

What is a lease?

What many students do not realize when renting for the first time is that a lease is a legally-binding contract. This means that both the tenant and landlord will be legally bound to the terms stipulated in the lease.

There are different types of leases, as some may be for an entire apartment/house while others will be for a specific room or space within the apartment/house. Tenants may also be held jointly and severally responsible for the terms of the lease. This means that a tenant and any roommate(s) are jointly responsible for any charges, rent, or damage to an apartment. The landlord has the right to pursue tenants individually or collectively to receive payment. It is important to find a trustworthy roommate, because if they miss a payment or cause damage the landlord may look to you for the missing income.

Tenants should always **read the lease carefully** and understand the type and terms of the lease before signing. The lease will outline the responsibilities of the landlord and tenant, and should answer many of your initial questions about the property. If you have questions about a section of the lease, contact Residential Life, residentiallife@nd.edu.

Glossary of Common Terms

Addendum — An additional document may be added to the lease in special circumstances that are not addressed in the original lease. Pet fees, cleaning fees or property maintenance fees may be examples included in an addendum.

Application — A document filled out by the prospective tenant that provides the landlord with enough information to permit a credit and/or background check. There is generally a fee associated with the application and terms may include the landlord taking the property off the market.

Credit Report — A report requested by a landlord identifying the prospective tenant's purchasing and credit history. The purpose of the credit report is to determine the financial ability of the tenant to meet the terms of the lease.

Eviction — The legal process of removing a tenant or tenants from a property for not meeting the terms of the lease.

Guarantor — A person who agrees to pay the expenses should a tenant not meet the financial obligations agreed to after signing a lease. A guarantor is sometimes required when a tenant has no credit, a limited amount of credit, bad credit history or a lack of suitable income.

Joint and Several Liability — A tenant and any roommate(s) are jointly responsible for any charges, rent, or damage to an apartment. The landlord has the right to pursue tenants individually or collectively to receive payment. It is important to find a trustworthy roommate because if they miss making a payment, the landlord may look to the other tenant(s) for the missing income.

Lease — A legally-binding contract that defines a rental agreement between the landlord and tenant. All rent details and conditions should be included in the lease including the price, lease length, dates of move-in and move-out, and any conditions agreed upon by both parties to the lease.

Lease Terms — This may have two distinct definitions. First, it could indicate the length of time the lease will be in effect. Most leases in the area are for a full 12 months. Second, terms are also the provisions of the lease. A term for allowing or not allowing pets would be an example.

Landlord — The owner and/or property manager of a unit or collection of units. The landlord may also be called a lessor.

Notice — Tenants must give a landlord notice as to whether they will be renewing their lease for an additional period of time or moving out at the agreed-upon date. A time frame for notifying the landlord of said decision should be defined in the lease.

Ordinance — A law created by the city to address issues pertaining to city living. Noise levels, trash locations and parking locations are examples that may fall under an ordinance.

Per-Bed Lease — Some landlords offer leases that are for a specific space or room in an apartment. Tenants rent the bedrooms individually and then share the common areas of the apartment.

Prorated — Costs may in some cases be split based on the time living in the apartment. For example, a person moving into an apartment in the last week of the month may not be required to pay for the full month, but instead pay for each day calculated out proportionately.

Renters Insurance — Most landlords have insurance that covers the property but does not include tenant belongings. Renters insurance is a way for the tenant to protect himself/herself in the event of theft, fire or other scenarios that cause damage to belongings. Some leases also indicate that renters insurance is required. Tenant insurance is relatively inexpensive and can usually be purchased through home or car insurance companies.

Security Deposit — An amount of money paid at lease signing to cover any damages or overages incurred while leasing the apartment. Indiana State Law requires that tenants provide a forwarding address to receive their security deposit back. The landlord legally has 45 days to return the balance of the deposit.

Sublease — A tenant may find a suitable person to take over the apartment and rent costs provided the landlord allows for subleasing and has conducted a credit and/or background check on the potential tenant. Tenants should contact their landlord directly to discuss subleasing options.

Tenant — The person renting an apartment or house. The tenant may also be called the lessee.

Waiver — Agreeing to give up a right or action defined in the lease.

Other Resources

[Rental Lingo for Beginners](#)

[What to Know About Having a Cosigner for your Apartment](#)

[How to Read your Apartment Lease](#)

[Understanding Clauses in Apartment Rental Agreements](#)