

A LANDLORD'S GUIDE TO BREAKING A LEASE IN THE U.S.

How to Handle a Tenant Trying to Break Their Lease

Tenant breaking their lease? Learn how to handle it and protect your rental income.

Table of Contents

Can Tenants Break a Lease Legally in Your State?	03
1. Landlord Harassment	04
2. Domestic Violence, Stalking, Sexual Abuse, or Elder Abuse	05
3. Active Military Duty	06
4. Uninhabitable Rental Property	07
5. Early Termination Clause	08
Reasons a Tenant Can Not Break a Lease	09
How Much Notice are Tenants Required to Give? (Legal Requirements)	10
How to Protect Yourself: Early Termination Clauses and More	13
1. Include an Early Lease Termination Clause	14
2. Clearly Explain Early Lease Termination Clause When Signing a New Lease	15
3. Include Penalty Fees	16
4. Enforce Penalties for Breaking Their Lease	17
More Great Resources for Managing Your Rental Portfolio	18

Surprise!

Your tenant is breaking their lease early.

I know, I know, that's **not** a good surprise and it's not fun.

And, if you're reading this, chances are you're dealing with it now.

While it might not be as serious as something like an eviction, it is something you should know how to handle.

That's because a tenant breaking a lease can mean lost rent and an unexpected increase in marketing costs to replace that tenant. So, it's a lose-lose.

That brings us to the question: **how do you handle when a tenant wants to break a lease?**

In the guide below, we'll cover everything you need to know to answer that question and protect your rental property income.

Let's start with the reasons why a tenant may be able to break a lease.

Quick disclaimer: Every state and even local municipality has different laws. In the case of landlord-tenant-related policy, the majority of information is the same across most states. However, not every state is exactly the same.

After reading this guide, make sure to find information relevant to the state your property is located in to find the most relevant information. You can find that information on the DoorLoop Laws resources page here: [Real Estate Rental Laws in the US](#).

Can Tenants Break a Lease Legally in Your State?

There are a few reasons why a tenant may be able to break a lease legally in your state.

It's important to know why a tenant may be able to legally break a lease so that you can identify if a tenant has a valid reason for breaking their lease or not.

In general, the main reasons that a tenant may be able to break a lease revolve around you as the landlord breaking your lease.

-  Not maintaining the property
-  Raising rent illegally during a fixed-term lease
-  Changing locks without the tenant's consent
-  Or anything else that includes breaking your lease agreement with the tenant or not upholding landlord-tenant laws

Here are a few of the most common legal reasons a tenant can break a lease across most states:

1. Landlord Harassment

According to federal landlord-tenant laws, a tenant is justified in breaking a lease in some cases if they experience certain types of harassment from their landlord.

These scenarios include when you as their landlord:



Change the locks on the rental unit without notifying the tenant and receiving approval beforehand



Turn off utilities, remove a door, or any other action that could constitute “constructively evicting” your tenant



Enter the property without notice (most states require around 24 hours notice before entering the unit)



2. Domestic Violence, Stalking, Sexual Abuse, or Elder Abuse

Most states have some sort of law in place protecting tenants who suffer from various types of abuse.

This includes:



Domestic violence



Sexual abuse



Elder abuse



And stalking

This includes taking on a new tenant, as landlords are not allowed to refuse to rent to anyone on the grounds of being victims of the above factors.

If a tenant experiences some type of abusive event while renting from you and requests that their locks be replaced, they can change the locks themselves if you refuse in some states.

3. Active Military Duty

According to the Servicemembers Civil Relief Act (SCRA), active service military members are protected due to reasons related to military relocation.

This includes all branches, from the major Army, Navy, Marines, and Air Force to commissioned corps including:



The National Guard



The Public Health Service



The National Oceanic and Atmospheric Administration

However, keep in mind that the tenant still must provide a written notice proving this is the reason for their needing to break their lease.

It should also include a copy of the deployment orders or change of station.

If your tenant can not provide that proof, you're not required to honor the request to break the lease.



4. Uninhabitable Rental Property

In most states, if you don't maintain the property—particularly as it relates to health and safety issues—the tenant has a right to request repairs.



This could include things such as a damaged roof during a rainy season, leaks and mold, or broken heating in a cold climate during winter.



If you don't comply with the repair request, that tenant then has the right to break their lease in order to find safe housing.



5. Early Termination Clause

Likely the most common reason, an “early termination” clause is a standard inclusion in rental lease agreements.



If a tenant does not have any of the above suitable reasons for breaking their lease, chances are they'll exercise this clause (assuming they're responsible).



An early termination lease clause should be written by you or your attorney in a way that protects you in the event that a tenant decides to end their lease early.



Speaking of protecting yourself, we'll touch on a few reasons that tenants can't break their lease next. Then, we'll talk about all the ways you can protect yourself when one of your tenants breaks their lease.



Reasons a Tenant Cannot Break a Lease

There are a few select reasons that a tenant can legally break their lease with you in certain states.

With that said, there are other reasons that a tenant may try to use that are not legally or valid.

Here are a few:



Relocating (non-military)

We touched on military relocation earlier, so we'll keep this short. Relocation for anything other than official military reasons isn't valid.



Buying a new property

If you have a tenant who is in the process of purchasing a home, they must still honor the remainder of their lease with you or exercise your early termination clause to resolve what they owe.



Moving for any other reason

Tenants will occasionally try to get out of their lease early because they're moving for a variety of reasons.

You're under no legal obligation to allow your tenant to drop their lease if their situation doesn't apply to any of the earlier-mentioned reasons (or another local law). Simply wanting to move isn't enough reason.

How Much Notice are Tenants Required to Give? (Legal Requirements)

Next, let's talk about how much notice a tenant is required to give if and when they do decide to break their lease.

Let's presume they have a valid reason for breaking their lease with you. Every state is a bit different, but there is a typical range of time across most states.

To give you a better idea of what that is, let's talk about the notice requirements for three of the most popular states in terms of real estate investing:



California - 0-30 Days Notice

In California, your tenant is required to give 30 days notice if they're paying on a month-to-month basis. If they're paying on a fixed term, they're not required to give any notice.

Also, your tenant is required to continue to pay rent for the month in which they're still residing in the property.

Florida - 7-60 Days Notice

As opposed to California, in Florida, statutes (Title VI, Chapter 83, Section 57) state that all tenants must provide written notice before breaking their lease.

How much notice depends on the type of lease:



Annual lease:
60 days notice



Quarterly: **30 days**



Month-to-month:
15 days



Weekly: **7 days**

Texas - 0-30 Days Notice

Yet another unique example, Texas is a bit of a mixed bag.

Tenants in Texas are not required to give notice if they're on a fixed-term lease. However, they are required to give notice if on a periodic (month-to-month or weekly) lease.

Here's the breakdown:



Annual and
Quarterly lease:
No notice required



Month-to-month:
30 days



Weekly: **7 days**

Keep in mind that this is only what the law states. It's still expected and appropriate for tenants to give 30 days notice so that you have time to find a replacement tenant.

Pause: Before we move on to the next section, a helpful reminder to check your state and local laws. As mentioned earlier, these are just examples of some of the most commonly sought-after state laws. If your state is different, your laws may be different as well.

How to Protect Yourself: Early Termination Clauses and More

Now that you know the basics of what to expect when a tenant seeks to break their lease, let's talk about how to protect yourself.

But before we talk about that, let's touch on a common question:

Can you penalize a tenant who breaks a lease without valid justification?

The short answer is, **yes— depending on your state and lease agreement— you can penalize a tenant who breaks a lease without valid justification.**

That is, assuming you have an early lease termination clause.

Which brings us to how to protect yourself....



1. Include an Early Lease Termination Clause

Let's start with step 1: **you need a clear and thorough early termination clause in your leases.**

This is the most important way to protect yourself as a landlord because you can specify rules and penalties for every single scenario where a tenant may attempt to break a lease without legal justification.

This includes things like:



What are not justifiable reasons for breaking their lease? (In accordance with your state and local laws)



What are the penalties for breaking their lease?



Likewise, are there fees associated with terminating their lease early?



And if they have a justifiable reason for breaking their lease, then how much notice must they provide beforehand?

2. Clearly Explain Early Lease Termination Clause When Signing a New Lease

Next, make sure to take a minute to review your early termination clause with new tenants as soon as the lease is signed.



This is important not just for informing them of what your early termination policies are but for establishing expectations.



It lets them know that you're serious about this particular lease policy and about enforcing it, should it come to that.



3. Include Penalty Fees

Including penalty fees in your early termination clause is critical.

If you don't already have them in place, the reasoning is pretty straightforward: the main detriment to losing a tenant early is cost.

And that comes in the form of:



Missing rent



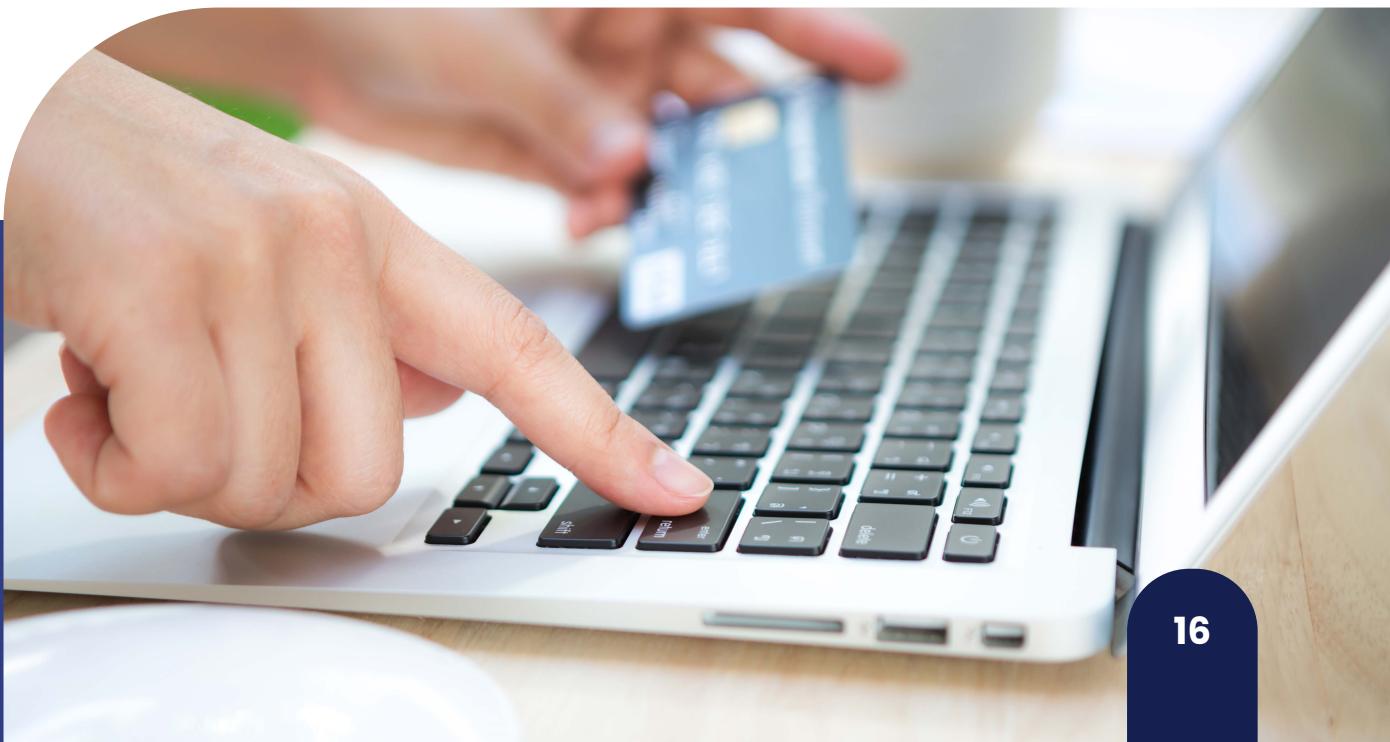
Marketing costs
to refill the unit



And cleaning

All costs of which you need to
(ideally) recoup.

With the right penalties in place
and outlined in your early
termination clause, you can
recoup these costs and come
away without a loss.



4. Enforce Penalties for Breaking Their Lease

Don't overlook this last step— it might sound obvious, but it's easier said than done.

One of the more common mistakes that landlords make is not acting like full professionals and treating their rental properties like a real business.

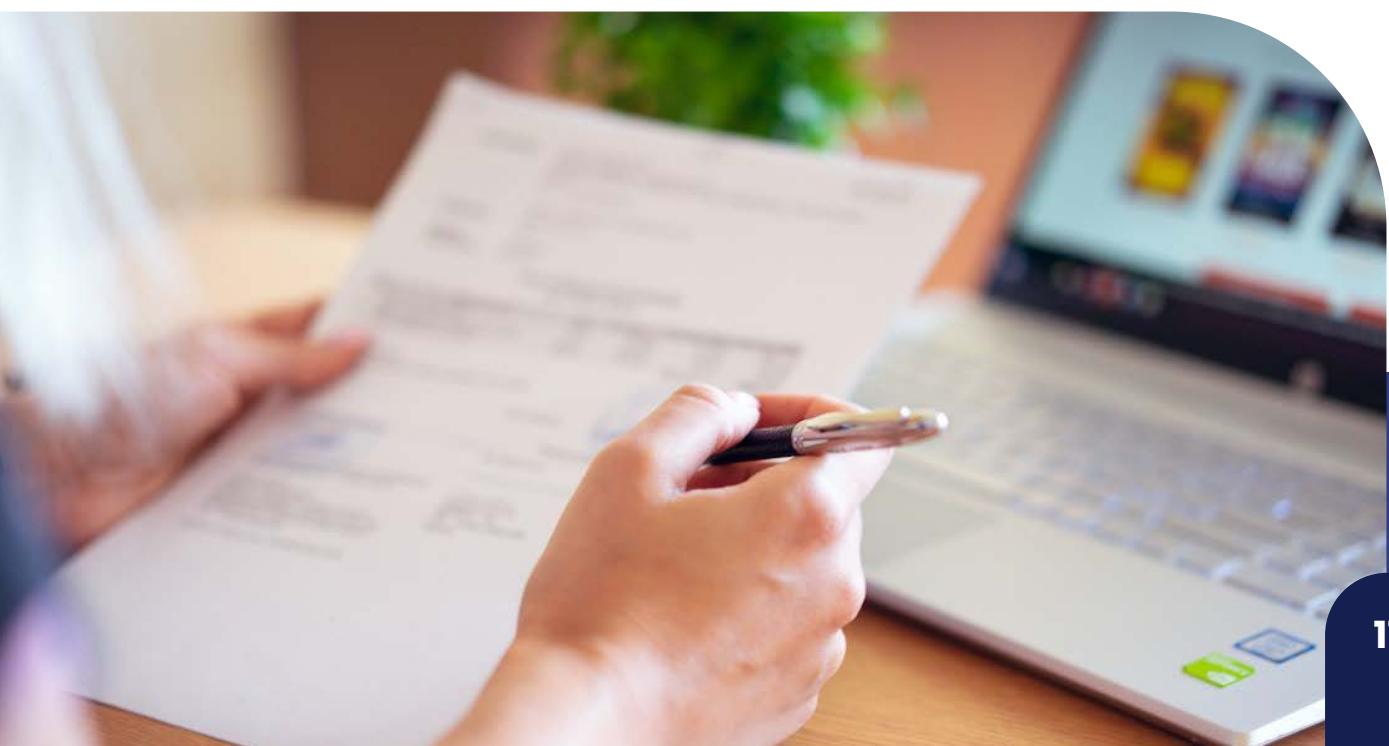
What that means, in this case, is seeing your tenant as a customer more than anything.

Your customer entered into an agreement with you. If they break that agreement, the business needs to enact the necessary policies in order to recoup its losses and move on in a way that allows it to maintain profitability.

You may have come to know your tenant personally and want to be lenient with regard to your rental policy, but above that should come your business and doing what is necessary to help it stay profitable.

When a tenant decides to break their lease early, follow what is outlined in your early termination clause and resist the urge toward leniency.

Take your business seriously!



More Great Resources for Managing Your Rental Portfolio

Now, you've got all the tools you need to manage a tenant trying to break their lease early.

To step up your property management game even further, check out these other great resources from the DoorLoop blog:

- ✓ Comprehensive laws guides for all 50 states: [Real Estate Rental Laws in the US](#)
- ✓ All-in-one, step-by-step resource hubs on real estate investing, property management, and property accounting: [Hubs | The Ultimate Property Management & Real Estate Guides](#)
- ✓ **The DoorLoop podcast:** Hear from real experts in the real estate investing and property management space on a variety of high-value topics.



DoorLoop is an all-in-one property management software that makes managing your entire portfolio easier, with tools such as:

- Automated rent collection
- A complete suite of accounting tools
- Comprehensive background checks with TransUnion SmartMove
- Maintenance management tools
- Automatic rental listings
- eLeasing features
- And much more

[Sign up for a free demo of DoorLoop](#)
and see what it can do for you.