



## Tenant Landlord Guidelines

To help business owners understand their rights and responsibilities, the Bel Air Downtown Alliance has established a set of guidelines designed to make a rental experience positive and clear. While not all inclusive, these guidelines may help provide a framework to help you feel prepared in your lease negotiation and supported in your new space, as well as how to deal with any issues that may arise. Reach out to the Bel Air Downtown Alliance if you need additional guidance or assistance. Welcome to downtown Bel Air!

### Preparing for a Lease Agreement

- **Negotiate favorable terms:** Businesses should negotiate lease agreements up front that include provisions for resolving future disputes, rent caps, and clear maintenance responsibilities.
- **Establish flexible lease terms:** Businesses may want to include options such as subleasing or early termination clauses that could offer more flexibility if issues arise.
- **Know the Zoning District:** Businesses should familiarize themselves with the Zoning District of the property they are interested leasing to ensure that their business is a permitted use in that district.
- **Learn what permits are required by the Town:** For example, every business is required to have a Use and Occupancy Certificate and a Sign Permit.

### Understanding Your Lease Agreement

- **Review Your Lease Agreement:** Read the proposed lease agreement thoroughly before signing. Be sure you have a clear understanding of your tenant responsibilities and key clauses, such as rent payments, maintenance responsibilities, renewal terms, policies, and dispute resolution processes.
- **Consult a legal professional:** Businesses should consult a lawyer to review their lease agreement and to clarify terms of the lease for clear understanding and to ensure the lease terms are fair and enforceable.
- **Know Important Policies:** Pay close attention to policies in the lease, as they outline responsibilities on both sides and help avoid misunderstandings. As an example, what party is responsible for repairs or maintenance of the buildings HVAC equipment, plumbing or electrical.
- **Understand Build Out Options:** Understand whether you need to get approval ahead of time to make any changes or if there is an opportunity for cost sharing with the landlord.
- **Keep a Copy:** Hold onto your lease for reference and ask questions if anything seems unclear.

## Communication Basics

- **Build Rapport:** Take time to build a good rapport with your landlord before there are any issues to be addressed.
- **Encourage Open Dialogue:** Tenants and landlords should maintain open, respectful communication, addressing concerns promptly before they escalate into larger issues.
- **Respond Timely:** Establish a recommended response time (e.g., within 48 hours) for both parties to respond to inquiries or concerns.
- **Designate Points of Contact:** Landlords should provide tenants with a list of contacts for specific issues (e.g., maintenance, payment, lease inquiries).
- **Document Communication:** Businesses should document all communications with the landlord in writing, especially when discussing any disputes or issues. Phone conversations and in person meetings should be followed up with an email which recaps the conversation and agreed upon action steps and timelines.

## Address Problems Promptly

- **Maintenance and Repairs:** If the landlord is responsible for repairs, businesses should notify the landlord in writing as soon as an issue arises, keeping detailed records in writing of the problem and any communications.
- **Health and safety concerns:** If there are immediate safety concerns, businesses should document the issue, report it to the landlord, and if necessary, escalate the matter to the appropriate local or state agency.

## Rent Payments and Financial Transparency

- **Payment Details:** Be clear on how and when to pay rent and find out if there are fees for late payments.

## Handling Disputes

- **Know Your Rights and Responsibilities:** Research tenant rights in Maryland. Business owners should understand applicable commercial tenancy laws, which may cover issues such as rent increases, repairs, or early termination rights. Businesses should be familiar with what the landlord is legally required to provide, such as ensuring the premises are safe and properly maintained.
- **Direct Resolution First:** If you have a problem with your landlord, try to resolve it first through constructive written communication. Businesses should approach their landlord with potential solutions to resolve issues, such as rent adjustments, lease modifications, or maintenance timelines.
- **Mediation Options:** If direct negotiation fails and escalation is needed, businesses may consider mediation with a neutral third party, which could help both parties reach an amicable resolution without legal proceedings.
- **Use Legal Recourse When Necessary:** If the issue cannot be resolved amicably, businesses should seek legal counsel to explore their options, which may include breaking the lease, withholding rent (if legally allowed), or filing a lawsuit. Know when to walk away: In cases of

irreparable breakdowns in the relationship or serious lease violations, businesses may need to consider terminating the lease or relocating.

**Terms:**

**Commercial Lease:** A legal agreement that outlines terms and conditions for renting a property intended for business purposes. Leases are usually longer term, have greater flexibility in the terms, outline tenant responsibilities, and have fewer legal protections for the tenant.

**Residential Lease:** A residential lease is used for renting properties such as houses and apartments to an individual. Leases are typically shorter term, include responsibilities of the landlord and provide more legal protection for the tenant.

**Full-Service Lease:** A commercial lease where the landlord covers most of the operating expenses related to the property. The tenant typically pays a single fixed rental amount.

**Modified Gross Lease:** A modified gross lease is a type of commercial lease where the tenant and landlord share some of the operating expenses making it a middle ground between a gross lease and a net lease. This type of lease typically includes a base rent and a portion of operating expenses.

**Triple Net Lease (NNN):** A triple net lease is a commercial lease agreement where the tenant is responsible for paying expenses in addition to the base rent including property taxes, insurance, and maintenance costs.

**Common Area Maintenance (CAM):** Common Area Maintenance costs are costs that are passed on to commercial property tenants to reimburse the owner for the expenses associated with maintaining the common areas of a property.



Zoning & Development Regulations

*\* Disclaimer: The guidelines provided above are for general information purposes only and do not constitute legal advice. The above guidelines do not cover every situation or requirement you may need to consider. For advice specific to your situation, you should consult a qualified legal professional. This document is for reference purposes only and may not reflect the most current information. Please visit our website at [www.downtownbelair.com](http://www.downtownbelair.com) for the latest version and updates.*