

CHANGE OF TENANCY

A \$250 Processing Fee Required

Understanding the Change of Tenancy (CoT) Process

When a new Tenant is added to or replaces a Tenant listed on an existing lease, they become legally responsible for the terms of the lease along with the current Tenant(s). The CoT process can be used to add, remove, or replace Tenant(s) on an *existing* lease; a new lease is not created. You assume all financial and otherwise obligation to the lease and current condition of the property. This is a continuation of the existing lease term with a change in Tenancy obligated to the lease. **No move out inspection will be conducted and no turn over work will be issued until the expiration of the lease.**

What the Tenant(s) Must Do:

1. Each New Tenant MUST complete a rental application and remit an \$85 application fee for the property. There are no exceptions to this and the outgoing tenant(s) cannot complete this step on behalf of the incoming tenant(s).
2. Ensure that you have a copy of the "Move-In Inspection Form" completed by the initial Tenant(s) of the lease who had the first 10 days of occupancy to submit a completed form as their record of the condition of the property upon move-in. This completed form would list *existing* damage that was noted at the beginning of the lease. This will help you and the new tenant determine a fair transfer of the security deposit. **The incoming, departing, and/or new Tenant(s) will negotiate the security deposit balance payments between all Tenants. Louise Beck Properties, Inc. (LBP) retains the full security deposit in trust to be disbursed to the then Primary Tenant at the end of the lease in accordance with the lease terms. There are no exceptions to this policy. Departing Tenant(s) will not receive a security deposit refund from LBP.**
3. Current tenants should ensure that they have a copy of both the Residential Rental Contract and **current** Rules and Regulations to provide to the new Tenant(s). Upon approval by LBP of the new Tenant(s), Tenant(s) should review the lease, addenda, and renewal terms and understand their responsibilities as a Tenant, and their rights and obligations under the lease.
4. The new Tenant(s) and all current Tenant(s) must sign on page 2 of this form. **All Tenant(s) understand and acknowledge that this is an agreement between the Tenant(s) for which LBP will only provide the necessary documentation.**
5. Once the applications for any new Tenant(s) have been received and approved, and the date for the CoT to go into effect has been provided to LBP, LBP will send out a CoT form to be signed and add the \$250 CoT Fee to the ledger with this lease. No paperwork will be processed until this fee is paid. Cash is not accepted.
6. **If the utilities are in an outgoing tenant's name, arrange with a new or remaining tenant to have the utilities changed into their name to avoid a lapse in utility service and/or that utility service does not roll in LBP's name for any period of time. Please note that a lapse in utility service will result in a \$50.00 administrative fee per utility to your tenant ledger.**
7. The Change of Tenancy process does not affect when rent is due in full. Any rent pro-ration must be coordinated between Tenant(s) along with the transfer of property keys, including any parking passes/fobs/garage openers, as applicable.
8. If this Process is being used ONLY to remove a Tenant(s), the remaining Tenant(s) may be required to submit financial documentation to support their ability to pay the full rent. In this case, items 1 and 3 are inapplicable.

Understanding Security Deposit Transfers

The deposit submitted with the original lease represents the security deposit for the entire property and not individual rooms of the residence. This deposit must remain intact for the full duration of the lease in accordance with the NC Real Estate Commission.

The new and remaining Tenant(s) will be held financially responsible for any damages to the property during the full lease term. Prior to your execution of this form, all damage should be evaluated by the incoming Tenant(s) as part of the deposit negotiation between Tenants. Signing the Change of Tenancy form makes you responsible for the terms of the lease including any damage to the property. Ask questions if you're in doubt about any part of this process!

The Primary Tenant will receive the security deposit reconciliation and final accounting at the end of the lease term. If you have a question regarding the Primary Tenant for your lease, please contact our office.

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The security deposit in the amount of \$_____ will remain intact and in trust for the duration of the lease, and will be reconciled in accordance with the terms of the lease and NC State Law.

Property Address

COT Effective Date

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 Tenant(s) named on the lease at the expiration of the lease. 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 Printed Name

Departing Tenant Signature and Date

Departing Tenant Printed Name

Departing Tenant Signature and Date

Departing Tenant Printed Name

Departing Tenant Signature and Date

Departing Tenant Printed Name

Departing Tenant Signature and Date

Departing Tenant Printed Name

Departing Tenant Signature and Date

Departing Tenant Printed Name

Departing Tenant 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 understand that I will not pay LBP any portion of the security deposit, but in accordance to the agreement of all Tenant(s). 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/Remaining Tenant Printed Name

New/Remaining Tenant Signature and Date

New/Remaining Tenant Printed Name

New/Remaining Tenant Signature and Date

New/Remaining Tenant Printed Name

New/Remaining Tenant Signature and Date

New/Remaining Tenant Printed Name

New/Remaining Tenant Signature and Date

New/Remaining Tenant Printed Name

New/Remaining Tenant Signature and Date

New/Remaining Tenant Printed Name

New/Remaining Tenant Signature and Date

Received By: _____
Louise Beck Properties, Inc.

Date: _____