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APARTMENT ANGLES MEDIATION

Teaching Note

Originally written for mediators in a landlord-tenant mediation program under the auspices of New Zealand's Building and Housing Authority, this version is set in the US: state and precise court are unnamed and unimportant.

A resolution will only be reached if the parties disclose information about their interests and circumstances. While that could be done initially in caucus, the information would eventually have to be provided to the opposing party. Briefly stated, the reason the tenant hasn't been paying rent is that one spouse lost their job, while the other is pursuing a nursing degree (and had quit their teaching job to do it.). They will have a nursing job in a few months and would be able to pay rent. However, they don't like their current inexpensive apartment's location in this large apartment complex because it's adjacent to an area that has become increasingly noisy. The family is under some stress because a recently widowed grandfather lives in a three-bedroom apartment 60 miles away (with rent at \$1,200, covered by his pension, but barely).

Atrium Villages recognizes that Reardon's side of the complex has become increasingly noisy and undesirable. They've reduced the offered rent for new tenants in one-bedroom units (like the Reardon's) from \$600 to \$480 on that side. (Note: that suggests a slight reduction in past rent due, assuming back rent is part of the settlement.). Atrium Villages had considered offering a small apartment on a much higher floor or the other side. The Atrium Village manager hadn't talked to the Reardon's about that option because they assumed at least one of the Reardon's was still employed and that their refusal to pay rent was willful, not due to hardship. (Atrium Villages is generally willing to work with tenants facing temporary hardship who take rent obligations seriously.)

Atrium Villages has another business interest that might dovetail nicely with the Reardon's. The apartment complex has vacant two and three-bedroom units on the more desirable side of the complex, and they would like to attract older more long-term renters. While the rents are higher, they are in the same ballpark as what the Reardon's grandfather is paying, 60 miles away. Thus, one option to explore is whether the grandfather would move to Atrium Villages and take one of these apartments. Temporarily, it might be possible for the Reardons to share the grandfather's apartment within the complex, to save rent before they are fully employed. In real life, these details wouldn't necessarily be resolved in an initial session: the spouse and the grandfather would have to weigh in. But surely, they could be part of a tentative agreement within a course or workshop context.

Of course, the parties are unlikely to reach an agreement unless they both feel respected, and they both learn the other was not acting in bad faith. Reardon must learn that the Atrium does work with tenants under economic stress and has always respected the Reardons as good tenants; Atrium must believe the Reardons' financial hardship is real, they value living in the complex, and are committed to paying rent in the future.