

ARE 306    Unit 15

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Tenancies

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Definitions

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- λ Lessee
- λ Lessor
- λ Rent

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Elements of a landlord-tenant relationship

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- λ Contract
- λ Provision for payment of rent
- λ Transfer of estate
- λ Possession & control in tenant
- λ Reversion in landlord
- λ Real estate

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**Other relationships distinguished**

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- λ Employment
- λ Partnership
- λ License

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**Statute of frauds**

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- λ 3 years from date of making lease
  - Lease must be in writing to be enforceable

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**Recording**

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- λ Registrar of deeds in county where property located
- λ Affords priority to tenant

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**Classification**

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- λ Year to year
- λ For years or for a term
- λ At will
- λ At sufferance
- λ Share lease

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**Notice to quit**

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- λ Year to year
  - c.l. 6 months
  - NC 1 month
- λ Month to month
  - 7 days
- λ Week to week
  - 2 days

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**Notice to quit**

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- λ Rental space for a manufactured home
  - 30 days
- λ As specified in the lease
- λ For years or for a term
  - No renewal
- λ At will & At sufferance
  - None\*

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## Duties of tenant

- λ Pay rent
- λ Do not commit waste
- λ Reasonable use
- λ Farm in husband-like manner
- λ Avoid exhaustion of the soil
- λ Make repairs

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## Risk of loss

- λ C.L. - with the tenant
- λ Commercial & Ag. - defined by the terms of the lease
- λ Residential - defined by statute

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## Crop ownership

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Right to sue/liability for injuries

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Assignments & sublets

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Eviction

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## Fixtures

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## Farm program payments

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## Residential leases

- λ Residential Rental Agreements Act
- λ No retaliatory eviction
- λ Application
  - Hotels & motels regulated by the Commission for Health Services
  - Dwellings provided w/o charge exempt
  - Mobile homes covered

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## Duties of the landlord

- λ Provide fit premises
- λ Comply w/ building & housing codes
- λ Make repairs to maintain in habitable condition
- λ Keep common areas in good condition
- λ Maintain all equipment, etc.
- λ Provide smoke detectors

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## Duties of the Tenant

- λ Keep tenant's area safe & clean
- λ Dispose of waste properly
- λ Avoid deliberate destruction of the property
- λ Comply w/ building & housing codes
- λ responsible for damage in area of exclusive control
- λ Notify - inoperative/malfunctioning smoke detectors/replace batteries

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## Tenant's duty to pay rent

- λ Rent w/h prohibited
- λ Mutuality of obligation
- λ Rent may be abated only to extent rent has been paid
- λ Punitive damages not available
- λ Late fee
  - Greater of \$15 or 5% ( $\geq 5$  days late; once/period)

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## Liability of Tenant for Early Termination

- λ Full rent due for remaining term of the lease
  - Subject to landlord's duty to mitigate
- λ Early termination by military personnel

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## Tenant Security Deposit Act

- λ Deposited in a trust account/bond
  - Tenant notified of bank/insurance company within 30 days after beginning of the lease
- λ Amount of deposit
  - Week to week - two weeks rent
  - Month to month - 1 1/2 months rent
  - Longer - 2 months rent
- λ 30 days to account after termination

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## Tenant Security Deposit Act

- λ No charge for normal wear & tear
- λ Nonrefundable (reasonable) pet charge permitted
- λ Tenant's remedies
  - Action for damages
  - Attorney fees for willful violation

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**Other applicable law**

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- λ North Carolina Vacation Rental Act
- λ Ejectment of Residential Tenants Act
  - Self-help prohibited

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**Other applicable law**

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- λ Tenants' personal property
  - Distress and distraint prohibited
  - Tenant allowed to take personal property
  - Lien on property not removed by tenant
- λ Unfair or Deceptive Trade Practices Act
  - Treble damages.

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