

Chapter 31: Renting Costs & Responsibilities

Practice understanding the true costs and obligations of renting

Part 1: Calculating Move-In Costs

Scenario 1: First Apartment

You've found an apartment with a monthly rent of \$1,100. The landlord requires first month's rent, last month's rent, and a security deposit equal to one month's rent. You also need to pay a \$75 application fee, \$200 in utility activation fees, and estimate \$600 for moving expenses.

a) Calculate the total move-in costs:

First month's rent:	\$ _____
Last month's rent:	\$ _____
Security deposit:	\$ _____
Application fee:	\$ _____
Utility activation:	\$ _____
Moving expenses:	\$ _____
Total Move-In Costs:	\$ _____

b) If you can save \$400 per month toward this goal, how many months would it take to save enough?

Show your calculation...

Scenario 2: Ongoing Monthly Expenses

Using the same \$1,100/month apartment, calculate your total monthly housing expenses:

Monthly rent:	\$1,100
Electricity (estimate):	\$85
Gas/heating (estimate):	\$45

Internet:	\$60
Renter's insurance:	\$25
Total Monthly Expenses:	\$ _____

c) What gross monthly income would you need if following the 30% guideline for housing expenses?

Show your calculation (total monthly expenses / 0.30)...
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Part 2: Lease Agreement Analysis

Scenario 3: Reading a Lease

Review the following lease excerpts and answer the questions:

"Tenant agrees to pay rent of \$950 per month, due on the 1st of each month. A late fee of \$50 will be charged if rent is not received by the 5th. Security deposit of \$950 will be returned within 30 days of move-out, less any amounts for damages beyond normal wear and tear. Landlord reserves the right to enter the premises with 24-hour notice for inspections and repairs."

a) What is the grace period for rent payment before a late fee is charged?

Your answer...

b) How much notice must the landlord give before entering the apartment?

Your answer...

c) What conditions must be met to receive a full security deposit refund?

Your answer...

Scenario 4: Identifying Red Flags

Review this lease clause and explain why it might be problematic:

"Tenant agrees to forfeit the entire security deposit if tenant terminates lease early for any reason. Landlord may retain security deposit for any repairs needed after move-out, with no documentation required."

Identify at least two problems with this clause:

Problem 1: ...

Problem 2: ...

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Hint: Consider tenant rights regarding documentation of damages and fair treatment.

Part 3: Comparing Rental Options

Scenario 5: Property Comparison

Compare these two rental options and determine which is better for someone working downtown:

Feature	Apartment A	Apartment B
Monthly Rent	\$1,200	\$950
Utilities Included	Water, trash	None
Distance to Work	Walking distance	30 min drive
Parking	Included	\$100/month
Laundry	In-unit	Coin laundry (\$40/mo)

- a) Estimate the total monthly cost for each apartment (include estimated utilities of \$150/month for Apartment B and estimated commute costs of \$200/month for gas/parking downtown):

Apartment A total:

Apartment B total:

- b) Which apartment would you choose and why? Consider both financial and non-financial factors:

Your analysis...

Part 4: Tenant Rights and Responsibilities

Scenario 6: Problem Situations

For each situation, determine if it's a tenant or landlord responsibility:

Situation	Tenant or Landlord?	Why?
The refrigerator stops working		
A window is broken by the tenant's child		
The roof is leaking into the apartment		
Replacing burned-out light bulbs		
Pest control for a roach infestation		

Scenario 7: Handling Disputes

Your landlord refuses to return your \$1,000 security deposit, claiming there was damage to the carpet. You took photos when you moved in showing the carpet was already stained.

a) What steps would you take to resolve this dispute?

List your steps in order...

b) What could you have done differently to prevent this situation?

Your answer...

Part 5: Reflection

1. What are three advantages of renting compared to owning a home?

1.

2.

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2. What are three things you should always check before signing a lease?

1.

2.

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3. How would you determine if you can afford a particular apartment?

Your response...

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