

## What does rent escrow mean?

Rent escrow is a payment of rent to the court instead of to your landlord. Rent is generally escrowed to require the landlord to follow the rental agreement and your reasonable belief that there has been a failure to comply with these requirements. This also could be done if a government agency has found that the rental unit is not in compliance with building, housing, health or safety codes. Rent is escrowed to allow the court control over the payments rather than the landlord and is a defense if the landlord tries to evict you. Trying to evict someone for nonpayment when they are paying into escrow is called retaliation, and it is illegal.

## How do I qualify to escrow rent?

- You must be current with your rent
- Your landlord must have more than three rental units or did not tell you when you rented your unit that they had less than three units. If you have been notified in writing in either situation, you do not qualify.
- You must notify your landlord in writing as to the problems you are having. You must reasonably believe that the landlord has not performed his duties, and the problems must affect your health and safety in an important way.

## What are a landlord's duties?

A landlord should ensure that...

- The rental unit complies with all building, health and safety codes, which meaningfully affect health and safety.
- All repairs are done and the rental unit is kept in a fit and livable condition.
- All common areas of the rental unit should be in safe and sanitary condition.
- All electrical, plumbing, sanitary, heating, ventilating, air conditioning, appliances, and elevators the landlord supplies, owns, or is required to provide are in good and safe working order.
- If there are four or more apartments in the same building, provide and care for garbage cans or the like for the removal of ashes, garbage, rubbish, or other waste which happens as a result of apartment living and arrange for its removal.
- Must supply running water, reasonable hot water and reasonable heat, except if the tenant has sole control of the hot water, running water and heat because these things are supplied by the utility companies with a direct connection.
- May not abuse their right to enter and inspect the rental unit. They must give 24 hours notice to enter unless not practical or an emergency.

**A landlord may not accept rent payments without being responsible for his legal duties. However, he may escape these duties if he does not accept or require rent payments!**

## What do I do if there is a problem?

- You must notify your landlord in writing to fix the problem.
- The exception is if you were never notified as to the landlord's address. This must be sent to the place where you pay your rent. Keep a copy.
- You must give your landlord 30 days to fix the problem, unless the problem is severe. Then you must allow them reasonable time to fix it.

## What if it still isn't fixed?

- You may pay all the rent that is due and owing to the landlord into the court that has jurisdiction (the territory that the rental unit is in).
- You may ask the court to order the landlord to fix the problems, or that your rent be reduced until fixed.

- You may end the rental agreement, regardless of whether the time is up or if the agreement is written.

### **What happens after I pay my rent to the court?**

The court gives notice to the landlord or their agent that you have paid rent into the court. The money goes into a separate escrow account in their name in a bank or building and loan account that does business in Ohio. They keep a listing of each deposit with the names of the landlord and the tenant. They will charge a 1% fee as court costs.

### **Can I be held responsible for any damages because of rent escrow?**

You are responsible for damages for your use of rent escrow if;

- Your action or failure to act caused the problems you complained of.
- You acted in bad faith by using the escrow process (to harass the landlord or without an honest belief that the process was the best way to get the landlord to do what was required by law or the rental agreement)

If the court finds that you intentionally acted in bad faith, then you may be liable for court costs and the landlord's attorney fees in addition to damages.

### **When can the landlord get the money out of escrow?**

The landlord can apply to the court and ask that the rent be paid to him if:

- The problems complained of are fixed AND the tenant gives written notice of the repair to the clerk.
- If the tenant did not adequately give written notice of the problem.
- If the tenant was not current in rent when they began paying into the court.
- There was no duty to fix the particular problem, or it is fixed.
- If the court agrees that it has been fixed, whether or not the tenant has agreed that it is fixed.

A trial on an application for release of rent money must be held within 60 days of the application, except for good cause. Usually the landlord pays court costs for the removal of money from escrow.

A landlord may get part of the money out of escrow

- to pay for the interest on the mortgage for the rental that the tenant lives in,
- to pay for the insurance premiums on the rental unit, to pay the real estate taxes on the unit,
- to pay utilities for the unit, and
- any other customary and usual cost of operating the structure as a rental unit.

## **Rent Escrow**

### **Western Ohio Legal Services Association**

31 E. High St.  
Suite 300  
Springfield, Ohio 45505  
(937) 325-5991

Open  
Monday to Friday  
8:00am to 4:30pm

