What to do if your resident(s) abandons your property?

Please leverage this guide and sample *Notice of Abandonment* to retake possession of your property.

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Unpacking Abandonment

While abandonment signals that the tenant no longer intends to live in the rental, you, as the landlord, must take steps to formally terminate the lease to ensure you're not held liable for failing to follow proper procedures. **Abandonment gives you the right to start the process of taking back the property, but it does not by itself end the lease agreement.**

If you're unsure of the specific procedures in your area, it's a good idea to consult a legal professional to ensure the abandonment is handled properly and legally.

Again, abandonment by the tenant **does not automatically terminate the lease**. Owners need to take swift and decisive action to process an abandonment and formally terminate your lease with your Resident(s).

Before we get into a general process, we thought it'd be helpful to address some FAQs around abandonment. Here are some helpful considerations if your resident abandons the property:

Is my lease still in effect?

The lease agreement remains active until the landlord officially takes steps to terminate it. Even if the tenant has abandoned the property, they are generally still responsible for paying rent under the terms of the lease until one of the following happens:

The landlord formally terminates the lease in accordance with local laws

- The landlord re-rents the property
- The lease term ends naturally

How do I terminate the lease?

If the tenant abandons the property, the landlord can take legal steps to terminate the lease, such as:

- Issuing a notice of abandonment (see below for a sample template) and reclaiming the property after confirming the property has been abandoned
- Filing an unlawful detainer or similar eviction action, depending on the local laws, to formally end the lease.

What do I do in my state?

It's important to adhere to the local rules & regulations regarding abandonment. In addition to other helpful tips in this guide, we recommend that you thoroughly review independent 3rd party resources to help you make sense of your legal responsibilities.

Based on our own research, we think this guide to <u>Landlord-Tenant Laws by State</u> is fairly comprehensive for most markets and a sound resource, should you have any questions on how to handle abandonment in your particular market.

What happens with Guaranteed Rent?

While we technically pause/suspend services when the property is abandoned, we will continue to support you throughout the process and will assist in attempting to collect rent in accordance with applicable law. To the extent funds are recovered, we will issue those funds directly to you net any of our standard processing fees.

Do I have to pay for remarketing my property?

Generally speaking, no! Nomad is committed to supporting you through the remarketing process in instances where your tenant abandons the lease - i.e. doesn't complete the full lease term. Please note that Nomad reserves the right to conduct additional diligence and may, in its sole discretion, elect to waive this protection in the event it is determined that actions taken by the homeowner were causal to the resident abandonment.

How quickly do I need to re-market?

In most jurisdictions, landlords are required to make a reasonable effort to mitigate damages by trying to re-rent the abandoned property as quickly as possible. Once a new tenant occupies the property, the original tenant's obligation to pay rent typically ends.

How do I process the Security Deposit?

After the lease is terminated (either by mutual agreement or re-rental of the property), the landlord can apply the security deposit to cover any unpaid rent, damages, or cleaning fees. If the security deposit doesn't cover all the outstanding costs, the landlord may seek additional recovery through legal action.

Unsure on what to do?

If you're at all unsure about the legal process or need help navigating complex situations, consider consulting with a real estate attorney familiar with landlord-tenant laws in your area.

How to handle when your resident abandons the property/lease

If a tenant abandons a rental property, the landlord should follow a specific process to protect their legal rights and avoid potential liability. Following these steps carefully will help ensure you handle the situation legally and minimize the potential for disputes with the tenant:

1. Confirm Abandonment

	Check for signs: Inspect the property to verify if the tenant has truly abandoned it. Look for signs like:	
	☐ Tenant's belongings are gone.	
	☐ Utilities are disconnected or unpaid.	
	☐ Neighbors or other tenants report seeing no activity.	
	Attempt communication : Contact the tenant via phone, email, or formal letters to confirm their intention to abandon (if not provided previously). If they do not respond after a reasonable period, it could indicate abandonment.	
2. Check the Lease Agreement		
	Review the lease to see if it includes a specific abandonment clause. This may define the period of absence or unpaid rent that qualifies as abandonment, and the actions the landlord can take.	
3. Follow Local Laws on Abandonment		
	Review Local Rules : Laws on tenant abandonment vary by location. It's important to familiarize yourself with local landlord-tenant laws, as some places require landlords to wait a certain period before taking action or require notice to the tenant.	

	Provide Notice to Your Tenant : In most jurisdictions, landlords must serve a formal notice to the tenant before reclaiming the property, indicating that the property is considered abandoned if they do not respond. We strongly recommend that you post such notice regardless of legal requirement, as formally documenting such notice can do no harm.	
	Retake Possession of Your Property: Once abandonment is confirmed, the landlord can secure the property by changing the locks to prevent unauthorized access and to protect it from damage.	
5. Handle Tenant's Possessions		
	Inventory the possessions: Make a list of any personal belongings left behind. Some local laws require you to store the tenant's possessions for a certain period before disposing of them.	
	Storage requirements : Depending on the jurisdiction, you may be required to store the tenant's belongings for a specific time before selling, donating, or disposing of them.	
	Notify Tenants of Abandoned Belongings: Notify the tenants (if possible) of their rights to reclaim their belongings and how to do so.	
6. Mitigate Damages		
	Document Everything: Keep detailed records of your efforts to contact the tenant, secure the property, store any belongings, and re-rent the unit.	
	Remarket Your Property : Many jurisdictions require landlords to mitigate damages by trying to re-rent the property as soon as possible, rather than letting it sit empty and charging the tenant for the remainder of the lease.	
	Process the Security Deposit : Once you've formally retaken possession of the property and officially terminated your lease, Nomad will return or release up to the full Security Deposit for you to reconcile further.	



Need more help? Should you have any additional questions or concerns regarding next steps that are not addressed by these resources, please submit a ticket via the **Help Module** of your Portal or via email to **Nomad Support** and a member of our team will reach out to assist you!

Sample Letter for Notice of Abandonment

Here's a basic **Notice of Abandonment** template that you can customize to suit your needs. Be sure to check your local laws to ensure it meets the requirements for your jurisdiction.

Key Considerations:

- Make sure you check your state's laws on the proper notice period and how long you must store any personal belongings left behind.
- Send this letter via certified mail (with a return receipt) or a method that allows you to document the attempt to contact the tenant.
- Additionally, it never hurts to send a copy electronically and to formally post the letter to the property itself.

NOTICE OF ABANDONMENT

[Landlord's Name] [Landlord's Address] [City, State, Zip Code] [Phone Number] [Email Address]

Date: [Date]

To:

[Tenant's Name] [Tenant's Last Known Address] [City, State, Zip Code]

Dear [Tenant's Name],

RE: NOTICE OF ABANDONMENT OF [Rental Property Address]

This letter serves as formal notice regarding the rental property located at:

Address: [Rental Property Address]

Unit Number (if applicable): [Unit Number]

It appears that you have abandoned the premises. Under the terms of the lease agreement dated [Lease Start Date], and according to applicable [State/Local] law, abandonment is indicated by the following:

 [List the reasons for determining abandonment, such as the absence of the tenant, lack of payment, disconnection of utilities, removal of personal property, etc.]

As a result, we believe that you have vacated the property without properly terminating the lease. Please be advised that we intend to take possession of the property within [number of days based on local law, e.g., 5, 10, 15] days from the date of this notice, unless we hear from you prior to that time.

Should you wish to reclaim the property or remove any remaining belongings, you must contact me immediately. If I do not hear from you by [Deadline Date], I will proceed to:

- 1. **Re-enter the premises,** secure the property, and change the locks.
- 2. Remove any remaining personal property, in accordance with [State/Local] law.
- 3. **Seek recovery of unpaid rent and any damages** to the property through your security deposit and, if necessary, legal action.

Your lease agreement remains in effect until [Lease End Date], and you may still be held responsible for rent and other charges until the property is re-rented, per [State/Local] law.

If this notice does not apply and you have not abandoned the property, please contact me immediately to clarify your intentions and to avoid further legal action.

How to Contact Me:

Phone Number: [Phone Number] Email Address: [Email Address]

Mailing Address: [Landlord's Mailing Address]

Sincerely,

[Landlord's Name] [Landlord's Signature]