

HB 20-1141

Issue	Introduced Bill	Amendments to be Offered	Requested by
Applicability to Landlords	All	Exempts a person who rents 5 or fewer single-family homes to tenants	Realtors
# of days before a late fee applies	14	8	Apartment Association
% to be charged	3%	5%	Apartment Association
Dollar amount for late fee	\$20	\$25	Apartment Association
Use-based fees	Landlords only allowed to charge use-based fees that were detailed in the rental agreement	Expanded to allow for optional fees to be charged that do not have to be detailed in the rental agreement that includes pet fees or charges for damages that the tenant causes and then demands repairs.	Realtors, Enterprise
Utility Charges	Include and charge the actual cost of utilities equally to all tenants		CHAFA
Right to Cure	none	Gives Landlord 7 days from the date of notice to cure the violation	Creditors' Bar
Private Right of Action	Homeowner is entitled to bring a civil right of action, and if successful claim actual damages and attorneys' fees	Tenant or homeowner is entitled to bring a civil right of action, claim for actual damages or double damages if landlord caused damages in bad faith, and the prevailing party is entitled to attorneys' fees.	
Use of security Deposit	Can be used during or at the end of the lease	Can be used at the end of the lease	
Section 8 late fees		no amendments needed; falls under HUD regulations	Confirmed by DOLA

## States with Specific Restrictions

- **California:** The late fee must be a reasonable estimation of how much the late rent costs the landlord.
- **Connecticut:** The landlord must wait until nine days after rent is due.
- **Delaware:** The late fee cannot exceed 5% of the rent. If the landlord's office is not located within the same county as the rental property, the tenant has an extra three days beyond the rent due date in which to pay.
- **Iowa:** If the rent is less than \$700, the late fee cannot exceed \$12 per day to a maximum of \$60 per month. If the rent is over \$700, the late fee cannot exceed \$20 per day, to a maximum of \$100 for the month.
- **Maine:** The late fee cannot exceed 4% of the amount due in 30 days. Landlords must wait until rent is at least 15 days late.
- **Maryland:** The late fee may not exceed 5% of rent due.
- **Massachusetts:** Landlords must wait until rent is 30 days late, then they may charge a late fee, plus interest on late rent.
- **Minnesota:** The late fee cannot exceed 8% of the total overdue rent.
- **New Jersey:** If the tenant is a senior citizen on specified government benefits (such as Social Security or Disability) the landlord must wait until rent is 5 days late to charge a fee.
- **New Mexico:** The late fee cannot exceed 10% of the rent amount.
- **New York:** The landlord can charge a late fee immediately.
- **North Carolina:** The fee cannot exceed \$15 or 5% of the rent amount (whichever is greater), and may only be charged once during a rental period. The landlord must wait until the rent is 5 days late.
- **Oklahoma:** The landlord may charge a fee if rent is late, however, preset late fees are invalid.
- **Oregon:** A flat fee must be "reasonable". A daily late fee cannot be more than 6% of a reasonable flat fee, and cannot exceed 5% of the monthly rent. The landlord must wait 4 days after rent is due.
- **Tennessee:** The fee cannot exceed 10% of total amount overdue. The landlord must wait until rent is five days late. If the fifth day is a Sunday or Holiday, the landlord must wait until the next business day.
- **Texas:** The fee amount must accurately reflect damages that the landlord must be able to calculate or reasonably estimate. The landlord can impose the fee when rent is one day late. There may be an initial fee, plus a daily fee for every day the rent is late.

**Source:** <https://www.verticalrent.com/entry/rent-payment-late-fees-by-state-knowthy-law>

## Late Fee Data Collected from Rental Units in Colorado

Property management company/land lord/complex	# of Units in CO	Estimate # of residents	Grace Period	Initial late fee	Daily late fee	Total monthly late fees allowed	Repre ntative Rent	Other default fees	Source for # of units
Echelon Property Group	10,000	30,000	3	\$75	\$10	\$345	\$924	\$20 service fee on day 4; \$295 attorney fee & admin fee on day 9	<a href="https://www.echelonrents.com/about/corporate-profile">https://www.echelonrents.com/about/corporate-profile</a>
Courtyards at Buckley	688	2,064	2	\$115	\$10	\$395	\$1,240		<a href="https://www.connect.media/oak-coast-properties-pays-143m-acquire-688-unit-courtyards-at-buckley/">https://www.connect.media/oak-coast-properties-pays-143m-acquire-688-unit-courtyards-at-buckley/</a>
BLDG Management	8,700	26,100	3	\$75	\$10	\$345	\$1,114		<a href="https://www.bldgmanagement.com/about-bldg-management/our-story/">https://www.bldgmanagement.com/about-bldg-management/our-story/</a>
Advenir at Del Arte Apts	351	1,053	3	\$125	\$20	\$665	\$1,675	\$258 in additional collective fees on day 14	<a href="https://www.apartments.com/advenir-at-del-arte-aurora-co/czlgdtg/">https://www.apartments.com/advenir-at-del-arte-aurora-co/czlgdtg/</a>
Tava Waters	1,523	4,569	3	\$100	\$15	\$505	\$1469		<a href="https://www.kobelbelco.com/pages/past">https://www.kobelbelco.com/pages/past</a>
RIO Residential	1,000	3,000	2	\$25	\$5	\$165	\$1,604		<a href="https://rioresidential.com/search-residential/">https://rioresidential.com/search-residential/</a>
Cardinal Group Management	3,300	9,900	3	\$75	\$10	\$345	\$1,071		<a href="https://cardinalgroup.com/portfolio/">https://cardinalgroup.com/portfolio/</a>

**Total number of units: 25,562**

**Total number of Coloradans: 76,686**

**Average monthly late fee allowed: \$395**

**Average monthly representative rent: \$1,299.57**

**Average late fee as a percentage of average rent: 30.39%**

Property management company/land lord/complex	# of Units in CO	Grace Period	Initial late fee	Daily late fee	Total monthly late fees allowed	Representative Rent	Other default fees	Source for # of units
Front Range Mobile Home Park	n/a	3	10%	\$5	\$221	\$785-\$860	\$300-\$600	
ComCap Management (Section 8 Owned by Housing Authority)	2,600	4	\$50	\$10	\$310	\$300	N/A	<a href="http://comcapmgmt.com/">http://comcapmgmt.com/</a>
Invitation Homes	80,000	3	\$95	n/a	\$95	\$2,100	\$250	<a href="https://www.invitationhomes.com/">https://www.invitationhomes.com/</a>
Shayne Royal 5280 investments (Section 8 in private housing)	n/a	5	\$250	\$50	\$1,500	\$1,112		
Pines Lake Ranch (MHP)	n/a	n/a	\$35	\$5	\$180	\$800	\$200	
Creekside at Amherst	175	5	\$50	n/a	\$50	\$1,300	\$60	
Vista Grande		3	\$50	\$50	\$1,350	\$1,700		
Monaco Lakes		3	\$110	\$10	\$370	\$1,090	\$60	
Boli Meddappa (need to find the complex name)			\$50		\$50	\$1,750	\$400	
Jason Barton (need to find the complex name)		2	\$25	\$25	\$725	\$1,600		
Westminster Park Plaza		1	\$50	n/a	n/a	\$700		

Esprit Cherry Creek, Bridge Property Management		3	\$75	\$10 \$50 for notification	\$395	\$1,115	\$150	
CS & Associates		4	10%		\$107.50	\$1,075	\$250	
Water Tower Flats		2	\$50	\$15	\$470	\$2,000	\$150	
Wochie Family Leasing		3	\$50	\$10	\$320	\$1,250	\$179.9	
Kyong Cuthrell		10	\$50	n/a	\$50	\$1,600	\$400	
The Hunters Run		n/a	\$150	n/a	\$150	\$1,075	\$50	
Valley High Mobile Homes Park- Karl Karner		5	\$50	\$25	\$675	\$500 and going up		
Macheabuf Apartment		5	\$50	n/a	\$50	\$961		
AFC property management		5	%10	\$3	\$180	\$1,050	\$75	
Bethound MHP		n/a	\$50	n/a	\$50	\$559	\$65	
Inland property management		3	\$75	n/a	\$75	\$1,700	\$350	
Pyrot		2	\$50	n/a	\$50	\$2020		
AGH		1	10%	n/a	\$124	\$1,240	\$30	
Ashley Union Station		4	\$50	\$5	\$180	\$800	\$80	
Altitude Management Property		n/a	\$100	n/a	\$100	\$1,900	\$250	
Broe Real Estate Group (Towers&Garden )		n/a	\$50	\$5	\$195	\$1,451	\$185	
Anoa Property Management		5	\$50	n/a	\$50	\$2,800		
Griffis Fitzsimons South		4	\$50	\$10	\$310	\$,1849		

Avenue 8 Mayfair		4	\$100	n/a	\$100	\$1,450	\$200	
Garden Court Apartments (Section 8 in private housing)		5	\$50	n/a	n/a	\$28	\$250	
Atlas Real Estate Group		3	\$175	n/a	\$175	\$1,600	\$150	
Cornerstone apartments		3	\$75	n/a	\$75	\$1,480	\$48	
Lion's Share Apartment		n/a	\$100	n/a	\$100	\$1,100	\$100	
Ben & Isabel Korzeniowski		5	\$51-75	\$0	\$75	\$850		
Real Property Management		3	\$11-25	\$11-20	\$565	\$1,728	\$500	
The peaks at woodmen		4	\$51-75	\$51-75	\$1,950	\$1,800	\$2200	
Shockcor		5	\$25-50	%0	\$50	\$1,050	\$300	
Ecopy		3	\$51-70	\$6-10	\$340	\$1,870	\$75	

### Types of fees we have seen in leases

- Administrative
- Valet Trash
- Bill preparation
- Real estate tax
- Pest Control
- Common Area Maintenance
- Attorney fees
- Water
- Sewage

### Anecdotal Data Collected from 9to5 Survey:

Picture from lease of resident living in Duplex in Denver

**Clause 6. Late Charges**

If Tenant fails to pay the rent in full before the end of the SAME day after it's due, Tenant will pay Landlord a late charge of \$ 100.00, plus \$ 50.00 for each additional day that the rent remains unpaid. The total late charge for any one month will not exceed \$ 1600.00. Landlord does not waive the right to insist on payment of the rent in full on the date it is due.

You must pay your rent on or before the 1st day of each month (due date) with no grace period, and we can statutorily demand you pay your rent on the day it is due or any time after. Cash is unacceptable without our prior written permission. If we have a dropbox, lockbox, or any other unattended rent drop (collectively "dropbox") for rent payments, the dropbox is for your convenience only. You agree that any payment placed into a rent dropbox is not delivered to us unless your payment is in the dropbox when opened by us. Until any payment put in the dropbox is delivered to us, you bear the risk of loss, including by theft, of any payments, put in the dropbox. In the event you deliver a payment(s) to us, and said payment(s) is stolen from us, regardless of fault, you agree to promptly cooperate with us in tracing or replacing the stolen funds. You must not withhold or offset rent unless authorized by statute. We may, at our option, require at any time that you pay all rent and other sums in cash, certified or cashier's check, money order, electronic payment, or one monthly check rather than multiple checks. At our discretion, we may convert any and all checks via the Automated Clearing House (ACH) system for the purposes of collecting payment. Rent is not considered accepted, if the payment/ACH is rejected, does not clear, or is stopped for any reason. If you don't pay all rent on or before the 5th day of the month, you'll pay an initial late charge of \$ 50.00 plus a late charge of \$ 5.00 per day after that delinquency date until paid in full. Daily late charges for any given month will not exceed the number of days in the month that the rent remains unpaid. Imposition of late fees is not a grace period or a waiver of our right to demand rent on its due date, but an incentive for you to pay on time. If you pay late, you agree to pay the rent due plus all applicable late fees incurred through the date of payment regardless of whether we made a written demand for the rent. You'll also pay a charge of \$ 50.00 or the maximum allowed by state statute, whichever is lower, for each returned check or rejected electronic payment, plus initial and daily late charges from delinquency date until we receive acceptable payment. If you are delinquent, all remedies under this Lease

**4.5. LATE CHARGES.** If the total Rent is not received by 5:00 p.m. on the third (3rd) day of the month, Resident agrees to pay a late charge in the amount of \$95.00 (the "Late Charge"). Resident acknowledges that late payment of Rent will cause Landlord to incur costs and expenses, including processing, enforcement and accounting expenses, and charges imposed on Landlord, the exact amounts of which are extremely difficult and impractical to determine. Resident agrees that the Late Charge represents a fair and reasonable estimate of the costs Landlord may incur by reason of late payment. The Late Charge, which shall be considered additional Rent, does not establish a grace period; Landlord may serve a written notice of non-payment of Rent required by Applicable Law if Rent is not paid on its due date. If Landlord serves a written notice of non-payment of rent, Landlord may require that the payment called for by the notice be by money order or certified cashier's check, in person, at the office location designated by Landlord.



**2: RENT:** The full month's rent will be due and payable, in advance, on the first day of each month without a grace period and is non-refundable. Resident agrees to pay to Landlord the gross rental amount of \$ 12,600.00 for rent for the first term aforesaid, in 12 equal consecutive monthly payments of \$ 1,050.00 commencing on the 1st day of October, 2019. If resident takes possession of the premises prior to the first day of a month the terms of this lease shall be in full force and effect and rent shall be prorated and paid to the landlord for the period commencing with the date resident takes actual occupancy and ending with the last day of the month in which resident first occupies the premises. Prorated rent for this period is \$ n/a see section 18\*\*\*. In the event of a breach of this lease which is not timely cured by the Resident, the entire amount of the rent payments for the remainder of the lease term shall at once become due and payable at the option of the Landlord. Tenant shall be responsible for rent for the balance of the lease term even if Landlord elects to evict the Resident by the posting of a three-day notice and subsequent court action. This lease is subject and subordinate to the lien of any mortgage, or deed of trust now or at any time thereafter placed upon said property, and the Resident does hereby agree to execute any and all instruments to effect such subordination which the Landlord may request or require.

**3: LATE AND RETURN CHECK CHARGES:** Resident understands and agrees that if the total rent is not received by the 5th day of each month, there will be a late charge of 10% of the monthly rent, in addition to the full rent due. If the total amount due is still not received by the 10th day of each month, there will be an additional late charge of \$3.00 per day. If a check is returned by Resident's bank for any reason, Resident understands and agrees that there will be a \$35.00 Return Check Charge in addition to the full rent and late charges due. All rejected checks must be replaced with certified funds or money orders. (There will be a \$100.00 posting fee added to any late notice, NSF notice or violation notice posted.)

**LATE, DISHONORED PAYMENTS, EVICTION, AND OTHER FEES AND CHARGES.** If Owner has not received the total monthly rent from Resident for any given month on or before the third day of the month in which such rent is due, Resident shall owe and pay a late charge as of the 4th day of the month. The late charge will be either \$110.00 if rent is paid on or after the 4th day of the month, plus \$10.00 per day commencing on the 5th day of the month for each and every day monthly rent or any portion thereof remains outstanding and unpaid, or the maximum permitted by law whichever is less. If the \$10.00 per day late fee is applicable, Owner agrees that the \$10.00 per day late charge will not exceed the number of actual days in a given month that the amount of rent has not been paid. Dishonored check(s) are any check(s) that are dishonored or not paid upon presentment for any reason, or any electronic payments not paid or credited for any reason. Resident agrees to pay Owner \$20.00, or the maximum allowed by law whichever is less, for each dishonored check, in addition to any applicable late fees. Upon demand Resident must immediately replace any dishonored check with certified funds. If Resident tenders to Owner two or more dishonored checks, Resident shall without notice, demand, or request make all further payments to Owner in certified funds. If Resident makes any payment in response to an eviction notice or demand for rent or possession, Resident shall make such payment in certified funds and not by any electronic payment method. Owner may return electronic payments made in breach of this Agreement if any electronic payment is made after a demand has expired or if any electronic payment made during the demand period is less than the full demand. Owner shall return any electronic payments within a commercially reasonable time from the time Resident gives written notice of the electronic payment made in response to an eviction demand, and Resident has personally delivered such notice to the onsite leasing office. If Resident makes any payment in response to an eviction notice or demand for rent or possession after the three-day demand period has expired, in addition to any other amounts due, Resident shall pay Owner \$411.00 for eviction administrative and attorneys' fees and court costs. The eviction administrative fee is not a late fee.