

Understanding TAA Lease 2.0 and Community Policies

This article takes a closer look at the elements of TAA's revised Lease and provides helpful tips regarding completion of the document.

This overview of the Texas Apartment Association Lease will cover key components of the Lease document with a breakdown of the following topics in the Lease life cycle: (1) Parties and Lease Details; (2) Lease Terms and Conditions; (3) Resident Life; (4) Ending the Lease Term; and (5) General Provisions and Signatures. It also includes a breakdown of the new TAA Community Policies Addendum. This article is only intended as a general explanation of key provisions and not as legal advice or a substitute for consulting an attorney.

TAA also is developing video resources for training purposes and to help your residents understand the significant content to save you and your leasing staff time. While there may still be company-specific information to cover, this tool is intended to assist onsite personnel in covering important Lease information.

Parties and Lease Details

“This Lease Contract is only valid if filled out before January 1, 2024.”

- This box at the top of the form reinforces the need to use the most current forms, for maximum owner protection.

Parties

- The two parties to the agreement are the owner and the resident. TAA discourages listing the management company as the owner in the lease.
- Generally speaking, every adult living in the rental unit should be a party to the lease, i.e. a *resident*, so that person can be held accountable for any lease violation. Children and some adults who are dependents (such as an elderly parent), should be listed as *occupants*.
- Note that the term “you” and “your” refers to all residents and any persons authorized to act in the event of a sole resident’s death.
- **Also read:** “Who Should Be Listed As the Owner in the Lease?,” REDBOOK page 74 and “Extra Precautions When You Have Adult ‘Occupants’ Who Don’t Sign the Lease,” REDBOOK page 77.

The screenshot shows the top portion of the 'Apartment Lease Contract' form. It features the TAA logo and a warning: 'This Lease is valid only if filled out before January 1, 2024.' Below this is the title 'Apartment Lease Contract' and a note: 'This is a binding contract. Read carefully before signing.' A paragraph explains that the lease is between the resident(s) and the owner, with 'you' and 'your' referring to all residents. The 'PARTIES' section has lines for 'Residents', 'Owner', and 'Occupants'.

LEASE DETAILS

- The new Lease Details section on page 1 is intended to provide a transparent, clear look at all of the key terms and dollar amounts related to the Lease.
- It includes more space for customization and delineation of charges.
- Each box in the Lease Details section relates to provisions in the Lease, and this article breaks down those elements for clarity.

Box A. Apartment (Paragraph 2)

- The resident agrees to lease **the apartment listed in Box A** for use as a private residence only.
- “Measurements” and “Representations” are two new sections in this paragraph that provide protections for owners related to potentially changing details of the property or unit.
- Content in a box with a red border is from the Lease Details section on page 1, while Lease content with a black border is from other pages.

The screenshot shows a box with a red border containing the following text: 'A. Apartment (Par. 2) Street Address: _____ Apartment No. _____ City: _____ State: ____ Zip: _____'

The screenshot shows a box with a black border containing the following text: '2. Apartment. You are leasing the apartment listed above for use as a private residence only. 2.1. Access. In accordance with our Community Policies, you'll receive access information or devices for your apartment and mailbox, and other access devices including: _____ 2.2. Measurements. Any dimensions and sizes provided to you relating to the apartment are only approximations or estimates; actual dimensions and sizes may vary. 2.3. Representations. You agree that designations or accreditations associated with the property are subject to change.'

Box B. Initial Lease Term

- The initial lease term begins and ends on the **dates provided** in Box B.

B. Initial Lease Term. Begins: _____ Ends at 11:59 p.m. on: _____

Box C. Monthly Base Rent (Paragraphs 3 and 1.6)

- **“Rent” is defined** in Par. 1.6 as **monthly base rent** plus **additional monthly recurring fixed charges**. The resident agrees they will pay the Rent on or before the 1st day of each month (due date) without demand.
- Details regarding payment method and location have been relocated to Community Policies rather than being addressed in the Lease itself. TAA’s new Community Policies Addendum includes this provision. See REDBOOK page 132.
- **Also read:** “Automated Electronic Payment of Rent,” REDBOOK Online
- **Related forms:** See “Lease Addendum for Automated Electronic Payment of Rent and Certain Other Items,” REDBOOK page 136; “Resident’s Authorization for Automated Electronic Payment,” REDBOOK page 137.

3. Rent. You must pay your Rent on or before the 1st day of each month (due date) without demand. There are no exceptions regarding the payment of Rent, and you agree not paying Rent on or before the 1st of each month is a material breach of this Lease.

3.1. Payments. You will pay your Rent by any method, manner and place we specify in accordance with our Community Policies. **Cash is not acceptable without our prior written permission. You cannot withhold or offset Rent unless authorized by law.** We may, at our option, require at any time that you pay Rent and other sums due in one single payment by any method we specify.

C. Monthly Base Rent (Par. 3)
\$ _____

1.6. “Rent” is monthly base rent plus additional monthly recurring fixed charges.

Box D. Prorated Rent

- The amount of prorated rent due if the resident is moving in after the first of the month may be listed in Box D.

D. Prorated Rent
\$ _____
 due for the remainder of 1st month or
 for 2nd month

Box E. Security Deposit (Paragraph 5)

- The **security deposit amount** will be reflected in **Box E**. It does **not** include any Animal Deposit, which would be reflected in an Animal Addendum. The owner may deduct from the security deposit any amount due under the Lease in accordance with the Community Policies and as allowed by law. **See the TAA Community Policies Addendum for specific deductions.**
- **Also read:** “Avoiding Legal Risks for Fees and Non-Refundable Deposits,” REDBOOK page 81 and “When an Owner is Not Liable for Missing the 30-Day Security Deposit Deadline,” REDBOOK page 287.
- **Related form:** TAA Community Policies Addendum, REDBOOK page 132 and “Written Description of Security Deposit Deductions” on REDBOOK page 359.

E. Security Deposit (Par. 5)
\$ _____
Note that this amount does not include any Animal Deposit, which would be reflected in an Animal Addendum.

5. Security Deposit. The total security deposit for all residents is due on or before the date this Lease is signed. Any animal deposit will be designated in an animal addendum. Security deposits may not be applied to Rent without our prior written consent.

5.1. Refunds and Deductions. You must give us your advance notice of move out as provided by Par. 25 and forwarding address in writing to receive a written description and itemized list of charges or refund. **In accordance with our Community Policies and as allowed by law, we may deduct from your security deposit any amounts due under the Lease. If you move out early or in response to a notice to vacate, you’ll be liable for rekeying charges.** Upon receipt of your move-out date and forwarding address in writing, the security deposit will be returned (less lawful deductions) with an itemized accounting of any deductions, no later than 30 days after surrender or abandonment, unless laws provide otherwise. Any refund may be by one payment jointly payable to all residents and distributed to any one resident we choose, or distributed equally among all residents.

Community Policies Addendum: Security Deposit

3. **Security Deposit Deductions and Other Charges.** You'll be liable for the following charges, if applicable: unpaid rent; unpaid utilities; unreimbursed service charges; repairs or damages caused by negligence, carelessness, accident, or abuse, including stickers, scratches, tears, burns, stains, or unapproved holes; replacement cost of our property that was in or attached to the apartment and is missing; replacing dead or missing alarm or detection-device batteries at any time; utilities for repairs or cleaning; trips to let in company representatives to remove your telephone, Internet, television services, or rental items (if you so request or have moved out); trips to open the apartment when you or any guest or occupant is missing a key; unreturned keys; missing or burned-out light bulbs; removing or rekeying unauthorized security devices or alarm systems; packing, removing, or storing property removed or stored under the Lease; removing illegally parked vehicles; special trips for trash removal caused by parked vehicles blocking dumpsters; false security-alarm charges unless due to our negligence; animal-related charges outlined in the Lease; government fees or fines against us for violation (by you, your occupants, or your guests) of local ordinances relating to alarms and detection devices, false alarms, recycling, or other matters; late-payment and returned-check charges; and other sums due under this Lease. You'll be liable to us for charges for replacing any keys and access devices referenced in the Lease if you don't return them all on or before your actual move-out date; and accelerated rent if you've violated the Lease. **We may also deduct from your security deposit our reasonable costs incurred in rekeying security devices required by law if you vacate the apartment in breach of this Lease.**

Upon receipt of your move-out date and forwarding address in writing, the security deposit will be returned (less lawful deductions) with an itemized accounting of any deductions, no later than 30 days after surrender or abandonment, unless laws provide otherwise. Any refund may be by one payment jointly payable to all residents and distributed to any one resident we choose or distributed equally among all residents.

Box F. Notice of Termination or Intent to Move Out (Paragraph 4)

- The lease **automatically renews on a month-to-month basis** unless either party gives **written notice** of termination or intent to move out as required by Par. 25 and **specified in Box F.** of Lease Details. The owner **specifies the minimum number of days'** written notice that is required at the end of the term or renewal period in **Box F.**
- **Related forms:** "Advance Notice of Lease Termination at End of Lease Term or Renewal Period," REDBOOK page 353; and Official TAA "Resident's Notice of Intent to Move Out," REDBOOK page 741.

F. Notice of Termination or Intent to Move Out (Par. 4)

A minimum of _____ days' written notice of termination or intent to move out required at end of initial Lease term or during renewal period

If the number of days isn't filled in, notice of at least 30 days is required.

4. **Automatic Lease Renewal and Notice of Termination.** This Lease will automatically renew month-to-month unless either party gives written notice of termination or intent to move out as required by Par. 25 and specified on page 1. **If the number of days isn't filled in, notice of at least 30 days is required.**

Box G. Late Fees (Paragraph 3.3)

- The resident will pay **late fees** as outlined in **Box G.**
- **Also read:** "Late Fees — The Lease, the Law and Lessons," REDBOOK page 87; Most Common Questions and Answers about the Texas Late Fee Law" on REDBOOK page 91.

G. Late Fees (Par. 3.3)

Initial Late Fee

_____ % of one month's monthly base rent or

\$ _____

Due if rent unpaid by 11:59 p.m. on the _____ (3rd or greater) day of the month

Daily Late Fee

_____ % of one month's monthly base rent for _____ days or

\$ _____ for _____ days

- 3.3. **Late Fees.** If we don't receive your monthly base rent in full when it's due, you must pay late fees as outlined in Lease Details.

Box H. Returned Check or Rejected Payment Fee (Paragraph 3.4)

- The resident will be **liable for the fee listed in Box H.** for each **returned check** or rejected electronic payment, plus initial and daily late fees if applicable, until full payment is received.

H. Returned Check or Rejected Payment Fee (Par. 3.4)

\$ _____

- 3.4. **Returned Payment Fee.** You'll pay the fee listed in Lease Details for each returned check or rejected electronic payment, plus initial and daily late fees if applicable, until we receive full payment in an acceptable method.

Box I. Reletting Charge (Paragraph 7.1)

- A **reletting charge** (not to exceed 85% of the **highest monthly Rent** during the Lease term) may be charged in **certain default situations** described in Paragraph 7.1.
- This charge should not be applied in conjunction with the optional Early Termination Fee noted in Box J.

I. Reletting Charge (Par. 7.1)

A reletting charge of \$ _____
(not to exceed 85% of the highest monthly Rent during the Lease term) may be charged in certain default situations

7.1. Reletting Charge. You'll be liable for a reletting charge as listed in Lease Details, (not to exceed 85% of the highest monthly Rent during the Lease term) if you: (A) fail to move in, or fail to give written move-out notice as required in Par. 25; (B) move out without paying Rent in full for the entire Lease term or renewal period; (C) move out at our demand because of your default; or (D) are judicially evicted. The reletting charge is not a termination, cancellation or buyout fee and does not release you from your obligations under this Lease, including liability for future or past-due Rent, charges for damages or other sums due.

The reletting charge is a liquidated amount covering only part of our damages—for our time, effort, and expense in finding and processing a replacement resident. These damages are uncertain and hard to ascertain—particularly those relating to inconvenience, paperwork, advertising, showing apartments, utilities for showing, checking prospects, overhead, marketing costs, and locator-service fees. You agree that the reletting charge is a reasonable estimate of our damages and that the charge is due whether or not our reletting attempts succeed.

Box J. Optional Early Termination Fee (Paragraph 7.2)

- If **amounts are filled in**, then the owner is providing the resident with an **early termination option** and the section applies. If the section applies, then **resident may** exercise the option to **terminate the lease early** if the resident is not in default, gives notice and pays the fees and rent as outlined in the Lease.

J. Optional Early Termination Fee (Par. 7.2)

\$ _____
Notice of _____ days is required.

You are not eligible for early termination if you are in default.

Fee must be paid no later than _____ days after you give us notice

If values are blank or "0," then this section does not apply.

7.2. Early Lease Termination Procedures. In addition to your termination rights referred to in 7.3 or 8.1 below, if this provision applies under Lease Details, you may terminate the Lease prior to the end of the Lease term **if all of the following occur**: (a) as outlined in Lease Details, you give us written notice of early termination, pay the early termination fee and specify the date by which you'll move out; (b) you are not in default at any time and do not hold over; and (c) you repay all rent concessions, credits or discounts you received during the Lease term. If you are in default, the Lease remedies apply.

Box K. Animal Violation Charge (Paragraph 12.2)

- An initial charge (not to exceed \$100) per animal and a daily charge (not to exceed \$10) per day per animal may be listed in **Box K for violations of the animal restrictions** in the Lease or Community Policies.

K. Animal Violation Charge (Par. 12.2)

Initial charge of \$ _____ per animal (not to exceed \$100 per animal) and

A daily charge of \$ _____ per animal (not to exceed \$10 per day per animal)

12.2. Violations of Animal Policies and Charges. If you or any guest or occupant violates the animal restrictions of this Lease or our Community Policies, you'll be subject to charges, damages, eviction, and other remedies provided in this Lease, including animal violation charges listed in Lease Details from the date the animal was brought into your apartment until it is removed. If an animal has been in the apartment at any time during your term of occupancy (with or without our consent), we'll charge you for all cleaning and repair costs, including defleaing, deodorizing, and shampooing. Initial and daily animal-violation charges and animal-removal charges are liquidated damages for our time, inconvenience, and overhead in enforcing animal restrictions and Community Policies.

Box L. Additional Rent – Monthly Recurring Fixed Charges

- **“Rent” is defined** in Par. 1.6 as **monthly base rent** plus **additional monthly recurring fixed charges**. The resident agrees to pay separately for **Additional Rent – Monthly Recurring Fixed Charges** items such as animal rent, internet, stormwater, pest control, and storage **as outlined in Box L AND/OR in separate addenda, Special Provisions, or an amendment to the Lease.**
- **NOTE:** TAA provides a number of other addenda that can be used by members, some of which are required by state or federal law.
- **Also read:** “When Should a Rental Housing Owner or Property Management Company Collect Sales Tax” on REDBOOK page 448.

L. Additional Rent - Monthly Recurring Fixed Charges. You will pay separately for these items as outlined below and/or in separate addenda, Special Provisions or an amendment to this Lease.

Animal rent	\$ _____	Cable/satellite	\$ _____	Concierge trash	\$ _____
Internet	\$ _____	Package service	\$ _____	Pest control	\$ _____
Storage	\$ _____	Stormwater/drainage	\$ _____	Washer/Dryer	\$ _____
Other:	_____			\$ _____	
Other:	_____			\$ _____	
Other:	_____			\$ _____	
Other:	_____			\$ _____	

Box M. Other Variable Charges

- The resident agrees to **pay separately** for gas, water, wastewater, electricity, trash/recycling, utility billing fees and other items **as outlined in separate addenda, Special Provisions, or an amendment to the Lease.**
- Box M. also discusses a **Utility Connection Charge or Transfer Fee** (not to exceed \$50) to be paid within 5 days of written notice that may be charged in certain situations under Paragraph 3.5.
- **NOTE:** There are a number of forms to facilitate billing residents for various utilities and other costs, including electricity, water & wastewater, gas, central system costs and trash/recycling, some of which may be required by state or federal law.

M. Other Variable Charges. You will pay separately for gas, water, wastewater, electricity, trash/recycling, utility billing fees and other items as outlined in separate addenda, Special Provisions or an amendment to this Lease.

Utility Connection Charge or Transfer Fee: \$ _____ (not to exceed \$50) to be paid within 5 days of written notice (**Par. 3.5**)

3.5. Utilities and Services. You'll pay for all utilities and services, related deposits, and any charges or fees when they are due and as outlined in this Lease. Television channels that are provided may be changed during the Lease term if the change applies to all residents.

If your electricity is interrupted, you must use only battery-operated lighting (no flames). You must not allow any utilities (other than cable or Internet) to be cut off or switched for any reason—including disconnection for not paying your bills—until the Lease term or renewal period ends. If a utility is individually metered, it must be connected in your name and you must notify the provider of your move-out date. If you delay getting service turned on in your name by the Lease's start date or cause it to be transferred back into our name before you surrender or abandon the apartment, you'll be liable for the charge listed above (not to exceed \$50 per billing period), plus the actual or estimated cost of the utilities used while the utility should have been billed to you. If your apartment is individually metered and you change your retail electric provider, you must give us written notice. You must pay all applicable provider fees, including any fees to change service back into our name after you move out.

Special Provisions (Paragraph 32)

- The Special Provisions Box says that any **special provisions may be listed in Par. 32** or additional addenda, including Community Policies, that are attached to the lease. It provides that any attached addenda or Community Policies supersede conflicting provisions in the Lease.

Lease Terms and Conditions

You'll notice that Community Policies and Addenda are referenced throughout the Lease. The reliance on Community Policies facilitated streamlining the Lease itself and allows more flexibility and customization for owners.

While this article doesn't go through every paragraph in detail, here are some of the highlights of this section.

Paragraph 1. Definitions

- This section clearly defines key terms of the Lease.
- Pay particular attention to the definition of "Community Policies" and "Rent," since these are new clarifying definitions in Lease 2.0.

Paragraph 6. Insurance

- Lease 2.0 takes an affirmative position on insurance and states that liability insurance is required as specified in Community Policies or lease addenda unless otherwise prohibited by law.

6. Insurance. *Our insurance doesn't cover the loss of or damage to your personal property.* You will be required to have liability insurance as specified in our Community Policies or Lease addenda unless otherwise prohibited by law. If you have insurance covering the apartment or your personal belongings at the time you or we suffer or allege a loss, you agree to require your insurance carrier to waive any insurance subrogation rights. Even if not required, we urge you to obtain your own insurance for losses due to theft, fire, flood, water, pipe leaks and similar occurrences. Most renter's insurance policies don't cover losses due to a flood.

- 1. Definitions.** The following terms are commonly used in this Lease:
- 1.1. "Residents"** are those listed in "Residents" above who sign the Lease and are authorized to live in the apartment.
 - 1.2. "Occupants"** are those listed in this Lease who are also authorized to live in the apartment, but who do not sign the Lease.
 - 1.3. "Owner"** may be identified by an assumed name and is the owner only and not property managers or anyone else.
 - 1.4. "Including"** in this Lease means "including but not limited to."
 - 1.5. "Community Policies"** are the written apartment rules and policies, including property signage and instructions for care of our property and amenities, with which you, your occupants, and your guests must comply.
 - 1.6. "Rent"** is monthly base rent plus additional monthly recurring fixed charges.

- Owners can use an addendum or Special Provisions to make other choices about insurance.
- For affordable housing properties, there are built-in qualifiers in that allow flexibility. This is the same as how the current lease works with the affordable housing addenda.
- **Also read:** "Requiring Renter's or Liability Insurance," REDBOOK Online.
- **Related form:** "Lease Addendum for Renter's or Liability Insurance" in REDBOOK Online.

Resident Life

This section includes Community Policies outlined in the Lease and other items that relate to residency. Property-specific items can be customized using TAA's Community Policies Addendum, Special Provisions or company-specific addenda.

Paragraph 10. Community Policies

- This paragraph contains a variety of topics, some that are new to Lease 2.0 and some that have been addressed in previous versions of the TAA Lease.
- "Prohibited Conduct" is an important part of this section, which outlines conduct that is not allowed.
- "Smoking of any kind that is not in accordance with our Community Policies or Lease addenda" is included in this list. While owners can choose to allow smoking, the Lease takes the position that smoking is not allowed.

10. Community Policies. *Community Policies become part of the Lease and must be followed.* We may make changes, including additions, to our written Community Policies, and those changes can become effective immediately if the Community Policies are distributed and applicable to all units in the apartment community and do not change the dollar amounts in Lease Details.

- 10.1. Photo/Video Release.** You give us permission to use any photograph, likeness, image or video taken of you while you are using property common areas or participating in any event sponsored by us.
- 10.2. Disclosure of Information.** At our sole option, we may, but are not obligated to, share and use information related to this Lease for law-enforcement, governmental, or business purposes. At our request, you authorize any utility provider to give us information about pending or actual connections or disconnections of utility service to your apartment.

10.3. Guests. We may exclude from the apartment community any guests or others who, in our sole judgment, have been violating the law, violating this Lease or our Community Policies, or disturbing other residents, neighbors, visitors, or owner representatives. We may also exclude from any outside area or common area anyone who refuses to show photo identification or refuses to identify himself or herself as a resident, an authorized occupant, or a guest of a specific resident in the community.

Anyone not listed in this Lease cannot stay in the apartment for more than _____ days in one week without our prior written consent, and no more than twice that many days in any one month. If the previous space isn't filled in, 2 days total per week will be the limit.

- 10.4. Notice of Convictions and Registration.** You must notify us within 15 days if you or any of your occupants: (A) are convicted of any felony, (B) are convicted of any misdemeanor involving a controlled substance, violence to another person, or destruction of property, or (C) register as a sex offender. Informing us of a criminal conviction or sex-offender registration doesn't waive any rights we may have against you.
- 10.5. Odors and Noise.** You agree that odors, smoke and smells including those related to cooking and everyday noises or sounds are all a normal part of a multifamily living environment and that it is impractical for us to prevent them from penetrating your apartment.

- You'll notice that "Parking" is one of the areas that has been streamlined in Lease 2.0. If you have specific rules related to parking, you'll want to use an addendum or customize Community Policies to include those details.
- This section specifies that Community Policies can be changed during the Lease term, as long as policies are applicable to all units, do not change dollar amounts in the Lease and are distributed to all residents.
- **Related form:** "TAA Community Policies Addendum" REDBOOK page 132.

TAA Community Policies Addendum

- TAA's Community Policies Addendum includes industry-wide provisions and can be customized to fit each community's specific needs.
 - Payments
 - Security Deposit Deductions and Other Charges
 - Written Requests
 - Parking
 - HVAC Operation
 - Amenities
 - Package Services
 - Special Provisions

Paragraph 15. Requests, Repairs and Malfunctions

- This paragraph stipulates that all requests must be submitted in accordance with Community Policies, which allows owners to decide how they want to receive requests.
- Because resident portals have become such a big part of the renter experience, this provision has been revised to cover that scenario, if applicable.
- **Also read:** The habitability statute, REDBOOK page 629; "Words, Silence and Conduct Can Sometimes Beat the Lease," REDBOOK page 129.
- **Related forms:** "Resident's Request Form," REDBOOK page 307; "Letter Regarding Requested Installation or Repair of Security Device," REDBOOK page 310; "Notice of Wrongful Withholding of Rent," REDBOOK page 380.

15. Requests, Repairs and Malfunctions.

15.1. Written Requests Required. *If you or any occupant needs to send a request—for example, for repairs, installations, services, ownership disclosure, or security-related matters—it must be written and delivered to our designated representative in accordance with our Community Policies (except for fair-housing accommodation or modification requests or situations involving imminent danger or threats to health or safety, such as fire, smoke, gas, explosion, or crime in progress). Our written notes regarding your oral request do not constitute a written request from you. Our complying with or responding to any oral request doesn't waive the strict requirement for written notices under this Lease. A request for maintenance or repair by anyone residing in your apartment constitutes a request from all residents. **The time, manner, method and means of performing maintenance and repairs, including whether or which vendors to use, are within our sole discretion.***

15.2. Your Requirement to Notify. You must promptly notify us in writing of air conditioning or heating problems, water leaks or moisture, mold, electrical problems, malfunctioning lights, broken or missing locks or latches, or any other condition that poses a hazard or threat to property, health, or safety. Unless we instruct otherwise, you are required to keep the apartment cooled or heated according to our Community Policies. Air conditioning problems are normally not emergencies.

15.3. Utilities. We may change or install utility lines or equipment serving the apartment if the work is done reasonably without substantially increasing your utility costs. We may turn off equipment and interrupt utilities as needed to perform work or to avoid property damage or other emergencies. If utilities malfunction or are damaged by fire, water, or similar cause, you must notify our representative immediately.

15.4. Your Remedies. We'll act with customary diligence to make repairs and reconnections within a reasonable time, taking into consideration when casualty-insurance proceeds are received. Unless required by statute after a casualty loss, or during equipment repair, your Rent will not abate in whole or in part. "Reasonable time" accounts for the severity and nature of the problem and the reasonable availability of materials, labor, and utilities. ***If we fail to timely repair a condition that materially affects the physical health or safety of an ordinary resident as required by the Texas Property Code, you may be entitled to exercise remedies under § 92.056 and § 92.0561 of the Texas Property Code. If you follow the procedures under those sections, the following remedies, among others, may be available to you: (1) termination of the Lease and an appropriate refund under 92.056(f); (2) have the condition repaired or remedied according to § 92.0561; (3) deduct from the Rent the cost of the repair or remedy according to § 92.0561; and 4) judicial remedies according to § 92.0563.***

Paragraph 17. Assignments and Subletting

- Under this paragraph, residents are prevented from subletting or listing the unit or any part of the dwelling on any lodging or short-term rental website unless otherwise agreed to by the owner.
- Unlike in other states where you might need an addendum for this purpose, the TAA Lease includes this important provision.
- This provision applies to residents and does not prevent owners from choosing to list units through lodging services.

17. Assignments and Subletting. You may not assign this Lease or sublet your apartment. You agree that you won't rent, offer to rent or license all or any part of your apartment to anyone else unless otherwise agreed to in advance by us in writing. You agree that you won't accept anything of value from anyone else for the use of any part of your apartment. You agree not to list any part of your apartment on any lodging or short-term rental website or with any person or service that advertises dwellings for rent.

Eviction and Remedies

Paragraph 22. Liability

- This paragraph includes an expanded indemnification which covers employees, agents and management companies.

Paragraph 23. Default by Resident

- This section describes acts of default by residents and covers remedies related to those situations.
- These provisions are streamlined to remove some of the detail not vital to the Lease including delivery methods for Notices to Vacate.

Related resources for this section:

- **Also read:** “Tools for Collecting Rent and Other Monies from Residents,” REDBOOK page 372; and “Before You Evict: Alternatives to Eviction,” REDBOOK page 371.
- **Related form:** “Notice of Acceleration of Rent,” REDBOOK page 379.

Paragraph 23: Default by Resident

- Removed list of delivery methods for Notice to Vacate

23.2. **Eviction.** *If you default, including holding over, we may end your right of occupancy by giving you at least a 24-hour written notice to vacate.* Termination of your possession rights doesn't release you from liability for future Rent or other Lease obligations. *After giving notice to vacate or filing an eviction suit, we may still accept Rent or other sums due; the filing or acceptance doesn't waive or diminish our right of eviction or any other contractual or statutory right.* Accepting money at any time doesn't waive our right to damages, to past or future Rent or other sums, or to our continuing with eviction proceedings. In an eviction, Rent is owed for the full rental period and will not be prorated.



This is one of the most important sections of the Lease, and you should review it carefully and completely. You will also want to refer to the articles and sample forms in the “Eviction & Remedies” section of the REDBOOK. This section clarifies that a resident's right of occupancy can be terminated for holding over.

End of the Lease Term

Paragraph 27. Surrender and Abandonment

- This paragraph includes clear definitions of “surrender” and “abandonment,” as well as an outline of what happens when a resident's right to possession ends.
- This section also details the owner's option to remove and store property.

Related resources for this section:

- **Also read:** “Tools for Collecting Rent and Other Monies from Residents,” REDBOOK page 372; and “Before You Evict: Alternatives to Eviction,” REDBOOK page 371.
- **Related form:** “Notice of Acceleration of Rent,” REDBOOK page 379.

27. Surrender and Abandonment. You have *surrendered* the apartment when: (A) the move-out date has passed and no one is living in the apartment in our reasonable judgment; **or** (B) apartment keys and access devices listed in Par. 2.1 have been turned in to us—whichever happens first.

You have *abandoned* the apartment when all of the following have occurred: (A) everyone appears to have moved out in our reasonable judgment; (B) you've been in default for nonpayment of Rent for 5 consecutive days, or water, gas, or electric service for the apartment not connected in our name has been terminated or transferred; **and** (C) you've not responded for 2 days to our notice left on the inside of the main entry door stating that we consider the apartment abandoned. An apartment is also considered abandoned 10 days after the death of a sole resident.

General Provisions and Signatures

This section contains provisions related to the membership requirement for using TAA Leases, a revised paragraph related to severability and survivability of Lease provisions, the Class Action Waiver, a new force majeure clause and Special Provisions.

Paragraph 31.2. Force Majeure

- This provision has been added to provide protections to owners in situations that are beyond their control.

Other Lease 2.0 Resources

For more information, see:

- The Lease 2.0 article on REDBOOK page 64
- Video resources in REDBOOK Online
- Recorded training webinars in the Member Resources Section of TAA's website at www.taa.org

31.2. Force Majeure. If we are prevented from completing substantial performance of any obligation under this Lease by occurrences that are beyond our control, including but not limited to, an act of God, strikes, epidemics, war, acts of terrorism, riots, flood, fire, hurricane, tornado, sabotage or governmental regulation, then we shall be excused from any further performance of obligations to the fullest extent allowed by law.

Community Policies under the new TAA Lease and TAA's new Community Policies Addendum

Community Policies are a central part of the overhaul of both the new TAA lease form and process and, although not required, TAA encourages the use of its new Community Policies Addendum.

Definition in the Lease: “Community Policies” are defined under Paragraph 1.5 of the TAA Lease as the “written apartment rules and policies, including property signage and instructions for care of our property and amenities, with which you, your occupants, and your guests must comply.”

Community Policies become part of the Lease and must be followed. The TAA Lease allows properties to make reasonable changes, including additions, to the Community Policies during the lease term, if they are distributed to all residents, apply consistently to all residents and do not change dollar amounts in Lease Details. See **Paragraph 10 of the TAA Lease.**

The TAA Community Policies Addendum on REDBOOK page 132 can be customized to expand on issues that are briefly covered in the body of the new Lease such as: access devices and keys, payment methods and manners, security deposit deductions, smoking, parking, contact information for written requests, rules for care of the property and amenities. **You can customize by either incorporating your existing policies into the TAA form or placing the sample TAA provisions into your form to meet your needs.**

About the TAA Community Policies Addendum:

- * Fully customizable in the TAA Click & Lease Program
- * Checkboxes to specify Place and Method of Resident Requests and Payments
- * Security Deposit Deductions and Procedures
- * Rules for Parking, HVAC Operations, Amenities, Packages
- * Special Provisions

This overview of each paragraph in the new TAA Community Policies Addendum is only intended as a general explanation of sample provisions and not as legal advice or a substitute for consulting an attorney.

Paragraph 1. Addendum

- The general lease information, including the **Apartment or property address**, is included in this paragraph.

Paragraph 2. Payments

- All **payments** for any amounts due under the Lease must be made in compliance with the selections made in this paragraph.

Paragraph 3. Security Deposit Deductions and Other Charges

- This section includes a detailed list of potential **security deposit deductions** and other charges for which the resident is liable. This is a fairly comprehensive list and should be used when determining the disposition of the security deposit. Residents are responsible for any charges that are applicable.

Paragraph 4. Written Requests

- The Lease requires all requests for repairs and service of any kind to be made in writing by a resident and delivered to the property management in accordance with Community Policies. This section allows the member to select the method by which requests should be received.

Remember, residents are required to promptly notify the management in writing about water leaks, mold, electrical problems, broken or missing locks or latches, malfunctioning lights, or any

COMMUNITY POLICIES ADDENDUM

1. **Addendum.** This is an addendum to the Lease between you and us for Apt. No. _____ in the _____ Apartments in _____, Texas
OR
the house, duplex, etc. located at (street address) _____ in _____, Texas.

2. **Payments.** All payments for any amounts due under the Lease must be made:
 at the onsite manager's office
 through our online portal
 by mail to _____ or
 other: _____
 The following payment methods are accepted:
 electronic payment
 personal check
 cashier's check
 money order, or
 other: _____
 We have the right to reject any payment not made in compliance with this paragraph.

3. **Security Deposit Deductions and Other Charges.** You'll be liable for the following charges, if applicable: unpaid rent; unpaid utilities; unreimbursed service charges; repairs or damages caused by negligence, carelessness, accident, or abuse, including stickers, scratches, tears, burns, stains, or unapproved holes; replacement cost of our property that was in or attached to the apartment and is missing, replacing dead or missing alarm or detection-device batteries at any time; utilities for repairs or cleaning; trips to let in company representatives to remove your telephone, Internet, television services, or rental items (if you so request or have moved out); trips to open the apartment when you or any guest or occupant is missing a key, unreturned keys, missing or burned-out light bulbs; removing or rekeying unauthorized security devices or alarm systems; packing, removing, or storing property removed or stored under the Lease; removing illegally parked vehicles; special trips for trash removal caused by parked vehicles blocking dumpsters; false security-alarm charges unless due to our negligence; animal-related charges outlined in the Lease; government fees or fines against us for violation (by you, your occupants, or your guests) of local ordinances relating to alarms and detection devices, false alarms, recycling, or other matters; late-payment and returned-check charges; and other sums due under this Lease. You'll be liable to us for charges for replacing any keys and access devices referenced in the Lease if you don't return them all on or before your actual move-out date, and accelerated rent if you've violated the Lease. **We may also deduct from your security deposit our reasonable costs incurred in rekeying security devices required by law if you vacate the apartment in breach of this Lease.** Upon receipt of your move-out date and forwarding address in writing, the security deposit will be returned (less lawful deductions) with an itemized accounting of any deductions, no later than 30 days after surrender or abandonment, unless laws provide otherwise. Any refund may be by one payment jointly payable to all residents and distributed to any one resident we choose or distributed equally among all residents.

4. **Written Requests.** All written requests to us must be submitted by:
 online portal
 email to _____
 hand delivery to our management office, or
 other: _____

5. **Parking.** We may have any unauthorized or illegally parked vehicles towed or booted according to state law at the owner or operator's expense at any time if the vehicle: (a) has a flat tire or is otherwise inoperable; (b) is on jacks, on blocks, or has a wheel missing; (c) takes up more than one parking space; (d) belongs to a resident or occupant who has surrendered or abandoned the apartment; (e) is in a handicapped space without the legally required handicapped insignia; (f) is in a space marked for office visitors, managers, or staff; (g) blocks another vehicle from exiting; (h) is in a fire lane or designated "no parking" area; (i) is in a space that requires a permit or is reserved for another resident or apartment; (j) is on the grass, sidewalk, or patio; (k) blocks a garbage truck from access to a dumpster; (l) has no current license or registration, and we have given you at least 10 days' notice that the vehicle will be towed if not removed; or (m) is not moved to allow parking lot maintenance.

6. **HVAC Operation.** If the exterior temperature drops below 32° F, you must keep the heat on and set to a minimum of 50° F. You must also open all closets, cabinets, and doors under sinks to assist in keeping plumbing fixtures and plumbing pipes from freezing, and you must drip all the faucets in your apartment using both the hot and cold water. Leave the faucets dripping until the exterior temperature rises above 32° F. You must leave your HVAC system on, even if you leave for multiple days, and have it set to auto at all times.

7. **Amenities.** Your permission for use of all common areas, amenities, and recreational facilities (collectively "Amenities") located at the property is a license granted by us. This permission is expressly conditioned upon your compliance with the terms of the Lease, the Community Policies, and any signage posted in or around any of the Amenities. We have the right to set the days and hours of use for all Amenities and to change those or close any of the Amenities based upon our needs. We may make changes to the rules for the use of the Amenities at any time. **Neither we nor any of our agents, employees, management company, its agents, or its employees shall be liable for any damage or injury that results from the use of any Amenities by you, your invitees, your licensees, your occupants, or your guests. This release applies to any and all current, past or future claims or liability of any kind related to your decision to use the Amenities.**

8. **Package Services.** We do or do not accept packages on behalf of residents. If we DO accept packages, you give us permission to sign and accept any parcels or letters you receive through UPS, Federal Express, Airborne, United States Postal Service or other package delivery services. You agree that we are not liable or responsible for any lost, damaged or unsorted deliveries and will hold us harmless.

9. **Miscellaneous.** Your Lease is subordinate to existing and future recorded mortgages, unless the owner's lender chooses otherwise.

10. **Special Provisions.** The following special provisions control over conflicting provisions of this form:

Signatures of All Residents _____ Signature of Owner or Owner's Representative _____

Texas Apartment Association

other conditions that might be a hazard to health or safety. Texas Property Code Section 92.052(d) allows an owner to require written notices for repairs, which the TAA Lease does. Regardless, verbal notices, especially notices of serious conditions, should be promptly responded to out of an abundance of caution.

Even if your company policy allows you to accept or respond to phoned or in-person verbal requests for repairs, residents are still responsible for making these requests in writing to trigger the possibility of owner liability under Texas Property Code Section 92.056(b). If a written communication from a resident is sent to you by a form of mail that allows tracking of delivery, be sure to accept it and read it.

Paragraph 5. Parking

- This paragraph outlines your authority to regulate parking of all types of vehicles. It defines what is meant by an “unauthorized” or “illegally parked” vehicle, and gives the management the right to tow or boot those vehicles. There is a long list of the violations that constitute unauthorized or illegal parking. The Texas Towing and Booting Act includes provisions for the booting of vehicles, with proper notice. You should carefully review the chart entitled “Towing Restrictions and Requirements” in REDBOOK Online.

Paragraph 6. HVAC Operation

- This section makes specific rules relating to heating and cooling of the dwelling.

Paragraph 7. Amenities

- This paragraph covers rules relating to use of amenities and specifies that permission to use the amenities is expressly conditioned upon the resident’s compliance with the terms of the Lease including the Community Policies. It also includes a waiver of liability that results from the use of the amenities.

Paragraph 8. Package Services

- This paragraph provides checkboxes for the owner to choose whether to accept packages on behalf of residents. It further provides express permission to sign and accept deliveries and waives an owner’s liability for any lost, damaged, or unordered deliveries.

Paragraph 9. Miscellaneous

- This paragraph clarifies that the Lease is subordinate to existing and future recorded mortgages, unless the owner’s lender chooses otherwise.

Paragraph 10. Special Provisions

- Here you’ll find any special provisions that will become a part of the Community Policies and therefore part of the Lease and override any conflicting information. Also, this paragraph notes that any special provisions control over conflicting provisions of the form.