

**18 GCA BUSINESS STRUCTURE & FUNCTION**  
**CH. 51 HIRING OF REAL PROPERTY**  
**(LANDLORD & TENANT)**

**CHAPTER 51**  
**HIRING OF REAL PROPERTY**  
**(LANDLORD & TENANT)**

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**§ 51101. Lessor to Make Dwelling Habitable.**

The lessor of a building intended for the occupation of human beings must, in the absence of an agreement to the contrary, put it into a condition fit for such occupation, and repair all subsequent dilapidations thereof, which render it untenable, except such as are mentioned in § 50105 of this Part.

**SOURCE:** CC § 1941.

**§ 51102. Lessee Repairs.**

If within a reasonable time after notice to the lessor, of dilapidations which he ought to repair, he neglects to do so, the lessee may repair the same himself, where the cost of such repairs does not require an expenditure greater than one month's rent of the premises, and deduct the expenses of such repairs from the rent, or the lessee may vacate the premises, in which case he shall be discharged from further payment of rent, or performance of other conditions.

**SOURCE:** CC § 1942.

**§ 51103. Hiring without Time Limit.**

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A hiring of real property, other than lodgings and dwelling houses, in places where there is no usage on the subject, is presumed to be for one year from its commencement, unless otherwise expressed in the hiring.

**SOURCE:** CC § 1943.

**§ 51104. Hiring, Indefinite Term.**

A hiring of lodgings or a dwelling house for an unspecified term is presumed to have been made for such length of time as the parties adopt for the estimation of rent. Thus a hiring at a monthly rate of rent is presumed to be for one month. In the absence of any agreement respecting the length of time or the rent, the hiring is presumed to be monthly.

**SOURCE:** CC § 1944.

**§ 51105. Renewal, Continued Possession.**

If a lessee of real property remains in possession thereof after the expiration of the hiring, and the lessor accepts rent from him, the parties are presumed to have renewed the hiring on the same terms and for the same time, not exceeding one month when the rent is payable monthly, not in any case one year.

**SOURCE:** CC § 1945.

**§ 51106. Notice to Quit.**

A hiring of real property, for a term not specified by the parties, is deemed to be renewed as stated in the last section, at the end of the term implied by law, unless one of the parties gives notice to the other of his intention to terminate the same, at least as long before the expiration thereof as the term of the hiring itself, not exceeding one month.

**SOURCE:** CC § 1946.

**§ 51107. When Rent is Payable.**

When there is no usage or contract to the contrary, rents are payable at the termination of the holding, when it does not exceed one year. If the holding is by the day, week, month, quarter, or year, rent is payable at the termination of the respective periods, as it successively becomes due.

**SOURCE:** CC § 1947.

**§ 51108. Attornment to Stranger.**

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The attornment of a tenant to a stranger is void, unless it is made with the consent of the landlord, or in consequence of a judgment in a court of competent jurisdiction.

**SOURCE:** CC § 1948.

**§ 51109. Tenant to Deliver Notices.**

Every tenant who receives notice of any proceeding to recover the real property occupied by him, or the possession thereof, must immediately inform his landlord of the same, and also deliver to the landlord the notice, if in writing, and is responsible to the landlord for all damages which he may sustain by reason of any omission to inform him of the notice, or to deliver it to him if in writing.

**SOURCE:** CC § 1949.

**§ 51110. Partial Room Leasing Forbidden.**

One who hires part of a room for a dwelling is entitled to the whole of the room, notwithstanding any agreement to the contrary; and if a landlord lets a room as a dwelling for more than one family, the person to whom he first lets any part of it is entitled to possession of the whole room for the term agreed upon, and every tenant in the building, under the same landlord, is relieved of all obligation to pay rent to him while such double letting of any room continues.

**SOURCE:** CC § 1950.

**§ 51111. Oral Leases; Limitation on Raising Rents.**

Notwithstanding and other provision of law, no landlord may raise the monthly rental of any tenant who occupies a residential unit used as a primary residence which is held pursuant to a verbal or oral lease or oral or verbal rental agreement by more than five percent (5%) per annum. Any such verbal agreement or lease shall be for an initial period of one year, and during such period, the tenant may not be evicted except for nonpayment of rent or for damage or destruction of the rented premises. At the expiration of such one year period and thereafter, the landlord shall give the tenant 90 days notice of eviction, except in cases of nonpayment of rent or damage or destruction of the rental premises by the tenant. In such cases, the landlord may not increase the rent by more than five percent (5%) per annum, and may not evict a tenant or terminate an oral or verbal lease or rental agreement in such case for the sole purpose of increasing the rent on a

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premises which has been rented pursuant to an oral or verbal lease or rental agreement.

It is the position of the Legislature that all residential rental agreements and leases should be in writing signed by both parties. Therefore, this Section shall not apply to written leases or rental agreements signed by both parties, nor shall it apply to the rental of residential or other property pursuant to a written lease or rental agreement. This Section shall apply only to verbal leases or verbal rental agreements entered into after January 1, 1988.

**SOURCE:** New section added by Compiler. Originally, this section was an uncodified section enacted by P.L. 19-10:XI:29 (11/14/87).

**§ 51112. Civil Penalty.**

(a) The Department of Revenue and Taxation shall monitor, control, and regulate the process of investigating and collecting fees from any facility verbally expressing or advertising the lease or the use of property as a lodging facility accommodating transient visitors that is being operated without the proper licenses.

(b) The owner(s) of a property verbally expressing or advertising the lease or the use of their property as a lodging facility and marketed or advertised for transient guests without proper licenses shall:

(1) be punishable, upon determination by the Director or his duly authorized designee of the Department of Revenue and Taxation, by a fine of Five Thousand Dollars (\$5,000).

(A) The owner(s) shall be issued a notice to cease operations by the Department of Revenue and Taxation within twenty-four (24) hours of conviction.

(B) The owner(s) may resume operations once all licenses have been acquired and can be provided upon request; and

(2) (A) any owner(s) of a property issued a second (2nd) notice to cease operations by the Director or his duly authorized designee of the Department of Revenue and Taxation within one (1) year of the first (1st) notice shall be punishable, upon determination by the Director or his duly authorized designee of the Department of Revenue and Taxation, by a fine of Ten Thousand Dollars

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(\$10,000) for every day they are found to have remained in operation.

(B) The owner(s) of the property shall not be able to apply for any license to conduct business on Guam for a term of one (1) year.

(c) Any property being managed and used as a lodging facility, whether verbally expressed or advertised and marketed toward transient guests by a short term vacation unit emergency contact, on-site manager, or similar lodging facility operator(s), other than the owner(s) of the property, and operates without the proper licenses shall:

(1) (A) be punishable, upon determination by the Director or his duly authorized designee of the Department of Revenue and Taxation, by a fine of Five Thousand Dollars (\$5,000) and be issued a notice to cease operations within twenty-four (24) hours of conviction and until all licenses have been acquired and can be provided upon request.

(B) The owner(s) of the property shall be provided with a “Notice of Illegal Operation” on their property within twenty-four (24) hours of the lodging facility operator(s) notice to cease operations; and

(2) (A) after a second (2nd) notice to cease operations has been given to the lodging facility operator(s) by the Director or his duly authorized designee of the Department of Revenue and Taxation within one (1) year of the first (1st) notice, the lodging facility operator(s) shall be punishable, upon determination by the Director or his duly authorized designee of the Department of Revenue and Taxation, by a fine of Ten Thousand Dollars (\$10,000) for every day they are found to have remained in operation.

(B) The lodging facility operator(s) of the business shall not be able to apply for any license to conduct business on Guam for a term of one (1) year.

(C) The owner(s) of the property shall be given a second (2nd) notice of illegal operation on their property and shall be punishable, upon determination by the Director or his duly authorized designee of the Department of Revenue and Taxation,

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by a fine of Five Thousand Dollars (\$5,000) for every day the lodging facility operator(s) has been found to have remained in operation on the property.

**SOURCE:** Added by P.L. 33-165:9 (June 30, 2016).

**2016 NOTE:** Subitem designations were added to adhere to the Compiler's general codification and alpha-numeric schemes pursuant to 1 GCA § 1606.

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