

CHANGE OF TENANT FORM

A \$150 Processing Fee Required

Understanding the COT (Change of Tenant) Process

When a new tenant replaces a tenant listed on an existing lease they are now legally responsible for the terms of the lease along with the current tenants. Please be aware that security deposit refunds are dispersed in equal amounts to all tenants named on the lease.

What the Current Tenant Must Do:

1. Make sure that you have a copy of the "Move-In Inspection Form" that you and/or your roommates completed within 10 days of taking possession of the unit. This form lists any *existing* damage to the property. This will help you and the new tenant determine a fair transfer of the security deposit.
2. Ensure you have a copy of the Residential Rental Contract to provide to the tenant replacing you.
3. Notify the new tenant that he/she **MUST** submit an application to our office in order to move into the rental property. There are no exceptions, and you can't do this for him/her. The new tenant must apply and must be approved before moving into the rental property.
4. The new tenant and all current tenant(s) must sign on page 2 of this form. **The new tenant is to pay their portion of the security deposit directly to you.** This is the only way to get your security deposit back. **You will not receive a security deposit refund from our office.**
5. Submit the completed and signed form to our office and pay a \$150 processing fee (check or money order only) to Louise Beck Properties, Inc. No paperwork will be processed until this fee is paid. No cash accepted.
6. If the utilities are in your name, arrange with the new tenant (or with someone else living in the house) to have the utilities changed into their name on the *same day* you close utility accounts in your name. If you do not do this, there may be a lapse in utility services.

What the New Tenant Must Do:

1. You **MUST** fill out a rental application for the property. You must also pay the \$40 application fee.
2. You must complete a "Letter of Endorsement" form (LOE) if you are an undergraduate student. The form is available at our office and online at www.louisebeckproperties.com.
3. You and all current tenant(s) must sign on page 2 of this form.
4. Make sure you receive a copy of the existing "Move-In Inspection" form for the property from the current tenant(s). This form was filled out by the current tenant(s) when they moved in, and it listed any damage to the unit noted at that time. This will help you and the tenant you are replacing to determine a fair transfer of the security deposit. You are to pay your portion of the security deposit directly to the tenant you are replacing. When you move out the security deposit will be returned in equal parts to all residents named on the lease directly from our office. There are no exceptions to this policy.
5. Ensure the \$150 processing fee and \$40 application fee have been paid and all forms submitted to our office.
6. Once LBP has approved your application you must make an appointment to visit our office in order to review the lease and watch a brief video about your responsibilities as a tenant, and your rights and obligations under your lease. This appointment is in your best interests and is for your protection!

Understanding Security Deposit Transfers

When the current tenant(s) moved into the rental property, they paid a security deposit directly to Louise Beck Properties. That security deposit is for the *entire* property, not specific bedrooms within the property. Therefore, it is our responsibility to hold one complete deposit for one whole property. The NC Real Estate Commission requires this of us.

When a tenant is replaced on an existing lease before the lease period expires, the new tenant may also pay a security deposit. However, they pay it directly to the tenant being replaced, allowing us to keep the original security deposit intact. When the lease period is up and *all* tenants move out of the unit, the tenants on the lease at that time will be refunded their portion of the security deposit; remember the security deposit will be dispersed in equal parts to all tenant(s). This will come from our office, and will be returned to you within 30 days of receipt of your keys to the property, or the end date of your lease, which ever is later.

Because the new tenant pays a security deposit to the tenant being replaced, the new tenant must make absolutely certain that their payment to the outgoing tenant reconciles for any existing damage. Remember, the new tenant will now be responsible to pay for damages caused during the current lease term. Signing the Change of Tenant form makes you responsible for the terms of the lease. Ask questions if you're in doubt about any part of this process!

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Departing Tenant(s): _____
 Printed Name(s) of Departing Tenants

Departing Tenant(s): My signature on this form indicates that I have read this and understand my responsibilities. I understand that I will not receive a security deposit refund from LBP and that the security deposit I paid will be refunded to the tenants. I also acknowledge that I have been given the opportunity to ask questions and to discuss this process with a Louise Beck Properties staff member.

 Departing Tenant(s) Signature and Date

 COT Effective Date (must match below)

 Departing Tenant(s) Signature and Date

 Property Address

 Departing Tenant(s) Signature and Date

 Departing Tenant(s) Signature and Date

New / Remaining Tenant(s): My signature on this form indicates that I have read and understand my responsibilities as described herein. I/(We) have read the Residential Rental Contract in effect and agree to the terms and conditions contained therein. I/(We) also acknowledge that I have been given the opportunity to ask questions and to discuss this process with a Louise Beck Properties staff member.

 New / Current Tenant(s) Signature and Date

 COT Effective Date (must match above)

 New / Current Tenant(s) Signature and Date

 Property Address

 New / Current Tenant(s) Signature and Date

 New / Current Tenant(s) Signature and Date

Received By: _____
 Louise Beck Properties, Inc.

Date: _____