

HOUSING REFERRAL OFFICE INFORMATION

-FIXED VERSUS VARIABLE UTILITIES- (How To Stay Out Of Trouble In Your New Assignment)

So you've found your dream home in Germany and are considering writing a contract (KEEP READING, THIS IS IMPORTANT!). The question of utilities comes up and your sponsor or some other well-intentioned friend has advised you to tell the Housing Office, that your utilities are fixed, meaning, that you pay the landlord a fixed sum each month and there is no reconciliation when the bill comes. This friend has also advised you to work a deal off-line with your landlord to reconcile the bill when it comes in. He/she indicates this deal works well, because then you can disguise your utilities as metered, maybe get a rebate from the landlord and increase your rent ceiling all at one time.

You think, "Hey, I have a lot of expenses, so, why not? Besides, I need the money and these landlords are taking advantage of U.S. service members anyway". What just happened is you've gotten yourself in trouble, because you've disguised variable utilities as fixed to achieve an additional entitlement.

What happens when the utility bill is more than the "fixed" amount? The landlord might go to the Housing Office claiming he had a verbal agreement with you that you would pay any "additional" amount. The Housing Officer advises the landlord, that the contract says "fixed" and he is due no entitlement. This situation occurs repeatedly. Unfortunately, it casts doubt on your integrity and destroys landlord/tenant relationships.

If there is no disagreement, and you accept a rebate, you have just committed a crime - simple as that.

BOTTOM LINE: *If reconciliation is required, any utilities paid to the landlord cannot, repeat cannot be "blended" into the rent. Also forget the word "included". The lease has to show the basic rent and a separate amount for the utilities paid to the landlord, either "fixed" or "metered".*

Explain the utility arrangement truthfully and factually to your Housing Officer and ask him to write the contract accordingly. He knows the rules and will also fill out the DD Form 2367 correctly (the Finance Office will only get this form, no copy of the contract). **DON'T ASK HOUSING OFFICERS TO WORK DEALS - THEY WON'T** and you may be asked to explain your request.

This has been written by a former IG.