

SOUTH TEXAS



South Texas Property Management Group, LLC

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What Happens with Early Termination of the Texas Lease?

Most leases in Texas are written for initial fixed terms, usually 12 months. Renewal periods are also written for a fixed number of months. During these fixed terms, the tenant has agreed to remain in the property and pay rent through a certain date, and the landlord is obligated and required to allow the tenant to remain for the period of time. The only exception is a month-to-month lease which can be terminated with a 30 day notice by either party.

So, what happens if it's October, your lease doesn't end until the following May 31st, but life circumstances are forcing an early departure from your rental home?

Perhaps you've lost your old job and already found a new one, but the new job requires relocation to another city? Sometimes tenants divorce and neither can afford the rent alone, so both have to move. Sometimes tenants are under no financial distress but elect to buy a new home and terminate early, and simply include the early termination costs in the overall financial decision to buy the new home.

There are a number of life circumstances that can cause a tenant to contact us and ask, "what happens if I can't finish my lease term?"

This is called Early Termination and is covered by paragraph 27 and 28 of the Texas Association of Realtors Residential Lease Agreement.

Paragraph 27 covers Default, whereby a tenant simply moves out and stops paying rent. We call this a "skip" and it results in legal action, damage to the tenant's credit report, and ultimately the account being placed for collection. In the event the tenant buys a house, we can have our attorney sue, then after obtaining judgment, we place a lien on the property. In other words, the worst financial and credit consequences possible are realized, and the price is paid for years to come.

Paragraph 28 provides a graceful exit from the lease. Most tenants want to avoid damaged credit, ruined rental history and collection, a judgment and a lien on their new home, so we more commonly operate under Paragraph 28, which involves locating a replacement tenant to take over the occupancy of the home and allows the tenant to depart on good terms. Below, we will outline how this works.

In a nutshell, when you want to move early and wish to do so in a way that follows the lease agreement and avoids the negative consequences, all the costs of your decision to terminate early must be absorbed and paid by you, not the property owner.

This is a simple concept for most to understand. The owner of your rental has no obligation or desire to subsidize your moving costs by absorbing lost rent and other turnover expenses created by your early departure, all of the financial consequences of your decision to leave early belong to you. The following steps must happen if you are a resident of South Texas Property Management Group:

- 1.) You must provide written notice of your intent to terminate early, including a move-out date on the Tenant Portal.
- 2.) Your written termination notice must include payment of the reletting fee listed in paragraph 28 of your lease agreement. The reletting fee is typically 75% of one month's rent. Check your specific lease agreement or renewal for your amount.
- 3.) You must continue paying rent each month on the first, until a replacement tenant is found and starts paying rent for you.
- 4.) You must continue your utility services after vacating, until a new tenant moves in.
- 5.) You must arrange for lawn service after you vacate, until a new tenant moves in.
- 6.) All other terms and conditions of your lease agreement must continue to be met and you are still responsible for periodically checking up on the property unless you've arranged with us to do it for you.

That's it in a nutshell. It's not negotiable. In fact, we don't even have to allow Paragraph 28 departure. So, when tenants argue or want to do it a different way (which always involves shifting costs and risk away from the tenant and to the owner), we simply don't do it.

Once the above steps are accomplished, you leave with a good rental history, receive your deposit refund, and have completed your lease agreement on good terms. You haven't technically "broken" the lease, but instead satisfied the requirements of Early Termination.

It should be noted, however, that you are still legally obligated until the end of your remaining lease term in the event your replacement tenant defaults. This does not happen often though, as we carefully screen replacement tenants the same as any other new tenant.

Charges to expect on early termination:

- Relet Fee 75% of one month's rent. Must be paid first.
- All balances must be paid in full.
- Cleaning Fee.
- Rent Ready Repairs.
- Rekey.
- \$25 admin fee when repairs and cleaning are needed.

Frequently Asked Questions:

Q: Can I wait until you find a tenant to provide notice?

A: No, we won't initiate any efforts to locate a replacement tenant until/unless we have written notice to vacate with a move-out date and payment of your reletting fee. Understand that we don't even have the legal right to promise the property to a new tenant if we haven't received written notice from you, so your status is either one of 100% staying, or 100% leaving - there is no "maybe" or in between status that can be accommodated. We can't market a property without a defined availability date for move-in.

Q: I don't want to pay the reletting fee. Do I really have to, or can I pay it later?

A: You already agreed to pay it when you signed your lease. You are simply keeping an agreement you already made. It must be paid up front, as agreed in the lease.

Q: If I know someone who wants to rent the house, can I refer them to you?

A: Yes, of course. They must submit an application and qualify the same as any tenant. You may not "market" the house though once we begin marketing efforts. You can tell your friends and co-workers about it and try to help find a tenant, but you can't, for example, put your own sign in the yard.

Q: Why should I have to keep paying rent after I move out?

A: That's the agreement you made when signing the lease. Failure to pay rent will represent a default of the lease. Continuing to pay rent allows us to keep sending the owner her monthly proceeds and it keeps you in compliance with your lease agreement and in good standing, which is the goal of paragraph 28 of your lease agreement.

Q: How long will it take to find a new tenant?

A: We normally locate a new tenant within 30 to 60 days, sometimes sooner. But it could also take longer depending on the time of year, market conditions, how well the house shows, and other variables.

Q: What if I only have 2 months remaining on my lease? Can I avoid the Early Termination fees?

A: Yes, If you have less than 3 months remaining on your lease, you're probably better off finishing your lease or paying out your remaining rent in full rather than terminating early. When

a tenant pays the final month of a lease term and also notifies us in writing they will be departing by a date sooner than the last day of the lease, we will market the property as available on the earlier date. You will still have to maintain utilities and yard care per your lease agreement through the final day of the lease, but if a new tenant is located and moves in prior to the end of your lease term, you'll receive a rent rebate and will have successfully completed your lease term without having to pay a reletting fee. If you have more than 3 months remaining on your lease term, you're probably better off paying the reletting fee through and letting us find a replacement tenant.


If you have further questions you may contact our office (956)800-9490.

Please sign below confirming you have read and you understand the terms to our Early Termination Move-out Agreement.

Signature

Date

Printed Name

 Early Term Move out Packet (1).pdf



NOTICE OF TENANT'S INTENT TO VACATE

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS®, INC. IS NOT AUTHORIZED.
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To: SOUTH TEXAS PRP. MGMT GROUP (Landlord)

From: _____ (Tenant)

Re: Lease concerning the Property at _____

A. Tenant's Notice of Intent to Vacate: The above-referenced lease ends on _____ (date).
Tenant will vacate the property on _____ (Move-out Date).

B. Tenant's Notice of Intent to Terminate Early Under Paragraph 28 of the Lease: Tenant is exercising Tenant's rights under the following subparagraph of Paragraph 28: Military Transfer/Deployment; Family Violence; Sexual Offenses or Stalking; or Assignment and Subletting. Tenant has attached all necessary notices and documentation required under the applicable subparagraph.

MOVE-OUT REMINDERS

1. Return all keys, garage door openers, mailbox keys, and other access devices to the Landlord by the Move-out Date.
2. Provide written notice of Tenant's forwarding address. If known at this time, please provide below.

Street	City	State	Zip
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3. Leave the Property in a clean condition, free of all trash, debris, and any personal property.
4. If Tenant's Move-out Date changes, Tenant must notify Landlord immediately and obtain Landlord's approval.
5. Tenant must comply with any other Landlord Move-out requirements.
6. If Tenant fails to vacate by the Move-out Date, Tenant will be liable for any holdover rent as specified in Paragraph 22 of the Lease.
7. Landlord's right to place a sign on the Property, show the Property, or place a keybox on the Property applies pursuant to Paragraph 14 of the Lease.

Tenant acknowledges that Tenant remains obligated under the Lease until the Lease is terminated.

Tenant Date

Landlord's Acknowledgment of Receipt

Landlord acknowledges receipt of this notice.

Signature Date

SOUTH TEXAS PRP. MGMT GROUP

Early Termination - MOVE-OUT AGREEMENT CHECKLIST

To: South Texas Property Management Group, LLC

Ref: 30 Day Notice to Vacate Property - Must still provide 30 day notice.

Date of Notice: _____ Move-out Date: _____

Original Lease Term Dates: _____

Property Address: _____

1. I will leave utilities (Water & Electricity) on for 5 business days after vacating so that the property may be adequately inspected.
2. All keys, garage door openers, and mailbox keys (federal postal key(s)) must be turned in by or before 4:00 p.m.. If keys are not turned in on time I understand I will be charged a **holdover fee.**
3. It is my responsibility to submit the following documents 30 days prior to move-out: Notice of Tenant's Intent To Vacate (TAR-2218), Move-Out Agreement and Cleaning Cost Sheet.
4. I understand I am still obligated to the original terms of my Lease. I accept my responsibility towards the following Fees: Relet Fee, Rent Ready Repairs or Cleaning, Re-Key, and continue paying towards my rent amount owed until my unit is leased. I will not be released from my lease until my unit is leased by a new party and my balance is paid off completely.
5. It is my responsibility to TURN OFF ALL AUTOMATIC RENTAL PAYMENTS from the tenant portal, or I will be **charged a \$25 processing fee for any payments PM must return to tenants.**

Tenant Signature

Date

Tenant Signature

Date

Move-Out Checklist and Cleaning Cost Sheet

General Cleaning Charges & Replacements:

- General Cleaning starts at \$100
- Refrigerator Cleaning \$45+ (\$55 food disposal)
- Counters/Cabinets Cleaning \$45- \$100
- Dishwasher Cleaning \$35
- Window Cleaning \$25 each
- Ceiling Fan Dusting \$20 each
- Cleaning Walls (per wall) \$25 - \$50
- Re-Keying when no keys are returned \$150
- Personal belongings removal from interior/exterior of property \$75 - \$200
- Install New A/C Filter (Missing or Dirty) \$15 each
- Broken/ Missing Blinds \$50 - \$75 each
- Vertical blinds \$125
- Replace Broken/Missing Light fixtures **Priced as Billed**
- Toilet Flappers \$50 each
- Door Stopper \$15 each
- Shower head **Priced as Billed**
- Fluorescent tubes **Priced as Billed**
- Replace missing/broken/nonworking bulbs \$20 each.
- Replace Broken Kitchen/Bathroom Faucet **Priced as Billed**
- Replace Ceiling Fan(s) **Priced as Billed**
- Smoke detector batteries \$10 each
- Smoke detector replacement \$25 each
- Door chain \$15 each
- Stove Drip Pans \$10 each
- Toilet seat replacement \$45
- Tighten loose screws such as toilet seat, cabinets, doors \$10 - \$25 each
- Broken drawers **Priced as Billed**
- Weather stripping \$45 each
- Garage remote \$150
- Replace broken light switch plates or outlets \$10 each
- Replace Broken Doors interior/exterior **Priced as Billed**
- Toilet paper holder \$10 each
- Towel bar holder \$45 each
- Paint/Touch ups **Priced as Billed**
- Tape & Float **Priced as Billed**
- Window Replacement (Insulated/Non-Insulated) (Dependent on size) **Priced as Billed**
- Mow and Trim Lawn **Priced as Billed**
- **A/C Service/Cleaning - Priced as Billed**
- Roach and Flea Treatment **Priced as Billed**

\$25 Admin Fee charge if any repairs and/or cleaning is necessary.

Acknowledgement of Receipt			
Acknowledgement of receipt of this notice.	Acknowledgement of receipt of this notice.		
_____ Signature	_____ Date	_____ Signature	_____ Date

Note: Fees are charged if applicable. Prices listed do not cover trip charges, taxes or service fees and are subject to change as the market dictates.