



the
RIGHTS &
RESPONSIBILITIES
issue



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Things that make you go hmmm....

WHO'S GOT RIGHTS?

I have rights...They have rights....

WHO'S GOT RESPONSIBILITIES?

I have responsibilities...they have responsibilities....

THE RIGHTS & RESPONSIBILITIES ISSUE

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INTRODUCTION

This module provides general information regarding landlord/tenant relationships and agreements, but each potential renter should thoroughly read over the specific rental agreement before making any commitments.

The Fair Housing Act and the Equal Credit Opportunity Act were created to protect the rights of homebuyers, renters, and landlords, as well as provide equal opportunity for home purchasing/renting and mortgage lending.

Prohibited practices outlined by these laws will be listed in this module along with resources for

obtaining additional information and reporting any violation of these laws.

Certain rights and responsibilities deal specifically with the landlord/tenant relationship. These are usually outlined in a rental agreement, commonly referred to as a lease. The lease provides detailed information about what is expected from each party.

The lease, signed by both the renter and landlord, is a binding contract. Though many of the rights and responsibilities may be the same in different locations, landlord/tenant laws vary from state to state and should be researched based on your location.

TERMS TO LEARN

Equal Credit Opportunity Act

This federal act ensures all consumers are given an equal chance to obtain credit. Factors such as income, expenses, debt, and credit history are considerations for creditworthiness.

Eviction

To force out a tenant from a dwelling or land by legal process.

Fair Housing Act

This federal act prohibits discrimination in all stages of the home buying process on the basis of race, color, national origin, religion, sex, familial status, or handicap.

U.S. Department of Housing and Urban Development (HUD)

Federal agency responsible for encouraging housing development. HUD oversees and supports housing counseling and renters' and buyers' legal rights and interfaces with housing authorities.

Landlord

Owner of land, buildings, or dwelling units who rents or leases the property to the tenant.

Lease

A contract by which one party give to another the use and permission of an item, such as an automobile or apartment, for a specified period of time and fixed payments.

Multiple Listing Service (MLS)

A group of private databases which allows real estate brokers representing sellers under a listing



contract to widely share information about properties with real estate brokers representing potential buyers or cooperating with a seller's broker to find a buyer for the property.

Renter

A person or organization that hold or uses land, a building, or other property owned by another in exchange for payments of rent. Also known as a tenant.

Responsibility

The state of being answerable or accountable for something within one's power, control, or management.

Right

The power or privilege to which one is justly entitled.



RIGHTS

Basic Facts about the Fair Housing Act

In the sale and rental of housing, no one may take any of the following actions based on race, color, national origin, religion, sex, familial status or handicap:

- Refuse to rent or sell housing.
- Make housing unavailable.
- Set different terms, conditions, or privileges for rental of dwelling.
- Falsely deny that housing is available for inspection or rental.
- Deny anyone access to or membership in a facility or service (such as a Multiple Listing Service) related to the rental of housing.
- Refuse to negotiate for housing.
- Deny a dwelling.
- Provide different housing services or facilities.
- For profit, persuade owners to sell or rent for unethical purposes.



The Fair Housing Act covers most housing. In some circumstances, the act exempts owner occupied buildings with no more than four units, single-family housing sold or rented without the use of a broker, and housing operated by organizations and private clubs that limit occupancy to members.

ADDITIONAL PROTECTION

If you or someone associated with you has a physical or mental disability (including hearing, mobility and visual impairments, chronic alcoholism, chronic mental illness, AIDS, AIDS Related Complex and mental retardation) that substantially limits one or more major life activities, your landlord may not:

- Refuse to let you make reasonable modifications to your dwelling or common use areas, at your

expense, if necessary for the disabled person to use the use the housing. Where reasonable, the landlord may permit changes only if you agree to restore the property to its original condition when you move.

- Refuse to make reasonable accommodations in rules, policies, practices or services if necessary for the disabled person to use the housing.

Housing Opportunities for Families

Unless a building or community qualifies as housing for older persons, it may not discriminate based on familial status. That is, it may not discriminate against families in which one or more child under 18 lives with:

- A parent.
- A person who has legal custody of the child or children.
- The designee of the parent or legal custodian, with the parent or custodian's written permission.
- Familial status protection also applies to pregnant women and anyone securing legal custody of a child under 18.

Exemption: Housing for older persons is exempt from prohibition against familial status discrimination if:

- The HUD Secretary has determined that it is specifically designed for and occupied by elderly persons under a federal, state or local government program.
- It is occupied solely by person who are 62 or older.
- It houses at least one person who is 55 or older in at least 80 percent of the occupied units.

It has a policy that says that the dwelling was meant for people who are 55 or older.

A transition period permits residents on or before September 13, 1988, to continue living in the housing, regardless of their age, without interfering with the exemption.





IT'S THE LAW

If You Think Your Rights Have Been Violated

If you think your rights have been violated, the Housing Discrimination Complaint Form is available for you to download, complete, and return, or complete online and submit through the US Department of Housing and Urban Development (HUD) website. You have one year after an alleged violation to file a complaint with HUD, but you should file it as soon as possible.



What to Tell HUD:

- Your name and address
- The name and address of the person your complaint is against (the respondent)
- The address or other identification of the housing involved
- A short description of the alleged violation (the event that caused you to believe your rights were violated)
- The date(s) of the alleged violation

Where to Write or Call:

Send the Housing Discrimination Complaint Form or a letter to the HUD Office nearest you or call that office directly or <http://www.hud.gov>.

What Happens when You File a Complaint?

HUD will notify you when your complaint has been received. Normally, HUD will also:

- Notify the alleged violator of your complaint and permit that person to submit an answer
- Investigate your complaint and determine whether there is reasonable cause to believe the Fair Housing Act has been violated
- Notify you if it cannot complete an investigation within 100 days of receiving your complaint

Additional protection is available if you have a disability. A landlord cannot refuse to let you make reasonable modifications to your dwelling or common use areas, if necessary for the disabled person to use the housing. Also, the landlord must

make reasonable adjustments to rules and policies as necessary in order to accommodate a disabled person. For example, a building with a “no pet” policy must allow a visually-impaired tenant to keep a guide dog.

Requirements for New Buildings

In buildings that are ready for first occupancy after March 13, 1991, and have an elevator and four or more units:

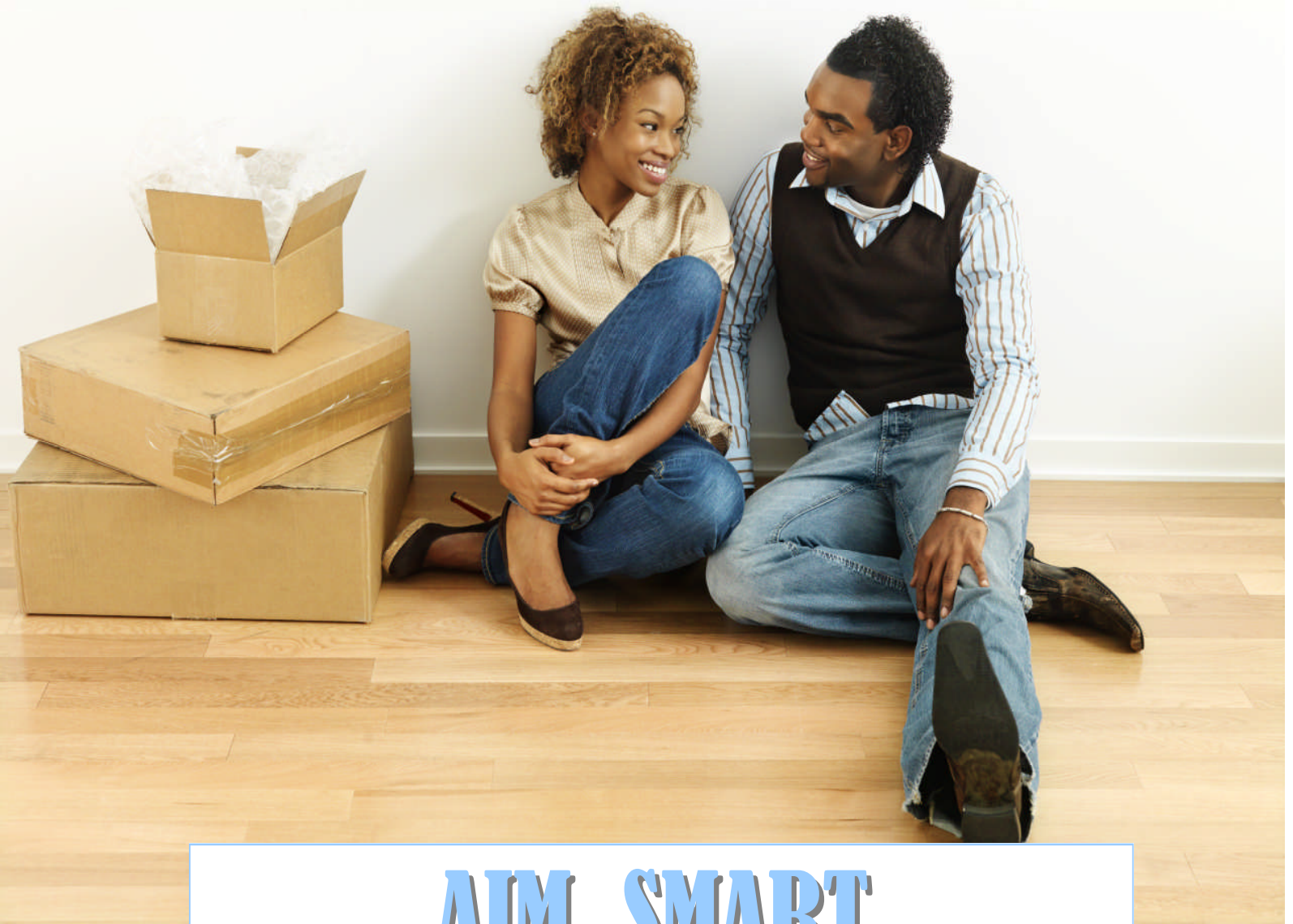
- Public and common areas must be accessible to persons with disabilities
- Doors and hallways must be wide enough for wheelchairs

All units must have:

- An accessible route into and through the unit
- Accessible light switches, electrical outlets, thermostats and other environmental controls
- Reinforced bathroom walls to allow later installation of grab bars
- Kitchens and bathrooms that can be used by people in wheelchairs.

If a building with four or more units has no elevator and will be ready for first occupancy after March 13, 1991, these standards apply only to ground floor units. Also, these requirements for new buildings do not replace more stringent standards in state or local law.





AIM. SMART.

Setting financial goals are a gateway to success. It's important to take financial goal-setting seriously, to put some thought into the process. Setting these goals is not enough. You have to work at them, but without having set the goals in the first place, you will never be able to achieve them.

Here are some target points to remember when setting smart financial goals:

- **Take one step at a time.**
- **Keep your goal in mind.**
- **Don't let setbacks derail you.**
- **Be patient.**

SOAR. SMART.

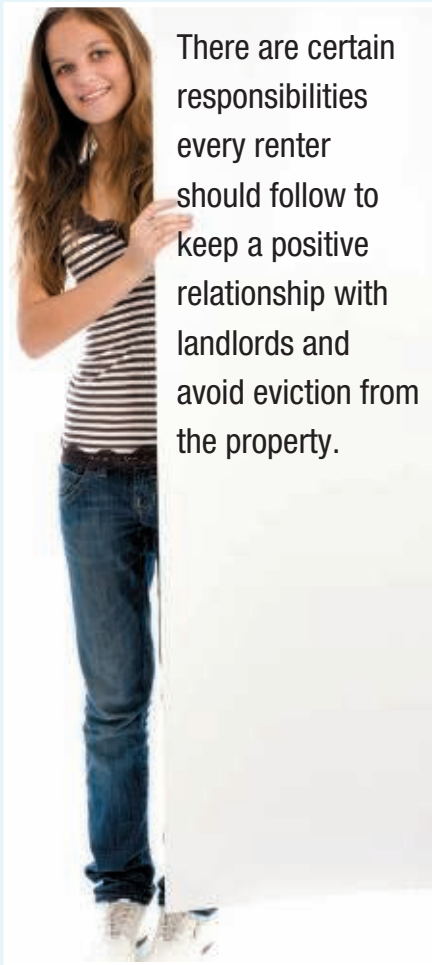
Creating a spending plan can be difficult, especially if you are in a tight situation. However, you should always leave room for a savings plan. Emergencies happen and you want to be prepared. Consider some of the following ways to save:

- **Find something you can cut out, even if it's something small and minor. The extra change can start your savings.**
- **Have goals. If you are working towards a end result, it can make saving easier.**
- **Repay debts. Sometimes it's some sort of debt that keeps you from having enough money to save. Pay more than the minimum and pay off your debts quicker.**

Everyone can save. You just need to find the way that works best for you.



RESPONSIBILITIES



There are certain responsibilities every renter should follow to keep a positive relationship with landlords and avoid eviction from the property.

Pay rent on time

In most cases, the landlord will not remind you when the rent is due, because it is almost always the first of the month.

Sign and keep a copy of your lease

You should always keep a copy of the lease as a reference if discrepancy arise. No changes in the terms of a lease by a landlord or tenant take effect unless both parties consent in writing.

Follow the terms of the lease

You and the landlord must follow the terms of the lease. The only way you can legally be evicted before your lease is up is if you do not obey the terms of the lease.

Write down what damages there are to the apartment before you move in

When you move out, if there are damages to the apartment that were not listed during the first 5 days, you cannot say the damages were already there when you moved in. The landlord has the right to charge you for the damages.

Obey the rules and regulations

The landlord will give you any additional rules and regulations that must be followed, especially when it comes to pets and visitors.

Give proper notice before moving

You have to give your landlord written notice in advance of the time you move out. Your lease should state how much time is enough.

Provide correct information on your rental application

If you give false information on your application, the landlord has the right to end your lease.

Keep your apartment in good condition

- Obey building and housing codes affecting health and safety.
- Keep the apartment as clean and safe as conditions permit.
- Dispose of garbage, ashes, and waste in a clean and safe manner in the appropriate containers.
- Keep all plumbing fixtures in the unit as clean as their condition permits.
- Notify the landlord of any repairs that need to be done as soon as possible.
- Use all utilities and all electrical, plumbing, sanitary, heating, ventilation, air-conditioning, and other facilities and appliances, including elevators on the property, in a correct manner.
- Be responsible for your conduct and the conduct of other persons on the property whether known by you or not.
- Abide by all reasonable rules and regulations imposed by the landlord.
- Do not deliberately or carelessly destroy, deface, damage, impair, or remove any of the property or permit any person to do so whether known by you or not.
- Do not remove or tamper with a properly working smoke detector.

AS A LANDLORD..

There are certain responsibilities landlords must undertake to provide a safe environment for their renters. These are to:

- Maintain and repair the premises to comply with housing codes and regulations.
- Maintain structural components of the dwelling (roofs, floors, walls, fireplaces).
- Provide adequate locks and keys.
- Maintain electrical, plumbing, heating, and other appliances in good working order.
- Keep the premises in reasonably weather-tight condition.
- Control infestations by insects, rodents, and other pests before the tenant moves in. The landlord must continue to control infestations except in a house (e.g. single family dwelling) or when the problem was caused by the tenant.
- In apartments, studios, or any dwellings excluding houses, the landlord must provide garbage cans and arrange for garbage removal.
- Keep common areas such as lobbies, stairways and halls reasonably clean and free from hazards.
- Make repairs to keep the unit in the same condition as when the tenant moved in, except for normal wear and tear.
- Provide smoke detectors, and ensure they work properly when a new tenant moves in. Tenants are responsible for maintaining detectors.
- A landlord is not responsible for the cost of correcting problems which are caused by the tenant.

Landlord's Access to the Rental Property

The landlord must give the tenant at least a two-day notice of intent to enter the property at reasonable times. The law states, however, that tenants must not unreasonably refuse to allow the landlord to enter the rental when the landlord has given at least one day's notice of intent to enter at a specified time to show the dwelling to prospective or actual buyers or tenants. Tenants also must not unreasonably refuse the landlord access to repair, improve, or service the dwelling. In case of emergency, the landlord may enter without notice.

MY FIRST APARTMENT

There are some questions all renters should ask themselves before moving into their own apartment. Each question will help bring them closer to their ideal home.

How much rent can I afford?

HUD guidelines say that your rent should be no more than 25 to 30% of your gross salary. This means that your income should be at least 4 times higher than your rent. If you do not meet this requirement usually you are required to get a guarantor. Typically, you will have to be able to cover a security deposit of one month's rent up front, so you will pay two months rent in advance, and you don't receive the security deposit back until you move out. Remember, landlords can check your credit rating, and some may even require that you have a grand or two stashed in a savings account. This mainly applies to large apartment buildings run by management companies and is less common if you're moving into a smaller building.



THE RIGHTS & RESPONSIBILITIES ISSUE

Roommate or on your own?

Roommates can be beneficial when you want to split costs, especially if you are moving into an area you cannot afford on your own.

Location, Location, Location

The location you choose determines not only how much rent you pay but how happy you will be living in a certain area. The further away from the metropolitan area you are, the lower the rent. Consider the distance from where you live to your work or school. Is the lower rent equal to the amount you will have to pay in car maintenance and gas if you opt for a lower rent? Compare costs before choosing a location, and definitely look into safety.

The Must Haves

What are some of the things you absolutely need in your new apartment? Consider your needs and not your wants because the more your wants are fulfilled the higher in price. Your needs are what you have to have to be able to fully utilize your new residence. Create a list of your must-haves and compare costs.

If you are over your spending budget, consider what you can do without and what you can find an alternative to.

Furnishing

Decide if you plan to keep the furniture for one year or for the rest of your life. Many people opt to take the low-cost route when furnishing their first apartment, knowing that it may not pay to take the furniture along in their next move. But if you're looking for a little more class or stability in your new set-up, you may want to invest in, or buy from relatives, at least a couple of pieces of furniture.

Budgeting for Furniture

When your budget is minimal, try to get as much as you can for free. If you have relatives living in the city where you are moving, definitely ask for their old furniture or anything they might not need anymore. If you do not know anyone, check out wholesale furniture stores or the larger discount stores for some great deals.

THE LEASE

Not all leases are the same. Different property owners or managers require different information. Look for the following information and clauses in your lease:

Name, address, and telephone numbers of property owner - avoid landlords that use only post office addresses.

Name address, and telephone number of owner's legal agent and maintenance personnel.

Landlords are required by law to have a local maintenance contact.

Description of the premises - as it should be when you move in, including address, furnishings, etc.

Terms of Agreement - the exact beginning and ending dates of your lease.

Rent - the specific dollar amount as well as how, when, and where it is to be paid. This should include penalty clauses (what happens if you pay late) and incentive discount clauses (what happens if you pay early or if you take on certain

responsibilities for the landlord such as mowing the lawn or shoveling snow). If you have roommates, be sure to clarify whether the rent must be paid in one check or separate checks from each roommate, and how you may be penalized if a roommate is late.

Security Deposit - the amount and terms of the refund. The security deposit cannot exceed two months rent.

Legal Occupancy Limits and Use of Habitable Space Clauses - these clauses state the maximum number of persons who can live in a dwelling or dwelling unit and prohibit the use of certain rooms for sleeping or other purposes. If you exceed the maximum - even with the landlord's approval - you may be at risk for eviction or other penalties. Be aware that not all rooms may be legally used as bedrooms.

Alteration Guidelines - whether you can make changes in the property such as painting walls or hanging pictures or shelves. It is

extremely important to have a clear understanding (in writing) of what you can and cannot change in the apartment.

Repairs and Maintenance - the process for getting repairs done. The lease should explain what the landlord is responsible for repairing. If you have a written lease, make sure any verbal promises for repairs or modifications made before you move in are put in writing before you sign the lease.

Utilities - who pays for what. Remember utilities include water, sewer, garbage, electricity/gas, heat, and sometimes cable.

Subleasing - the property owner must consent before you rent the dwelling to someone else. Be sure you understand what your landlord will require for subleasing.

Releasing - the landlord may or may not allow you to leave before the lease expires. In most cases



you will be responsible for 6 or 12 months rent regardless of whether you continue to live in the apartment. Check the lease for this option.

Rules and Regulations - explains the rules that you are expected to follow and the consequences for breaking them. Things like whether you can have a pet or whether you are allowed to smoke in the apartment, and what the penalties are for breaking these rules.

Entry - when and under what conditions may the property owner enter your home or allow entry by city inspectors or repair/maintenance workers.

Joint and Several Liability - a “joint and several” liability clause means that each person who signs the lease is responsible for rent and other lease terms. Be sure all of your roommates sign the lease before they move in. If you are the

only one to sign the lease you may be the only one legally responsible for paying the rent and for any damages or fines that result from misuse of the property. Also, be sure to sign a roommate agreement to clarify your responsibilities to your roommates.

Rent Escalation Clause - the few circumstances in which the property owner may legally raise the rent.



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CONCLUSION



Renters and landlords are protected from fraudulent and discriminatory practices through several different federal and state laws. It is always the responsibility of the renter and landlord to provide accurate information on all

applications, contracts, and rental agreements and to read all documents carefully. Knowing their rights and the rights of others will help consumers make informed decisions as well as give them the ability to identify violations.