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High-Rise Apartment Leases As Adhesion Contracts

THE DECADE OF 1960 TO 1970 MARKED A MASS MOVEMENT by Americans into apartment living. During the period from January, 1966, to March, 1971, the ratio of multifamily dwellings on which construction was begun per year, increased from 0.5 in 1966 to 0.86 by March, 1971.¹ The percentage of all housing construction begun in 1955 that was multifamily dwellings was 5%; this figure increased to 40% by 1970.² From the years 1960 to 1970 the vacancy rate in rental property dropped significantly, while the vacancy rate in private homes remained virtually unchanged; the change was particularly significant in the western portion of the country, which, no doubt, reflects the mass influx of residents into the state of California.³

Many of these multifamily tenements built during the past decade were of the so called high-rise or elevator variety (usually denoting more than four floors). In Cuyahoga County, Ohio, encompassing the Greater Cleveland Area, the decade from 1960 to 1970 marked the first time since the 1920's that the number of multifamily dwelling units built exceeded the number of single family dwelling units built.⁴ In the period from 1964 to 1968, the number of dwelling units built in Cuyahoga County, per year, which fall into the high-rise category, more than doubled; while the number of dwelling units built per year, which fall into other categories, decreased or remained very nearly the same.⁵ Reasons offered for this shift to high-rise living in the Cleveland area are:

"the increased costs of building and of owning or renting individual housing units, the cost and availability of land, and the changing age structure of the population. The sixties saw increasing numbers of older and younger people in the population and a decline in the number of people aged 30 to 40 — the prime home buying years."⁶

With this dramatic demand for high-rise apartments has come the problem of leases which are extremely one-sided in favor of the landlord. Many of these leases contain covenants and conditions pro-

¹ U.S. BUREAU OF THE CENSUS *Statistical Abstract of the United States* 1971 (92d Ed.) at 669.

² U.S. NEWS AND WORLD REPORT, Vol. 71, Aug. 2, 1971, at 38.

³ U.S. BUREAU OF THE CENSUS, *STATISTICAL ABSTRACT OF THE UNITED STATES* 1971 (92d Ed.) at 671.

⁴ Report by the Housing Industry, CUYAHOGA COUNTY REGIONAL PLANNING COMMISSION, (1972) at 33.

⁵ *Id.* at 30.

⁶ *Id.* at 50.

protecting the landlord against nearly every imaginable exigency, while offering little protection for the tenant.⁷ This note deals with some of the more overbearing remedies reserved by the landlord in such leases, one or more of which may be used by him in the event the tenant should breach one of the many covenants and conditions in the lease.

Security Deposits

Normally there is a provision in high-rise apartment leases for a security deposit which the owner, at his election, may retain as liquidated damages for breach of any of the terms of lease, retain for attorney's fees necessary to enforce the lease, or retain a portion thereof for damage to the premises beyond normal wear and tear.⁸

Although the parties to a contract may stipulate their damages in the event of a breach,⁹ such liquidated damages clauses are subject to the requirements that actual damages are not readily ascertainable,¹⁰ and that the amount of the liquidated damages clause is not disproportionate to the damage sustained as a result of the breach.¹¹ Otherwise, a liquidated damages provision will be held to be void as a penalty.¹² In a lease contract, the existence of a clause requiring a security deposit does not automatically make such security deposit available to the landlord as liquidated damages in the event of a breach; it must be shown by the lease that the parties intended the security deposit be used as liquidated damages.¹³ Some courts hold such provisions in leases void as penalties since the landlord's actual damages in a lease situation are normally readily ascertainable.¹⁴ In the case of *Roberts v. Dehn*¹⁵ there was a liquidated damages clause providing that, "[i]n case of default or breach of the terms and conditions of this lease, Owner, may, at his option, declare said amount [the security deposit] forfeited as liquidated damages."¹⁶ Reservation by the landlord of the option of using a security deposit as liquidated

⁷ CHANGING TIMES (The Kiplinger Magazine), Vol. 26, May 1972, at 7.

⁸ *Roberts v. Dehn*, 416 S.W.2d 851 (Tex. Civ. App. 1967).

⁹ *Berg v. Slaff*, 125 A.2d 844 (D.C. Mun. Ct. App. 1956).

¹⁰ *Hyman v. Cohen*, 73 So.2d 393 (Fla. 1954); *Roberts v. Dehn*, 416 S.W.2d 851 (Tex. Civ. App. 1967).

¹¹ *Roberts v. Dehn*, 416 S.W.2d 851 (Tex. Civ. App. 1967); RESTATEMENT OF CONTRACTS §339.

¹² *Berg v. Slaff*, 125 A.2d 844 (D.C. Mun. Ct. App. 1956).

¹³ *M Distrib. Corp. v. Rugby Corp.*, 209 A.2d 790 (D.C. Mun. Ct. App. 1965).

¹⁴ *Berg v. Slaff*, 125 A.2d 844 (D.C. Mun. Ct. App. 1956); *Heyman v. Linwood Park Inc.*, 41 N.J. Super. 437 (1956).

¹⁵ *Roberts v. Dehn*, 416 S.W.2d 851 (Tex. Civ. App. 1967).

¹⁶ *Id.* at 852.

damages or *pro tanto* damages, has been held in *Pappas v. Deringer*¹⁷ to be fatal to the lease provision even if the damages were not ascertainable, the rationale being that if the damages were obviously less than the amount of the security deposit the landlord would retain the deposit as liquidated damages, but if the damages were obviously far greater than the amount of the security deposit the landlord would endeavor to ascertain the actual damages and bring suit for that amount. Although many damages provisions in high-rise apartment leases permitting the landlord to retain the tenant's security deposit may be void as penalties, the high-rise tenant stands far less chance of regaining his security deposit than does the commercial tenant. Apartment lease security deposits normally involve far smaller amounts than commercial leases, and the amounts may be so small as to make it totally impractical for the apartment tenant to bring any action against the landlord, since his expenses may be far more than the amount of the deposit.

The landlord, on the other hand, has virtually nothing to lose by the inclusion of a liquidated damages clause, even if it is held to be a penalty. In lease contracts, the courts favor the view that covenants are independent of one another, rather than mutually dependent as in other types of contracts,¹⁸ unless the parties expressly state that they shall be dependent.¹⁹ High-rise apartment landlords certainly will, if anything, expressly state that the covenants are independent since independence prevents the failure of one covenant from vitiating the entire lease. This, coupled with the fact that high-rise apartment leases frequently provide that "[i]n case of default in any of the covenants herein, Owner may enforce the performance of this lease in any modes provided by law, . . ."²⁰ leaves the landlord with a multitude of possible remedies in the event of a breach of any covenant by the tenant. Additionally, should the landlord have to resort to legal action against the tenant, he may retain the security deposit or a portion thereof for reasonable attorney's fees, if the lease so provides;²¹ consequently, the landlord need not hesitate to bring legal action against the tenant, regardless of the amount of the damages involved.

Security deposits are also used by high-rise apartment landlords as vehicles for enforcing rules made by the apartment management,

¹⁷ *Pappas v. Deringer*, 145 So.2d 770 (Fla. Dist. Ct. App. 1962); *Stenor Inc. v. Lestor*, 58 So.2d 673 (Fla. 1952).

¹⁸ *Richard Paul Inc. v. Union Imp. Co.*, 59 F.Supp. 252 (D. Del. 1945); *Enos v. Foster*, 155 Cal. App.2d 152, 317 P.2d 670 (Cal. Dist. Ct. App. 1957).

¹⁹ *In re Barnett*, 12 F.2d 73 (2d Cir. 1926).

²⁰ *Roberts v. Dehn*, 416 S.W.2d 851 (Tex. Civ. App. 1967).

²¹ *Berg v. Staff*, 125 A.2d 844 (D.C. Mun. Ct. App. 1956); *Townsend v. Shingleton*, 257 So. Car. 1, 183 S.E.2d 893 (1971).

subsequent to entering into the lease. In *Orgain v. Butler*,²² a rule was circulated among existing tenants under lease which stated: "As the tenants [sic] lease expires, the carpet will be shampooed and this cost is automatically taken from the deposit. No tenant is to shampoo his carpets as we have a professional carpet cleaner to do the job."²³ The court held that rules made by the landlord subsequent to entering into the lease do not constitute part of the lease and violation of them does not, therefore, warrant retention of the security deposit. If a landlord retains the tenant's security deposit pursuant to some aftermade rule as in the *Orgain* case, the amount may be so small as to render it impractical for the tenant to bring an action for the return of his deposit. Additionally, it is conceivable that the average tenant would read his lease as being valid on its face and consequently, not be aware of his right to the return of his deposit.

Rent Acceleration

High-rise apartment landlords are particularly careful to provide themselves with a remedy in the event a tenant should breach his covenant to pay rent when due. At common law, rent does not accrue on a day to day basis, but accrues at the end of the rental term;²⁴ but the parties may provide for any due date in the lease.²⁵ Absent a clause in the lease providing for default in rent payment, if a tenant should vacate the premises prior to the end of the lease term, the landlord has two options: he may relet the premises with the right to bring an action against the tenant for the difference in rent (if he is unable to relet at the same or a higher rent), or he may allow the premises to remain vacant for the balance of the term, suing for each installment of the rent as it becomes due.²⁶ Both of these methods insure that the landlord will receive the value of the rent for the term of the lease, although the first method is probably far more practical and alleviates problems associated with having the premises vacant for an extended period of time. However, another method to insure payment of rent and to maximize the relief available to the landlord is a clause in the lease providing that in the event of a default in the rent the entire amount of rent remaining in the lease shall become immediately due and payable.²⁷

²² *Orgain v. Butler*, 478 S.W.2d 610 (Tex. Civ. App. 1972).

²³ *Id.* at 615.

²⁴ *Gentry v. Bodan*, 347 F.Supp. 367 (W.D. La. 1972); *Stiles v. Lambert*, 39 Ala. App. 15, 94 So.2d 784 (1959), *aff'd*, 266 Ala. 184, 94 So.2d 788 (1957); *Rogoski v. McLaughlin*, 228 Ark. 1157, 312 S.W.2d 912 (1958); *Silveria v. Ohm*, 33 Cal.2d 272, 201 P.2d 387 (1949).

²⁵ *Hinton v. Jackson*, 78 Ga. App. 62, 50 S.E.2d 254 (Ga. Ct. App. 1948).

²⁶ *Chandler Leaving Div. v. Florida-Vanderbilt Dev. Corp.*, 464 F.2d 267 (5th Cir. 1972); *see also Hyman v. Cohen*, 73 So.2d 393 (Fla. 1954); *D. H. Overmeyer Co. v. Blakely Floor Covering, Inc.*, 266 So.2d 925 (La. App. 1972); *Tanella v. Rettagliatta*, 120 N.J. Super. 400, 294 A.2d 431 (N.J. Dist. Ct. 1972).

²⁷ For an example of a rent acceleration clause, see M. LEIBERMAN, *EFFECTIVE DRAFTING OF LEASES*, 599, 600 (1956).

Courts have differing views as to whether or not these rent acceleration clauses are void as penalties.²⁸ Where a landlord accelerates the rent of a defaulting tenant who has vacated the premises, he must apply any rent he receives from reletting to the former tenant's rent.²⁹ In the California case of *Ricker v. Rombough*,³⁰ the landlord declared the rent acceleration clause to be in addition to any other remedies which he might have upon any default, failure, or neglect. The court struck down the rent acceleration clause for being a penalty, since the provision had no relation to the actual damages which were sustained and was the clearest kind of a penalty.

Another method of accomplishing the same thing is available to landlords in jurisdictions where rent acceleration clauses are held to be penalties. Since the lease can provide any due date for rent agreed to by the parties,³¹ the lease might provide that the entire rent, for the term only, is due and payable at the making of the lease, but that the landlord, for the convenience of the tenant, will allow payment in installments provided that should the tenant default, the entire amount shall become due and payable.³² The concept that monthly rent is only an installment of total rent has been recognized as valid,³³ and might provide landlords with a way around the penalty argument by reason of the fact that a past debt, rather than a future debt, is being made presently due.

Forfeiture and Re-entry

Frequently, high-rise leases provide that the landlord may, at his option, cause the tenant to forfeit the lease if he breaches any of the covenants or conditions therein. Normally in a lease of real property, when a landlord seeks to cause a forfeiture of the lease, the court is faced with the issue of whether the tenant has breached a covenant or a condition. If the tenant has breached a condition, forfeiture is automatic since a condition is a qualification or restriction on the estate, which terminates such estate upon breach.³⁴ But if the tenant has breached a covenant, the remedy is normally an action

²⁸ *Maddox v. Hobbie*, 228 Ala. 80, 152 So. 222 (1934); *H. M. Price Hardware Co. v. Meyer*, 224 Ala. 35, 138 So. 543 (1931); *Erickson v. O'Leary*, 127 Kan. 12, 273 P. 414 (1929); *Shepard Realty Co. v. United Shoe Stores Co.*, 193 La. 211, 190 So. 383 (1939); *Belnord Realty Co. v. Levison*, 204 App. Div. 415, 198 N.Y.S. 184 (1923); *Moretti v. Zanfino*, 127 Pa. Super. 286, 193 A. 106 (1937); *Gentry v. Recreation, Inc.*, 192 S.C. 429, 7 S.E.2d 63 (1940).

²⁹ *Engleberg v. Morris*, 25 Misc. 2d 409, 202 N.Y.S. 2d 670 (Long Beach City Ct. 1960).

³⁰ *Ricker v. Rombough*, 120 Cal. App.2d 912, 261 P.2d 328 (Cal. Super. Ct. 1953).

³¹ *Hinton v. Jackson*, 78 Ga. App. 62, 50 S.E.2d 254 (1948).

³² For an example of the form of such a clause see M. LEIBERMAN, *EFFECTIVE DRAFTING OF LEASES* 600 (1956).

³³ *Isguith v. Athanas*, 33 A.2d 733 (D.C. Mun. Ct. 1943).

³⁴ *Woodbrook Associates v. Prospect*, 110 N.Y.S. 2d 337 (N.Y. Mun. Ct. 1952).

for the damages rather than forfeiture; since covenants do not qualify or restrict the estate they are “. . . extrinsic obligations giving rise to rights and remedies extraneous to the substance with which leases, rental agreements and tenancies deal.”³⁵ But it is possible for nonperformance of a covenant to work a forfeiture if so provided in the lease.³⁶ With such a lease provision it does not matter whether the breach consisted technically of nonperformance of a covenant or a condition, since the landlord has the remedy of forfeiture in either case; or does he? Perhaps, from the landlord's point of view, it would be better for the breach to be nonperformance of a covenant since in that case he could conceivably have his choice of remedies rather than an automatic forfeiture.

Landlords may experience problems enforcing these forfeiture provisions in cases where they are poorly-worded, or the violations are insubstantial. Courts do not favor forfeitures.³⁷ In the New York case of *Mutual Redevelopment Houses Inc. v. Hanft*,³⁸ the tenants kept a dog in their apartment, clearly in violation of the terms of their lease. Notwithstanding a lease provision that violation of rules of conduct by tenants constituted a substantial violation of the lease obligation, the court, in refusing to grant forfeiture, held “. . . the lease does not *per se* make a violation of any rule or regulation a violation of substantial lease obligation.”³⁹

Although breach of a condition works a forfeiture on the tenant, even with no lease provision so providing, the landlord has no right of reentry on the premises for breach of either condition or covenant by the tenant; however, the landlord may reserve for himself such a right by an express lease provision.⁴⁰

Waiver of Service and Confession of Judgment

Should high-rise landlords have to resort to a civil action for rent, it usually amounts to no more than a simple, expedient summary action. The reason for this simplicity is a cognovit provision in the lease providing that the lessee waives his right to service of process and authorizes anyone to confess judgment in his behalf in any court of law. This amounts to an action being brought against the tenant

³⁵ *Id.* at 344. See, e.g., *Wehrle v. Landsman*, 23 N.J. Super. 40, 92 A.2d 525 (1952).

³⁶ *Augusta Corp. v. Strawn*, 174 So.2d 422 (Fla. Dist. Ct. App. 1965); *Wehrle v. Landsman*, 23 N.J. Super. 40, 92 A.2d 525 (1952); *contra*, *Hague v. Sterns*, 175 Neb. 1, 120 N.W.2d 287 (1963).

³⁷ *Jamaica Bldrs. Supply Corp. v. Buttelman*, 25 Misc. 2d 326, 205 N.Y.S. 2d 303 (1960).

³⁸ 42 Misc. 1044, 249 N.Y.S. 2d 988 (N.Y. Civ. Ct. 1964).

³⁹ *Id.* at 1047, 249 N.Y.S. 2d 991.

⁴⁰ *Hague v. Sterns*, 175 Neb. 1, 120 N.W.2d 287 (1963); *Wehrle v. Landsman*, 23 N.J. Super. 40, 92 A.2d 525 (1952).

for rent and a judgment against him being taken by the landlord, all unbeknown to the tenant until he receives notice of the judgment from the court.

Waiver of service is upheld in many courts.⁴¹ In jurisdictions that regard service of process as being necessary only to put the tenant on notice of litigation pending against him, waiver of service may be upheld based on the reasoning that notice is waivable.⁴² Courts that regard service of process as an element of personal jurisdiction might reason that since personal jurisdiction is waivable,⁴³ its elements are waivable.

Confession of judgment clauses will be constructed strictly in favor of the party confessing judgment⁴⁴ and must clearly state the extent of that party's liability in order to be valid.⁴⁵ *Egyptian Sands Real Estate Inc. v. Polony*⁴⁶ involved a commercial lease with a confession of judgment clause for nonpayment of rent; the lessee, who had a limited knowledge of the English language, was induced by the lessor to sign the lease without consulting his own counsel. The court refused to uphold the clause on the grounds that authority to confess judgment must be clearly given and will be construed strictly against the party benefiting from it.

Although courts construe confession of judgment clauses strictly, if they are carefully drafted and coupled with a waiver of service clause, they provide an easy method for high-rise landlords to obtain judgments against their tenants for past due rent which the tenants cannot defend.

Landlord's Liability

Owners of residential property may be subject to liability for personal injury of tenants. A landlord's liability for injury to the tenant (or the tenant's licensee) differs depending upon whether the injury takes place on that portion of a multifamily dwelling which is under the exclusive control of the tenant in question, or on that portion which is common to several tenant families. With regard to the portion of individual apartment premises under the exclusive possession of an individual tenant family, the landlord is under a

⁴¹ *Adair v. Adair*, 220 Ga. 852, 142 S.E.2d 251 (1965); *Little v. Miller*, 220 Md. 309, 153 A.2d 271 (Md. App. Ct. 1959); *Waters v. McBee*, 244 N.C. 540, 94 S.E.2d 640 (1958); *Board of Educ. v. Marting*, 88 Ohio L. Abs. 453, 185 N.E.2d 583 (C.P. 1961); *Lafko v. Lafko*, 127 Vt. 609, 256 A.2d 166 (1969).

⁴² *East Carolina Lumber Co. v. West*, 247 N.C. 699, 102 S.E.2d 248.

⁴³ *Kleinfeldt v. Shoner's of Charlotte, Inc.*, 257 N.C. 791, 127 S.E.2d 573 (1962).

⁴⁴ *Kline v. Marianne Germantown Corp.*, 438 Pa. 41, 263 A.2d 362 (1970); *Citizens Nat'l Bank v. Rose Hill Cem. Ass'n.*, 218 Pa. Super. 366, 281 A.2d 73 (1971).

⁴⁵ *Grundy County Nat'l Bank v. Westfall*, 49 Ill.2d 498, 275 N.E.2d 374 (1971).

⁴⁶ 222 Pa. Super. 315, 294 A.2d 799 (1972).

duty to either repair latent defects (existing at the time of making the lease), or to warn the tenant of their presence.⁴⁷ Such latent defects include defects of which the landlord was aware or should have been aware, prior to the tenant's taking possession of the premises; however, once the tenant becomes aware of the defect through notice by the landlord or any other means, the landlord's liability ceases.⁴⁸

A landlord's liability for common areas is of greater interest in this note due to the number of recreational apparatus and facilities that high-rise apartment buildings offer for common use by tenants. Swimming pools, sauna baths, gymnasiums, etc. are tremendous sources of personal injury. Unfortunately for the high-rise landlord, his liability is greater in such common areas than those areas exclusively held by the individual tenants;⁴⁹ the law requires landlords to keep common areas in such a reasonable state of repair as not to cause injury to tenants without regard to the time of making the leases.⁵⁰ In *Joyner v. Aetna Casualty and Surety Co.*,⁵¹ the tenant-plaintiff was injured when the fixture forming the fulcrum for a diving board on an apartment swimming pool broke; the court held that the landlord's obligation to the tenant with regard to safety of common areas extends beyond the buildings to all areas available to tenants.

In order to escape liability for personal injury, landlords frequently include exculpatory clauses in their leases.⁵² The courts are divided as to whether they will uphold such exculpatory clauses.⁵³ In *Middleton v. Lomaskin*,⁵⁴ the court upheld an exculpatory clause, stating: "Generally exculpatory contracts which attempt to relieve a party of his own negligence are not looked upon with favor; however, such contracts have been held valid and enforceable in Florida, where such intention was made clear and unequivocal in such contracts."⁵⁵ In *Ragland v. Rooker*⁵⁶ an exculpatory clause was insuffi-

⁴⁷ *Johnson v. O'Brien*, 258 Minn. 502, 105 N.W.2d 244 (1960).

⁴⁸ *Dorswitt v. Williams*, 51 Cal. App. 623, 125 P.2d 626 (Cal. Dist. Ct. App. 1942).

⁴⁹ *Annot.*, 39 A.L.R.3d 824 (1971).

⁵⁰ *Gardner v. Stonestown Corp.*, 145 Cal. App.2d 405, 302 P.2d 674 (1956); *Weidner v. Schottenstein*, 111 Ohio App. 623, 169 N.E.2d 304 (1960).

⁵¹ 240 So.2d 545 (La. App. 1970).

⁵² For an example of an exculpatory clause in a lease, see *Middleton v. Lomaskin*, 266 So.2d 678 (Fla. Dist. Ct. App. 1972).

⁵³ *Annot.*, 49 A.L.R.3d 321 (1973).

⁵⁴ 266 So.2d 678 (Fla. Dist. Ct. App. 1972).

⁵⁵ *Id.* at 680.

⁵⁶ 124 Ga. App. 341, 183 S.E.2d 579 (1971).

cient to save the landlord from liability where the defect was in the apartment itself; the court reasoned that an exculpatory clause cannot excuse reckless disregard for safety.

With the increasing growth in demand for high-rise apartments, the possibility of unequal bargaining power is of particular interest. Unequal bargaining power on the part of the tenant has been recognized as a valid argument against exculpatory clauses in leases.⁵⁷

There are two sides to the exculpatory clause dispute. High-rise landlords, by providing recreational facilities for their tenants, which include numerous and varied instrumentalities to be used in obtaining physical exercise, subject themselves to tremendous personal liability. However, the tenants certainly can argue that these facilities are "part of the deal," and possibly induced them to lease from the particular landlord. Since the tenants are at the mercy of dangerous conditions in these facilities, if they choose to use them, they should have the right to hold the landlord liable for his negligence with regard to their condition.

Conclusion

Adhesion contracts have been defined by Professor Ehrenzweig as "agreements in which one party's participation consists in his mere 'adherence', unwilling and often unknowingly, to a document drafted unilaterally and insisted upon by what is usually a powerful enterprise."⁵⁸ There is a strong indication that high-rise apartment leases meet the unilateral drafting requirements of this definition. Landlords often provide themselves with numerous remedies for damage to the premises, breach of covenants and conditions, failure to pay rent, and failure to observe rules, while protecting themselves from personal liability for negligence toward the tenants. Certainly the landlord is entitled to performance of the contract by the tenant, and entitled to all legal remedies for the tenant's nonperformance. However, one-sidedness in favor of the landlord is indicated in that many of these leases provide the landlord with every imaginable remedy, provide the tenant with little opportunity to defend actions against him by the landlord, and protect the landlord from liability for his negligence toward the tenant. The increased building rate and decreasing vacancy rate in multifamily dwellings (especially the high-rise variety) indicate a surging demand for such dwellings. Hence, an inability by tenants to negotiate more favorable lease con-

⁵⁷ *Cardona v. Eden Realty Co.*, 118 N.J. Super. 381, 288 A.2d 34 (App. Div. 1972), citing *Mayfair Fabrics v. Henley*, 48 N.J. 483, 226 A.2d 602 (1967); *Kuzniak v. Brookchester*, 33 N.J. Super. 575, 111 A.2d 425 (App. Div. 1955).

⁵⁸ Ehrenzweig, *Adhesion Contracts in the Conflict of Laws*, 53 COLUM.L.REV. 1072, 1075 (1953).

ditions is indicated. High-rise contract leases of the variety discussed in this note bear at least a strong resemblance to adhesion contracts defined above.

However, there are indications that the situation may be changing. The American Bar Foundation's tentative landlord-tenant code and the National Conference of Commissioners on Uniform State Laws indicate suggested revisions in landlord-tenant law, aimed at equalizing the obligations in leases.⁵⁹ A bill is presently before the General Assembly of the State of Ohio "... to provide the defense of retaliatory eviction in actions to recover residential real property, to create an implied warranty of habitability and repair by the lessor of residential real property and to provide alternative remedies for enforcement of such warranties for the purpose of rehabilitating and repairing substandard housing."⁶⁰ Additionally, this bill, if passed, would allow the lessee to withhold rent if the landlord fails to fulfill statutory warranties,⁶¹ force landlords to pay interest on security deposits that are greater than one month's rent,⁶² strike down confession of judgment clauses,⁶³ and allow lessees to organize for collective bargaining.⁶⁴

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⁵⁹ AMERICAN BAR FOUNDATION, LANDLORD-TENANT CODE (tent. draft); NATIONAL CONFERENCE OF COMMISSIONERS ON UNIFORM STATE LAWS, SUGGESTED REVISIONS IN LANDLORD-TENANT LAW.

⁶⁰ S.B. No. 103, 110th General Assembly of the State of Ohio, Regular Session, 1973-74.

⁶¹ *Id.* at 12-13.

⁶² *Id.* at 18.

⁶³ *Id.* at 16.

⁶⁴ *Id.* at 16.

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