs first. In addition, you are responsible for the prorated commissions the owner paid to place you in the home, and the early termination fee determined in your lease.

This means: You must continue to pay full rent and on time. If you do not, late charges and possible legal charges will apply. Should a new tenant move in during any part of the month other than the first day, your rent will be prorated and the balance returned to you along with any security deposit you have due you. If you do not pay your rent on the first and before the sixth, you will be assessed the full late charge.

If you pay utilities, you must leave the utilities on and in your name. If you do not, your canceling them may lead to damages, especially during the winter months. Electrical surges to things like refrigerators and HVAC compressors can be damaging, and expensive. No heat may cause pipes to freeze and burst. The damages would be your responsibility. In addition, you will be charged the reconnection and/or admin fees. We will notify you when a tenant has signed a lease and before they move in so you can notify the utility companies.

Commissions can be figured out by the following formula: Once a new tenant is scheduled to move in – Take the new rent, divide it by 12 (Months in a year), and multiply it by the number of months left on your lease. This will give you the prorated commissions you owe.

You can avoid paying the commissions by your finding a new tenant that qualifies through us. As you did, they must fill out an application and submit it with a one-month deposit (equal to one months rent), and an application fee of \$35. The owner will need to approve them, and they must sign a lease. The day they move in is when your lease responsibility ends. PLEASE BE AWARE, this does not preclude the owner from marketing the home as well.

Security Deposit: Any security deposit due you will be returned to you within 45 days after your lease end responsibility date. Please DO NOT call before those 45 days. Remember to give us your forwarding address.

PLEASE NOTE: None of the above process can begin unless we receive written notice from you, with a date certain, that you will hand over possession of the property. Verbal notice is not acceptable. Also, you should know that your vacate can be cancelled at any time after you submit notice, providing you do so in writing and the home has not been rented.

IMPORTANT: Responsibility of rent and utilities does not give you the right to retain possession of the home. A vacate is your giving full possession of the property. We will NOT market the home otherwise.

You should also know that the home cannot be marketed until an owner says it is ok to do so. Should the owner decide not to re-rent the property, (i.e. sell it), and then the above will be limited. You would only then be held responsible for your normal 60-day notice period in your lease, and the admin fee for early termination.

We believe this covers lease break procedures. However, should you have any other questions, please do not hesitate to contact us. We will do our best to help you out in any way we can.