

REAL ESTATE TERMS

a landlord needs to know

COMMON AREAS

Areas of the residential complex — such as the gym, pools or parks, clubhouse and outdoor spaces — that are for common use. Every person in the neighborhood is allowed to use the common area. You may need to work with your HOA to ensure your tenants have proper access to the amenities offered.

A GUARANTOR

A secondary (or more) signer of a lease who won't be residing in the apartment, a co-signer is usually needed when the tenant has a short or poor rental or credit history and requires someone (usually a parent or employer) to vouch for them.

CREDIT HISTORY

A public record of how a tenant managed their credit and debt in the past, including credit cards, loans and other leases. A potential landlord can request this from the credit bureaus to ensure you'll be able to pay the lease and have a history of paying their debts before deciding to rent to someone.

PROFILING

An illegal discriminatory practice and pattern of refusing to rent to or rejecting a potential tenant based on their race or ethnicity or another protected status, such as disability or religion, often through deceptive or surreptitious means.

PRORATED

The amount of rent charged to a tenant when the first or last month of a lease is less than a full month. Generally, we collect a full month's rent at time of move in to cover the commissions involved & the prorated rent is due on the first full month they occupy the home.

SUBLEASE

When a renter rents out part or all of an home to another person, either for a profit or because they'll be away for an extended period. They can't sublet your home without your landlord's permission and the tenant, as the primary lease-holder, is responsible for the rent getting to you and for any actions or damage caused by the sub-letter.

SECURITY DEPOSIT

Money provided to a landlord upon signing the lease that proactively covers any damage they might do to your home or rent not paid during the term of the lease. The landlord holds this money in escrow until the tenant vacates the home. Upon move-out, landlord will assess the condition of the home and refund the deposit depending on condition within 30 days of move out.

TERM

The amount of time specified on the lease during which a tenant will occupy the home and pay rent. This is usually a year but can be nearly any timeframe and used to our advantage in an off season.

UTILITIES

The other expenses in your rental for which you're responsible for initial setup & while vacant. Establishing them as landlord accounts allows your tenant to easily transfer them to their name at move in and back to yours at move out.