

Arizona Tenants Advocates & Association  
Tenants Library  
Articles written by Ken Volk  
Lease Renewal and Rent Increases  
by Ken Volk

How much can a landlord raise your rent with a new lease or new rental? There is effectively no limit on rental increases, as this authority is preempted by the state under A.R.S. § 33-1329. Therefore, cities and towns are precluded from the imposition of rent control. And of course, being that the State of Arizona has no interest in helping tenants by regulating rent, this means that at the end of your tenancy the landlord may raise your rent sky high (with the sole possible exceptions that it contradicts either an advertised rate or what is charged to others having identical circumstances).

Ah, but WHEN a landlord can raise the rent or decree other changes is another matter entirely. One of the most frequent complaint topics on the Arizona Tenants Advocates (ATA) hotline is of landlords attempting to increase rents or terminate during the lease term, or during a month-to-month tenancy with inadequate notice.

When you are in a lease, having dates certain for its commencement and expiration, the lease terms and conditions (if legal) are of a contractual, binding nature. The contract would govern the rent amount, the amount of taxes, any increases in the rent and taxes, when those increases would take effect, and what happens at the lease's conclusion.

There is no law regulating what kind of advance notice, if any, is required to stay on or vacate when the lease ends. On occasion a lease will state that it automatically renews unless either party gives notice otherwise. More frequently, a 30-day or 60-day notice must be provided by one party to the other. But leases can well be silent on the issue. In this situation, the lease just ends; the landlord and tenant part ways without any notice given.

To understand what you must do, carefully examine the details of your lease. Sure, leases are written with lots of legalese and are designed to give the landlord a leg-up, but there is no end run around knowing what your lease requires. Knowledge is the first step towards having power. What happens if you neglected to give the requisite 30-day or 60-day notice? Again, that may depend on the lease's language. However, if a tenant stays on and continues to pay rent after the lease has expired, its terms and conditions would hold over, except that the duration would be on a month-to-month basis. Month-to-month rentals are defined under A.R.S. § 33-1314. So it may be financially advantageous to give notice of terminating a month-to-month tenancy rather than paying for rent 60 days after the lease expired.

In terms of its requirements, a month-to-month tenancy, unless following a lease holdover, generally would be governed by the Arizona Residential Landlord and Tenant Act. Fair enough. Adjustments could be construed to be changes in rules and regulations per A.R.S. § 33-1342, but they cannot constitute a substantial modification of the tenancy, and require 30 calendar days' advance notice to the tenant.

Significant changes, such as the amounts of rent or late fees, would effectively create a new tenancy. In that circumstance, a minimum 30-day notice must be given to not renew the month-to-month tenancy under A.R.S. § 33-1375(B), with the changes taking effect on the next rental

payment date, which by default is the first day of the month. The same applies to just ending the tenancy (as compared to instituting changes).

But what if the notice is given less than 30 days prior to the next rent payment date? Because the rental period is monthly, the rule of thumb is that such a notice becomes effective as of the next succeeding rental payment date. So, for instance, should the landlord notify you on June 2 that you must be out on July 1, he missed the boat by a single day. Your month-to-month tenancy would therefore conclude on the August 1 periodic rental date, meaning you can stay throughout July. Likewise, your notice to the landlord terminating a month-to-month tenancy must follow the same procedures. Either way, count your days carefully, because many months have 31 days, and February has 28 or 29 days. Accordingly, a notice to terminate on, for example, the March 1 rental date, must be submitted during the last several days of January.

Sometimes it seems like you are totally screwed because you missed the deadline for notices, and it is impractical to go the lease-break scenario, and you have already committed to move and pay rent elsewhere, and you can't afford to pay two rents in one month, and you didn't eat breakfast today so it is just a bad bad bad hair day. We actually had a call like that today.

Don't despair - there may yet be a solution. While you could argue that the landlord has the duty to mitigate damages (see A.R.S. § 33-1305) by re-renting the property, maybe it is not in your interest to let him know that. Perhaps we at ATA can suggest a strategy to avoid eviction and possibly apply the deposit. Perhaps you could entice him to re-rent the premises because he is just a greedy sonuvabitch who wants to hold you liable whilst simultaneously receiving rent from a new tenant. Well, guess what? If he re-rents, there may be no damages suffered and an argument could be made for your deposit, or even some of your prepaid rent, to come back to you.

I just love tricking landlords. But remember, they usually have the upper hand, so don't think you are so smart. You must make sure your hand is stronger. ATA can help you compose the best case scenario.

How? Let us recount the ways, dearie.

For ATA members, we have free forms that you can use to give the proper notices in the proper sequence. Or, you can individually purchase the forms for a very small charge. Read about our notices at this link. Particularly, we have a notice form for responding to a landlord's untimely notice of rent increase or vacating. It's a really good form, so you may want to use it. You should also consider picking up the vacating and security deposits forms.

Alternatively, we can help you create custom letters addressing the issue, whereby we would actually sit down with you to determine and implement the best strategy. Information on this service can be found at this link.

While we are not lawyers, and cannot represent you in court, we can help you build a case that gives you the best chance of success in court. Been doing this in Arizona for over 22 years.