

Where will I be able to live?

Chapter 29

A Place to Live

Key Terms

*real estate agency
rental agency
verbal agreement
lease
security deposit*

Chapter Objectives

After studying this chapter, you will be able to

- **weigh** the advantages and disadvantages of living at home, with a roommate, and on your own.
- **list** ways to look for a place to live.
- **evaluate** housing options according to a person's needs and budget.
- **describe** ideas for furnishing an apartment on a limited budget.
- **explain** the legal responsibilities involved in signing a lease.

Key Concepts

- Before deciding where to live, it is wise to consider the advantages and disadvantages of each option you have.
- When looking for a place to live, consider housing needs and costs.
- Furnishing an apartment can be expensive.
- You take on legal responsibilities when you sign a lease.

Where Will You Live?

As you mature and grow toward independence, you will face many decisions. One may be where to live. You may be able to choose whether to live at home, with a roommate, or on your own. Before deciding where to live, consider the advantages and disadvantages of each option you have. See 29-1.

Living at Home

Many people look forward to leaving home once they enter the workplace. They want the change of pace and new challenges that living away from home offers. On the other hand, some people feel comfortable with their home lives. They are in no hurry to move out.

Living at home has many advantages for young workers. One big advantage is cost. Even if you pay room and board, living at home usually costs less than renting an apartment.

Another advantage is having the company of your family. Not only do family members provide companionship, they also provide assistance. Household chores, such as cooking, cleaning, and laundry, can be shared with others.

However, living at home can have some disadvantages. For instance, you may not be able to be as independent as you want. Your family's social activities may be different from yours. Your family's routines may be different from yours, too.



Making a Difference

Contact a local Habitat for Humanity office. If possible, interview people who volunteer for the organization. What is its purpose? How does it make a difference in communities? Ask about volunteer opportunities in which you could participate.

29-1

When young people begin earning full-time incomes, they often consider new living arrangements.

Living with a Roommate

Choosing to live away from home is a big decision. If you want to live with a roommate, try to find someone with a lifestyle similar to yours. A roommate can become a lifelong friend or a terrible enemy. See 29-2.

Living with a roommate has some of the same advantages of living with family members. You can share expenses with a roommate. You have companionship and may meet new friends. You also have someone with whom to share household work.

Living with a roommate may also have some disadvantages. You may not get along with each other or with each other's friends. You may have different tastes in food and decorating. Your roommate may be sloppier or neater than you are. Your roommate may not understand your way of life. Also, your roommate may not pay his or her portion of the bills or rent on time, which could affect your credit rating.

29-2

Friends who share common interests usually make compatible roommates.



Living on Your Own

Only you can decide if you are ready to live alone. This new experience may be a big change from the environment you know best.

The chief advantage of living alone is that you are totally independent. You decide when, where, and how you are going to do things. You can choose your own furnishings, food, TV programs, and music.

As a disadvantage, living alone can be lonely sometimes. Also, you are responsible for all the household expenses. In addition, you must do all the cleaning, cooking, and laundry.

Looking for a Place to Live

You can start to look for a place to live by asking your family and friends if they know of anything available. Another good place to start looking for a place to live is on the Internet. See 29-3. You can search for thousands of apartments, rooms, or houses for rent all over the country. You can also look in the newspaper, under the



Your Reading

What are three options to consider when deciding where to live?



29-3

The Internet or the classified ads in the newspaper are good places to start a search for an apartment.

real estate agency

A business that assists customers with buying and selling houses.

rental agency

A business that, for a fee, assists customers with renting apartments.



Your Reading

What are good sources of information when looking for a place to live?

classified ads in the real estate section of the newspaper. Look under the heading *Rental Properties* or *Apartments for Rent*.

Other sources of information are **real estate agencies**. They deal primarily with the buying and selling of houses. However, some real estate agents can help you find places to rent. Look online or in the Yellow Pages of the phone book to find real estate agencies that handle rental apartments and houses.

A **rental agency** can also help you find an apartment. It is a business that assists customers in the renting of apartments for a fee.

A rental agency is different from a real estate agency. The apartment owner pays the real estate agency a commission after the property is rented. You pay a fee to a rental agency before you find an apartment. After you pay the fee, the rental agency will refer you to apartments or houses available to rent. However, paying the fee is no guarantee that you will find a place to live.

Housing Needs and Costs

As you look at places to live, think about your housing needs. Also think about the costs related to housing. The following questions may help you:

- Do you need a single room, apartment, or house?
- How much rent can you afford to pay? Some guidelines say to allow one-fourth of your salary for housing costs. Others suggest that you limit rent and utilities to one-third of your take-home pay. You must decide what you can afford based on your income and other expenses.
- How much should you expect to pay for utilities? Check to see which utilities are included in your rental payments, if any. Utilities may include electricity, gas, water, telephone, and waste disposal. Most utility bills must be paid monthly. Many companies require deposits from new utility users until they have proved they pay their bills on time.
- What furnishings and utensils do you need to buy? A bed, sofa, table, and chairs come to mind right away. Have you thought about sheets, towels, dishes, pots, and pans? Cleansers, buckets, and brooms cost money, too. Setting up a household can be expensive.

- If you need to use public transportation, is it available nearby?
- If you have a car, is safe parking available nearby?
- Are there enough electrical outlets?
- Is there enough storage for your belongings? See 29-4.
- Is the place reasonably close to your work?
- Is the neighborhood safe and clean?

When you look for a place to live, don't think only about the rent. Running a household costs more than just paying the rent. Having a home means more than having a roof over your head. Look for a place where you can feel safe and comfortable.

Furnishing Your New Home

Most apartments include a refrigerator and range. If you rent an *unfurnished* apartment, you will need to supply your own furniture. If you rent a *furnished* apartment, the rent will be considerably higher because it will have furniture.

If you shop for furniture, you will see that it costs much more than you expect. You may not be able to afford many new items. Used furniture may be more in keeping with your budget. Family members may have items they are willing to give to you. Look for affordable furniture and household items in newspaper classified ads. Also check garage and yard sales, auctions, and store clearances. See 29-5.



Your Reading

Why should you consider housing needs and costs when looking for a place to live?



Your Reading

Why is used furniture often a good budget option?



29-4

Storage space in an apartment is an important consideration.

29-5

Clearance sales are a good source of bargains for someone furnishing an apartment on a budget.



Community Connections

Invite apartment renters to class. Ask the guests to identify their views of the advantages and disadvantages of living in an apartment. Prepare questions to ask the guests about the rules and lease agreements that apply to their respective buildings.

verbal agreement

The simplest form of an agreement in which certain terms are specified but not written down.

lease

A written rental agreement, which defines the rights and responsibilities of the tenant and the owner of a rental property.

Your Legal Responsibilities

When you rent housing, both you, the *tenant*, and the owner, the *lessor*, have legal responsibilities. State and city laws regulate what the owner must provide for the tenant, known as the *renter*. The owner is responsible for maintaining the building, hallways, and grounds. In return, you, the tenant, must remember the building is not your property. You are simply paying to use it for a period of time. Therefore, you must take good care of it.

When you rent a place to live, you and the owner agree to certain terms. The simplest form of agreement is a **verbal agreement**. This is an agreement in which certain terms are specified but not written down. As a general practice, you should avoid verbal agreements.

A written rental agreement is called a **lease**. It is a legal contract. A lease explains the rights and responsibilities of the tenant and the owner.

Before signing a lease, be sure you understand all its conditions. A lease contains the following information:

- the length of the lease, usually six months or one year
- what the rent is
- when the rent is due
- responsibilities of the renter regarding the condition of the apartment
- what must be done before moving out of the apartment

The lease will also describe the terms concerning the security deposit. See the example in 29-6. A security deposit is usually equal to a month's rent. Most owners require a **security deposit** from a new tenant. If you damage the apartment, the owner will use the money to make the necessary repairs. If no damage is done, your deposit will be returned to you when you move away.

security deposit

An amount of money, usually equal to a month's rent, paid to the owner of rental property by new tenants when the lease is signed.

English Manor Apartments

I N C O R P O R A T E D

203 WINDSOR ROAD • LAKE SHORE, N.C. 28401

THIS AGREEMENT OF LEASE, MADE THIS 1st DAY OF May BETWEEN ENGLISH MANOR APARTMENTS, INC., HEREINAFTER CALLED LESSOR; AND _____ HEREINAFTER CALLED TENANT, WHETHER ONE OR MORE.

WITNESSETH, That the Lessor leases and lets unto the Tenant, premises known as _____ Lake Shore, N.C. 28401, for a term of not less than thirty (30) days from this date at the rental of \$ 800.00 per month, to be paid in advance at the office of English Manor Apartments on the first day of each month without formal demand. This lease shall be renewed automatically for successive terms of one month each so long as the terms hereof are complied with at the same rental as hereinabove set forth payable in advance on the first day of each said renewed term, which renewed term shall expire of its own limitation at midnight on the last day of said term.

This will acknowledge the receipt of \$ 800.00 as a deposit to cover any indebtedness to the Lessor for charges made for breakage or damage to the property. Any or all of deposit to be returned to the Tenant upon proper termination of the lease providing (1) THE TENANT HAS REMAINED IN POSSESSION AND PAID RENT ON ABOVE PROPERTY FOR AT LEAST SIX (6) MONTHS; (2) KEYS TO THE ABOVE PROPERTY HAVE BEEN RETURNED (3) THE PREMISES ARE LEFT IN A CLEAN CONDITION, AND ALL OTHER CONDITIONS OF THIS AGREEMENT HAVE BEEN MET TO THE SATISFACTION OF THE LESSOR. IT IS FURTHER UNDERSTOOD AND AGREED THAT THE TENANT SHALL GIVE A FIFTEEN (15) DAYS WRITTEN NOTICE BEFORE VACATING PREMISES. IF SAID NOTICE IS NOT GIVEN, TENANT WILL BE CHARGED FOR SAME.

TENANT will pay for any damage other than normal deterioration, wear and tear to the premises of Lessors property and will be responsible for the stoppage of sewer and drainage facilities chargeable to his use of the premises. Tenant will pay all utility bills as they come due. TENANT AGREES TO PAY A \$25.00 GAS SERVICE CHARGE UPON VACATING.

LESSOR and its agents reserve the right to cancel this lease for any reason at any time by mailing a written notice to Tenant specifying a day of termination of the lease, which date shall be seven (7) days from the date of mailing the notice of cancellation. The mailing of such written notice by first class mail will constitute the giving of this notice. Any unearned portion of the rent will be refunded to the Tenant.

Should Tenant fail to make payment of the rental herein specified in advance by the first day of the month, this lease shall terminate at midnight of the last day of the preceding month without the necessity of any written notice; and Tenant agrees upon such termination to immediately vacate the premises. Should Tenant fail to vacate the premises, Lessor shall have the absolute right to lock the premises and forbid the use thereof by the Tenant.

The Lessor and its agents shall have the right to enter upon the premises at any reasonable time to assure that this agreement is being complied with and not being violated.

Time shall be of the essence of this agreement. It is agreed that no failure of the Lessor to insist on the strict terms hereof shall constitute a waiver of its rights to insist on such terms on any later occasion. Tenant will comply with the general rules and regulations promulgated by the Lessor for the operation of the apartment of which the subject premises are a part.

I/We accept the foregoing conditions.

ENGLISH MANOR APTS.

Tenant

Agent

Tenant

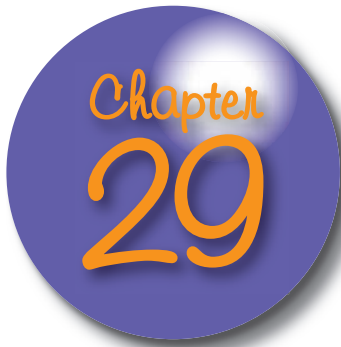
29-6

Tenants are usually required to sign a written lease when they rent an apartment.



Your Reading

What are the legal responsibilities of tenants and lessors?



Chapter 29

Summary

As you grow toward independence, you may need to decide where to live. Before making a decision, be sure to think about the advantages and disadvantages of each option. Ask your family and friends for leads. Read the classified ads in the newspaper. You may want to contact a real estate or rental agency.

Think about both housing needs and costs as you look for a place to live. The home you choose should be one that you can afford. It should also be one where you can feel safe and comfortable.

Furnishing a new home can be expensive. Look for ways to buy what you need while staying within your budget.

If you choose to rent a place to live, you will probably be offered a lease. Read it carefully. Understand the legal responsibilities it involves. Once you sign it, you are bound to fulfill your responsibilities.

Reviewing Key Concepts

1. Name two advantages and two disadvantages of living at home.
2. Name two advantages and two disadvantages of living with a roommate.
3. Name two advantages and two disadvantages of living alone.
4. What is the difference between a real estate agency and a rental agency?
5. List five questions related to housing needs and costs you should consider when choosing a place to live.
6. Name three places where you might find affordable furnishings for a home.
7. True or false. In a verbal agreement, no contract details are in writing.
8. A lease _____.
 - A. is a written rental agreement
 - B. is a legal contract
 - C. explains the rights and responsibilities of the tenant and the owner
 - D. All of the above.
9. List five pieces of information included in a lease.
10. A security deposit is _____.
 - A. usually equal to a month's rent
 - B. used by the owner to repair damages to the property caused by the tenant
 - C. returned to the tenant when he or she moves away if the property has not been damaged
 - D. All of the above.

Building Academic Skills

Math. Calculate how much you can afford to spend on rent, based on the average beginning wage/salary of your chosen career. Find one-fourth of the annual income—the amount experts recommend for spending on housing—and divide by 12 to figure the monthly rent allowance. Perform the same calculations using the minimum wage. Switch papers with a classmate to double-check the math. Report what you learned.

Building Technology Skills

1. Conduct an online search for *places to live*. Web sites will appear advertising the best places to live in the United States. Read the articles and summarize what you learned.
2. Conduct an online search for apartments to rent. Begin your search with these Web sites: forrent.com, homestore.com, apartments.com, and findanest.com. Design a chart to compare apartment features as you conduct two searches: one for apartments in the area, and the other for apartments in another place where you would consider living. Share results with the class.
3. Use a spreadsheet program to create individualized check sheets for apartment searches. Your check sheet should list your preferences, such as pets allowed, off-street parking, indoor pool, and apartment security. Compare sheets to determine if all possible categories have been covered.

Building Career Knowledge and Skills

1. From an Internet search or from a local newspaper, find ads for five places to rent. Find out the location and the rent for each place. Also find out how much space and what facilities each apartment has to offer. In a written report, explain why some cost more than others.
2. Obtain a lease from an apartment complex. Discuss the aspects of the lease in class. What parts of the lease seem to favor the tenant? Which parts seem to favor the owner?
3. Watch for rentals that are open for public inspection. Visit a few and jot down observations. Note which ones best meet your needs, wants, and budget. Which ones give you the best value for your money?
4. Interview people regarding the advantages and disadvantages of living at home, with a roommate, or on your own. Decide which living option seems best for a young person holding his or her first full-time job: living at home, with a roommate, or alone. List four or five reasons for your opinion and share them with the class.
5. Visit several types of places that sell furniture, such as furniture stores, department or discount stores, rummage sales, thrift shops, etc. Note details regarding pieces you find, such as availability, warranty, price, selection, durability, etc. Share your findings with the class.

Building Workplace Skills

Find an unfurnished apartment for rent in your area and investigate sources of affordable furnishings for it. Working with two or three classmates, decide who will do which tasks. Obtain a floor plan of the rental unit or create one. The floor plan should show the room dimensions and locations of doors and windows. Find items to furnish the apartment to suit the needs and tastes of an 18-year-old on a tight budget. Record each item's cost, size, color, and condition (if used). Make an inventory list of the furnishings and their total cost using a computer. List the items in the order of importance, since all items cannot be purchased right away. Present your ideas to the class using fabric swatches, illustrations, product brochures, or photographs wherever possible.