

Winter 2009

### **The Housing Issue – Becoming a Landlord**

Many people who own property, such as multi-family properties, single-family home or even rooms in their own homes, earn extra income by renting them out to tenants. When you rent out property, you become a landlord. While becoming a landlord can be a profitable experience, there are several pitfalls to be aware of. Below is a list of possible issues you may confront as a landlord.

- **Landlords are responsible for the premises.** Landlords must make repairs, keep the premises safe, and be sure they meet the warranty of habitability. Failure to make timely repairs can result in tenants withholding rent, calling housing inspectors, or even hiring someone at the landlord's expense to make the repairs.
- **Landlords must comply with rent regulations.** Housing is an important societal function. As a result, there are many regulations regarding housing. These include regulations governing how much you can charge for rent, how to maintain the security deposit, anti-discrimination laws to ensure equal access to housing, to name just a few. Be aware of the regulations that cover your premises to avoid trouble.
- **Insurance is a must.** Be sure that you and your property are adequately protected in the event of an accident or fire. Acquire proper comprehensive general liability insurance.
- **Choose tenants carefully.** A good tenant is a great thing. Unfortunately, there are also lots of bad ones out there. Develop an adequate screening process which you use with all applicants. Beware of engaging in housing discrimination, which is unlawful.



## Foreclosure – How To Avoid It

- **Face the financial facts.** Determine whether you believe you will be financially able to stay in your home or are already behind or will fall behind on mortgage payments.
- **Negotiate.** Try to contact your mortgage lender and negotiate a change in the mortgage terms which will be affordable for you. You may also try to negotiate with other creditors such as credit card issuers to lower the total monthly debt.
- **Consider a short sale or deed in lieu of foreclosure.** If you decide you cannot afford to stay in your home, these options can help you avoid a “deficiency” judgment. A deficiency occurs when the property is sold or auctioned for less than the amount owed on the mortgage, leaving the possibility of the lender seeking payment on the remaining amount. A short sale or deed in lieu of foreclosure can minimize this risk.
- **Investigate government programs.** You are not alone. The whole country is gripped by a foreclosure crisis. The federal government has begun to address the crisis through government programs designed to help. As of this writing, HOPE for Homeowners is available for qualified individuals.

## Client Corner

**QUESTION:** What can a lawyer with a general practice do for me?

**ANSWER:** Lawyers in general practice are able to answer a variety of legal questions for individuals and small businesses at an affordable cost. Just as your general practice doctor can help you find out why you’re not feeling well, a lawyer in general practice can help figure out many basic legal issues and refer you to specialist attorneys if required.

**MICHELLE FINE ESQ.**  
GENERAL PRACTICE  
Phone: (201) 773-8914 • Email: [mfine@avabiz.com](mailto:mfine@avabiz.com)

---

**Disclaimer:** The information in this newsletter is for general information purposes only. Nothing on this or associated pages, documents, comments, answers, emails or other communications should be taken as legal advice for any individual case or situation. This information on this website is not intended to create, and receipt or viewing of this information does not constitute, an attorney-client relationship.

---