



**VERMONT
LEGAL
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WORKING TOGETHER FOR JUSTICE

Attorney's fees in residential leases

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Pronouns: She, her

Slides <https://vtlawhelp.org/>

- Legal effect of lease clause
- How it plays out
 - on ledgers
 - In court
- Sample clauses



2/16/2024

Legal effect of attorney fee clauses

- Is an enforceable contract term
- Allows a charge to be added to tenant's account/ledger when landlord decides to add it.
- Attorney fee written rental agreement clauses are not prohibited by the Residential Rental Agreements Act 9 V.S.A. 4451 et seq.
- Two sections of RRAA allow landlords to collect attorney's fees even without an attorney fee clause in a lease.
 - 9 V.S.A. 4456 if tenant violates 4456 (habitability, peaceful enjoyment, destroy fixtures)
 - 9 V.S.A. .4464 if tenant brings an illegal eviction action frivolously.



How attorney fee clause can affect tenant

- Ledger/account balance
 - Increases balance due
 - Payments go to balance due; not necessarily to rent obligation
- In an eviction case
 - Attorney fee becomes part of the judgment of eviction eg:
 - Rent due: 3000.00
 - Court filing fee 310.00
 - Sheriff fee 160.00
 - Attorney fee 2700.00
 - 6170.
 - 12% interest on judgment = \$740.40 a year + judgment amount owed to landlord
 - Subsidy denied if tenant owes former landlord.



1. Rent A. Lessee(s) agrees to pay Lessor the rent for the premises.
If Lessee(s) is in default and fails to cure such default within fifteen (15) days after receipt of written notice, then Lessor may at once terminate this lease by written notice to Lessee(s) where upon this lease shall end.
Upon termination by Lessor, Lessee(s) will at once surrender possession of the premises to the Lessor and remove all of Lessee(s) effects from within. If any rent is owing under this lease, Lessee agrees to pay attorney's fees. However, if any rent was withheld as a failure by Lessor, to comply with this lease, the Lessee(s) shall not be obligated to pay attorney's fees.



25. **ATTORNEYS' FEES.** Should it become necessary for Landlord to employ an attorney to enforce any of the conditions or covenants hereof, including the collection of rentals or gaining possession of the Premises, Tenant agrees to pay all expenses so incurred, including a reasonable attorneys' fee.
26. **RECORDING OF AGREEMENT.** Tenant shall not record this Agreement on the Public Records of any public office. In the event that Tenant shall record this Agreement, this Agreement shall, at Landlord's option, terminate immediately and Landlord shall be entitled to all rights and remedies that it has at law or in equity.



2. Term. The term of this Lease shall commence on the Commencement Date listed on the cover page and will continue for a period of one (1) year, unless extended or sooner terminated as provided herein. The Tenant shall have no right to terminate this Lease prior to the end of the initial term. After the initial term ends, this Lease will automatically renew on a month-to-month basis if no new lease has been signed. If the Tenant is sent a thirty (30) day non-renewal notice from the Owner and fails to vacate at the end of the Lease term, the Tenant shall be considered a holdover tenant, in illegal possession of the unit. Legal action shall be commenced immediately against the Tenant. The Tenant shall also continue to be liable to the Owner for the amount of the monthly rent payable, as long as Tenant continues to possess the unit, in addition to costs and reasonable attorney's fees. If the Tenant does not give the full thirty (30) day notice prior to the end of the Lease period, the Tenant shall be liable for rent up to the end of the thirty (30) days for which notice was required. If the Tenant fails to give written notice to the Owner and vacates the unit prior to termination of the Lease period, the Tenant shall be liable to Owner for the amount of the monthly rent payable by Tenant until the unit is re-rented by Owner. The Tenant's failure to give this required notice will entitle the Owner to recover damages, costs and reasonable attorney's fees. If the Tenant gives written notice and then fails to vacate, the Owner shall be entitled to commence immediate legal action against the Tenant. Nothing in this paragraph shall prevent the Owner from terminating this Lease pursuant to its terms, including, but not limited to, default by the Tenant.



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16. ATTORNEY'S FEES

LESSEE shall indemnify and hold LESSOR harmless against all legal costs and charges, including reasonable attorney's fees, incurred by LESSOR in obtaining possession of the Lot after a default or the termination of the Lease, or enforcing any covenant of LESSEE herein contained, including any unpaid rent or other charges through court or legal process against LESSEE.

