

Code Compliance

— guidelines on Seattle regulations governing safety and quality of life

Seattle's Rental Agreement Regulation Ordinance

November 2000

Under Seattle's Rental Agreement Regulation Ordinance, Seattle Municipal Code (SMC) Chapter 7.24, rent increases of 10 percent or more require 60 days advance notice in writing. In addition, landlords are not allowed to withhold deposits or impose other penalties when month-to-month renters move out before a specified minimum period of time has passed since the start of the tenancy. Lastly, at the time a rental agreement is made landlords are required to give renters written information, prepared by the City of Seattle and the State Attorney General, about landlord/tenant laws. Tenants can recover actual damages, legal costs and penalties through private legal action against landlords who violate this law.

1. Rent Increases

In Seattle, if a landlord wishes to increase housing costs by 10 percent or more over the level of housing costs during the preceding 12-month period, the landlord must give written notice of the increase at least 60 days in advance. The term "housing costs" means rent and other periodic or monthly fees for other services which are paid to a landlord by a tenant, but does not include utility charges that are based on usage and that a tenant is obligated to pay under the existing terms of a rental agreement.

Potential remedies for violations of this provision: If a landlord initiates a lawsuit for unlawful detainer (eviction lawsuit) or to enforce a rent increase which violates this requirement, it is a defense that the rent increase violates this law. A landlord can be found liable to a tenant for any actual damages from attempting to enforce a rent or other housing cost increase that violates this law, plus double the amount of any penalties imposed, as well as reasonable attorney fees and costs.

2. "One-way Leases" are Prohibited

Landlords are not allowed to have "one-way leases": month-to-month rental agreements that say the landlord can withhold a deposit, or impose other penalties, if a renter moves out before a minimum period of time longer than one rental period has passed since the start of the tenancy. This applies both to written and verbal agreements. A tenant, however, must give proper notice to the landlord that he or she is terminating the tenancy; a rental agreement can penalize a tenant for moving without giving proper notice.

Example: Mr. Jones rents an apartment in January from Mrs. Anderson on a month-to-month basis under a verbal rental agreement. He gives written notice at the start of April (more than 20 days in advance) that he is terminating his tenancy at the start of the May rental period. The rental agreement cannot say that Mr. Jones loses his security deposit, or has to pay a fee, if he moves out less than six months after renting the apartment. Even though the rental agreement is a verbal agreement, Mr. Jones cannot be required to pay a penalty for moving out as long as he stays one full rental period, and as long as he gives proper notice to the landlord that he is terminating his tenancy.

If a month-to-month rental agreement contains a provision requiring a minimum stay longer than one rental period (usually one month), then that provision is null and void under this ordinance.

Allowable leases: Landlords **can** still require a tenant to sign a lease, and it is allowable for a lease to provide that the tenant forfeit a security deposit or pay another type of penalty if the tenant moves out during the term of the lease without the landlord's agreement. Landlords who wish to can also require current tenants to sign a new lease when a lease expires.

(1) Beginning June 3, 1994, a landlord who includes a "one-way lease" provision prohibited by this ordinance in a month-to-month rental agreement, whether in making a new agreement with a new tenant or in renewing an agreement with a current tenant, faces potentially severe penalties. **A court**



could require a landlord to pay \$1,000 to a tenant who brought suit against a landlord on these grounds.

- (2) Beginning October 3, 1993, if a landlord withholds a security deposit under one of these prohibited "one-way leases" and a month-to-month tenant requests that the landlord return the deposit, the tenant can bring suit against the landlord. The landlord can be held liable for the tenant’s actual damages, reasonable attorney fees and court costs, plus double the amount of the deposit withheld.
- (3) If a landlord takes a tenant to court to try to enforce a month-to-month rental agreement minimum term provision, the tenant can defend against the lawsuit on the grounds that this ordinance forbids that type of provision. A tenant who wins can be awarded reasonable attorney fees and other costs of defending against the lawsuit.

3. Disclosure of Landlord/Tenant Laws

Landlords in Seattle are required to give residential tenants a copy of a summary of City and state landlord/tenant laws. The summary should be attached to all written rental agreements, including both month-to-month agreements and leases for a specific term. If the rental agreement is verbal, a landlord still must provide a copy of the summary to all tenants.

Landlords have to give out a copy of this information

- (1) when offering a rental agreement to a new prospective tenant; and
- (2) when renewing a rental agreement with a current tenant.

One FREE duplicable copy of the summary is available to each Seattle landlord from Seattle DCI's Public Resource Center, located on the 20th floor of Seattle Municipal Tower at 700 Fifth Ave., (206) 684-8467. To obtain a copy by mail, send a self-addressed envelope to Publications Clerk, Seattle DCI, 700 Fifth Ave., Suite 2000, Seattle, WA 98104-5070.

Potential Remedies: A tenant can terminate a rental agreement if a landlord does not comply with this requirement. A tenant also can bring legal action against a landlord who does not give him or her a copy of the summaries. A landlord found to have violated the disclosure provisions can be required to pay the tenant’s actual damages, attorney fees and a penalty of \$100. A court may award a \$200 penalty if it determines that a landlord deliberately failed to comply with this requirement.

4. Waiving Rights Under This Ordinance

It is possible for a tenant to agree to waive specific rights granted by this ordinance, but several conditions must be satisfied for a waiver to be adequate. These are:

- (1) The agreement to waive specific provisions must be in writing and must identify the specific provisions to be waived;
- (2) The rental agreement cannot be a standard form written lease or rental agreement;
- (3) The landlord and tenant must have substantial equality in their bargaining positions; and
- (4) The tenant must have an attorney approve, in writing, that the agreement meets the preceding three conditions.

Access to Information

Links to electronic versions of Seattle DCI **Tips, Director's Rules**, and the **Seattle Municipal Code** are available on the "Tools & Resources" page of our website at www.seattle.gov/sdci. Paper copies of these documents, as well as additional regulations mentioned in this Tip, are available from our Public Resource Center, located on the 20th floor of Seattle Municipal Tower at 700 Fifth Ave. in downtown Seattle, (206) 684-8467.