

## Negotiating a New Lease

Leases are legally binding agreements between a landlord and tenant. Once signed, the agreed-upon terms must be followed for the length of your lease.

There are typically financial penalties and the risk of eviction if you do not. So it's critically important that you reach equitable terms, negotiating any changes you feel may be necessary before signing.

### EXAMINE TERMS CAREFULLY

Never sign a lease — or any other legal documents — before carefully reading the entire thing. If some terms or conditions are unclear, ask for more information from the property manager or landlord. Seek legal advice, as needed. Discuss the lease agreement with friends and family who have been long-time renters, since their experiences can inform your decision. Pay special attention to key areas like the amount of rent, the security deposit and process for its return, the length of the lease and how to extend or end it, and any other special rules and regulations governing the



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space. Ask follow-up questions if you are still concerned about any specific element of the contract.

### WHAT CAN BE NEGOTIATED?

A landlord's willingness to negotiate is purely personal. Some may hold firm on lease terms and rental amounts,

while others will be more open to discussion. In many cases, negotiations are typically easier with individual landlords who have only one or a few properties. Larger properties or corporate ownership often won't work on a case-by-case basis. Items that can be negotiated may include the length of the lease, access to

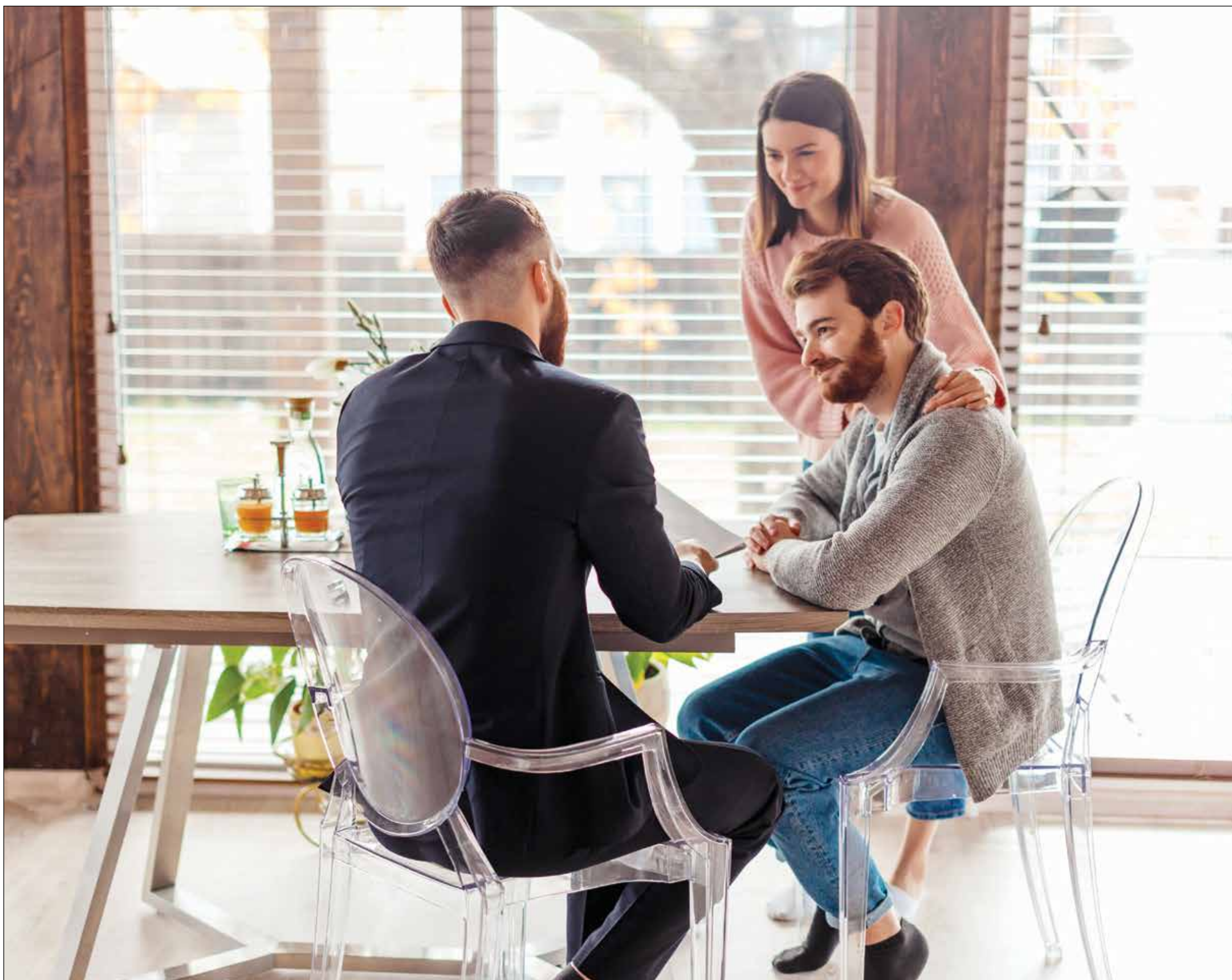
parking or laundry services, or the bundling of additional fees like internet or utilities. Some owners will negotiate the right to paint and make some minor changes to the unit, and may offer rent discounts when the work is completed. Those facing a sudden rent increase should consider negotiating a longer lease in exchange for

keeping the old rate.

Leases of 18 or 24 months, rather than the standard year-long agreement, help landlords avoid the time and effort of finding new tenants. A landlord may also agree to lower rent if you are willing to pay multiple months in advance. If they won't budge on the price increase, ask about space improvements like new appliances or other upgrades. First-time renters may have the most leverage of all, so always ask about move-in specials and other newcomer incentives. Offers to end leases in the summer are also welcomed, since it's easier to sign on new residents that time of the year — particularly in college towns.

### HOW TO NEGOTIATE

A key element to successful negotiations is to remain polite when making these requests. Hold a respectful conversation and accept whatever outcome follows. Begin by agreeing to a mutually acceptable time, so no one is under stress to complete another task. Take detailed notes as the discussion unfolds, so you can return to points of concern and also as a record of your specific agreements. Then get everything transcribed into an addendum to your lease and keep a signed copy.



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### REAL ESTATE 101



### HOMEWISE GLOSSARY

#### Need Help Buying or Renting?

Housing counseling is available throughout the country through the U.S. Department of Housing and Urban Development, and it's not simply reserved for newcomers to the market. This free or low-cost advice includes plenty of handy tips about renting or buying, while also covering credit issues, reverse mortgages, foreclosure avoidance and default, among many other things. To find a nearby agency, call (800) 569-4287 or go to [hud.gov](http://hud.gov).

**Closing day:** The day on which the formalities of a real estate sale are concluded. The certificate of title, abstract, and deed are generally prepared for the closing by an attorney and this cost charged to the buyer. The buyer signs the mortgage, and closing costs are paid. The final closing merely confirms the original agreement reached in the agreement of sale. **SOURCE:** Illinois Real Estate Lawyers Association

# AD SPACE