\$2.95 **JULY 2020**

RHA Oregon President: All's Not Quite Right

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Potential Tenants Prefer Tours Without an Agent Tagging Along

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Portland Rents Continue to Decline

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6 Signs Your AC May Need **Repair Now**

The need for unexpected airconditioning repair is not a surprise you want when tenants call in the heat of the season. This month's maintenance tip focuses on six signs your system may be faltering.

The first day of summer was June 20; are the air-conditioning systems in your rental properties ready for the heat?

If the answer to that question is a cautious, "I don't know," then you might want to call your local air conditioner repair company for an inspection.

When the heat arrives in full force, those rusty appliances could cost you thousands in emergency repairs and lead to miserable, sweat-filled days

See '6 Signs' on Page 13

Not All Screening Firms the Same



When you're shopping for a shirt, it's easy to compare the quality of two options by looking at them side by side. You ask yourself questions like: Do I like the style? How is the stitching? Is the material going to last after one wash? How does it fit my build? This physical, tactile data gives you the necessary information to purchase the right shirt for your particular need.

Unfortunately, when it comes to backgrounds and screening your prospective tenants, you don't have the same luxury. As a landlord, the tenant-background research process and results are invisible, seeming like smoke and mirrors. You've probably asked yourself, "How do I quickly get a

See 'How to Find' on Page 10

Property Management Companies, Others File Suit Over Seattle 'Autonomous Zone'

RENTAL HOUSING JOURNAL

Property management companies in Seattle and other businesses have filed a class-action suit in federal court against the City of Seattle over the Capitol Hill Autonomous Zone (CHAZ), claiming the city "enabled the widespread destruction and vandalism of private property."

The lawsuit says businesses, employees and residents have been overrun by "the city of Seattle's unprecedented decision to abandon and close off an entire city neighborhood, leaving it unchecked by the police, unserved by fire and emergency health services, and inaccessible to the public at large.

"The city's decision has subjected businesses, employees, and residents of that neighborhood to extensive property damage, public-safety dangers, and

an inability to use and access their employees, and residents." properties."

The lawsuit says it does not seek to dilute the participants' right to free speech or their message.

Those filing the lawsuit say, "Plaintiffs support the free-speech rights of many of those who have gathered on Capitol Hill," and "Black Lives Matter who, by exercising such rights, are bringing issues such as systemic racism and unfair violence against African Americans by police to the forefront of the national consciousness.

"This lawsuit does not seek to undermine CHOP (Capitol Hill Organized Protest) participants' message or present a counter-message. Rather, this lawsuit is about the constitutional and other legal rights of plaintiffs—businesses,

The suit says property owners and their tenants have not been able to fully use their properties.

"Property owners and tenants have, for instance, had to lock and barricade their garages and loading areas at risk of having participants entering and vandalizing them.

"Property owners have been told by CHOP participants that if they dare to paint over graffiti, their buildings will be more severely vandalized or even burned to the ground.

"The city has done nothing to prevent this conduct, but, instead, has actively endorsed and supported the ongoing occupation of the CHOP area and the

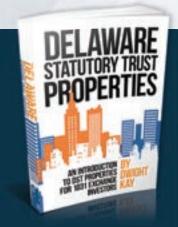
See 'Widespread' on Page 8





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Kay Properties Online Real Estate Marketplace Platform

BY DWIGHT KAY,
CEO AND FOUNDER, KAY PROPERTIES AND INVESTMENTS, LLC
AND CHAY LAPIN,
SENIOR VICE PRESIDENT, KAY PROPERTIES AND INVESTMENTS, LLC

entire country and across multiple real estate asset classes.

At Kay Properties we have created an online real estate platform and marketplace at www.kpi1031.com that provides investors the opportunity to explore various 1031 exchange investment opportunities across the

More importantly, we have created an extensive real estate and 1031 exchange educational platform. Over the years, investors from across the world have used the Kay Properties Platform to educate themselves and learn about the various categories within the 1031 exchange and real estate investing industry.

Every investor learns in their own way and we have been able to accommodate various options for people within our educational platform, a few examples are: a published book, live updated blog, case studies, press center, video content, podcasts, weekly educational conference calls, an audiobook, free Subscription to the DST industry magazine and a free subscription to the 1031 Exchange Times newspaper (Sign up for free at www.kpi1031.com or email info@kpi1031.com to sign up for your free subscriptions).

The Kay Properties Marketplace Platform has provided investors access to over 25 different real estate sponsor companies that put together various opportunities for investors primarily within the asset classes such as Multifamily/Residential, various Commercial Assets, Net Lease Properties, Industrial, Medical and Self-Storage.

Within the marketplace, investors can review offering documents that include the business plan, due diligence materials and the risk factors of each 1031 investment. This is where the www.kpi1031.com marketplace

platform really sets itself apart from others.

If an investor were to go out on their own to purchase real estate, they may have to potentially spend thousands of dollars on legal fees and due diligence reports (property condition report, appraisal, environmental report, survey, zoning report, etc) in order to confirm that there are no major issues with the property, and these due diligence reports can take weeks to be completed as well as are very costly. On the Kay Properties marketplace, this information has already been completed and provided for investors to review.

The typical investor that has invested in the Kay Properties Marketplace has looked to complete a 1031 exchange, diversify their real estate holdings by making cash investments, or utilizing various other investment options such as Opportunity Zone Fund investments.

These investment options can be great for investors who have very real capital gains tax problems due to selling appreciated assets, for those investors who no longer want to manage their property and deal with tenant headaches, as well as for investors who have a full-time job and dont have time to manage real estate on top of their full schedule.

One potential advantage that the Kay Properties Platform provides to investors is access to nationwide data; we work and partner with some of the largest real estate companies in the country that provide us with their research and give an overview of their assets and performance. This can potentially help to set investors on the www.kpi1031.com marketplace ahead of others.

The Kay Properties Platform has had clients from across the country invest into over \$20 billion worth of real estate offerings that were both for 1031 exchange investors via Delaware Statutory Trust - DST offerings, Opportunity Zone Fund investors and direct cash investors seeking a way to diversify away from stock market volatility.

About Kay Properties and www.kpi1031.com

Kay Properties is a national Delaware Statutory Trust (DST) investment firm. The www.kpi1031.com platform provides access to the



marketplace of DSTs from over 25 different sponsor companies, custom DSTs only available to Kay clients, independent advice on DST sponsor companies, full due diligence and vetting on each DST (typically 20-40 DSTs) and a DST secondary market. Kay Properties team members collectively have over 115 years of real

estate experience, are licensed in all 50 states, and have participated in over 15 Billion of DST 1031 investments.

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Vendors across the region have, like you, modified the way we do business. Masks, gloves and sanitizer are now staples on our shelves next to the products we sell you or the products we use in providing a service to you. When we received the shut-down order from the governor we benched our service team like many vendor-partners did. And like many companies, we did that WITH pay despite the PPP not being available to everyone.

Things are looking up.

Our offices see 1760 businesses in Oregon and SW Washington every month. As a building services provider we are considered an essential service. In the Portland market two weeks into the shutdown, we were able to service 49% of our customers. We did that with just the owners working. The mantra was, "From warehouse to delivery, this product was handled with mask, gloves and sanitizer." By the middle of June we saw a steady increase to 76% being serviced. And the number continues to climb.

We aren't alone.

In my conversations with other vendor-owners and CEOs, I'm hearing the same kind of reports. We have adjusted, and you have welcomed that adjustment. On behalf of all of the vendor-partners that support the rental housing community, thank you. Your willingness to open your doors to us and modify our interactions with us has made a huge impact in the state's economy.

Again, Thank You...

— Ed Winkler CEO

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RHA Oregon President's Message

All's Well With the World? Not Quite

Summer has finally arrived! The days are warm, the financial peril. skies are blue, and all Oregon counties are in some stage of reopening. All is well with the world. Well, not quite.

As I write this, the Oregon Legislature is meeting in a Special Session to pass legislation primarily related to the COVID-19 pandemic and police reform. I had hoped to write that with respect to the statewide moratorium on evictions put in place by Governor Brown's executive order, a new, more balanced law was being put in place. However, that is not quite how it turned out.

By the time you read this, I am sure there will have been several news reports and summaries regarding the legislation, House Bill 4312. Here is my short version: Oregon landlords may not terminate any lease or evict a tenant for non-payment of rent, or terminate any lease without cause, at least through September 30, 2020. One exception: landlords may terminate leases if they have accepted an offer to purchase the dwelling from someone who intends to occupy the dwelling.

As exasperating as this legislation is, it does not go as far as the "rent-forgiveness" position advocated by various tenant organizations. Unfortunately, it does place many landlords, especially the "mom-and-pop" landlords that comprise most members of RHA, in

We all recognize the moral hazard this bill creates by allowing any tenant to simply not pay rent until October 1, with no penalty and no guarantee that the missed rent will ever be paid. Despite testimony offered by landlords and organizations like RHA Oregon, MFNW, and ORHA, the legislature did not adopt a means test or restrict the rent deferral to those tenants impacted by COVID-19. This feature distinguishes Oregon's approach from places like Los Angeles and New York City. I suspect that someone will file a lawsuit in response to this, but given the backlog caused by the closure of the courts, it is unlikely any such suit would be resolved before the end of the emergency period.

So where do we go from here? Here is what Rental Housing Oregon will focus on during the next 90 days:

- We will provide education in the form of virtual courses, panels, and mentor sessions to clarify the impact of the legislation; I encourage you to sign up for one of these Zoom presentations on our website at rhaoregon.org.
- We will prepare forms for your use in October that meet the requirements for giving notice and negotiating a repayment plan for tenants.

We are advocating for rental assistance for landlords, in the form of legislation to be taken up in the next special session; please be prepared to add your testimony when that time comes!

As we are unable to hold either our Under a Starry Night event or our Annual Picnic this summer, we are instead undertaking fund raising to assist our members in severe financial distress. This is a great way that those of us who are not affected by the COVID-19 crisis can assist our colleagues who are.

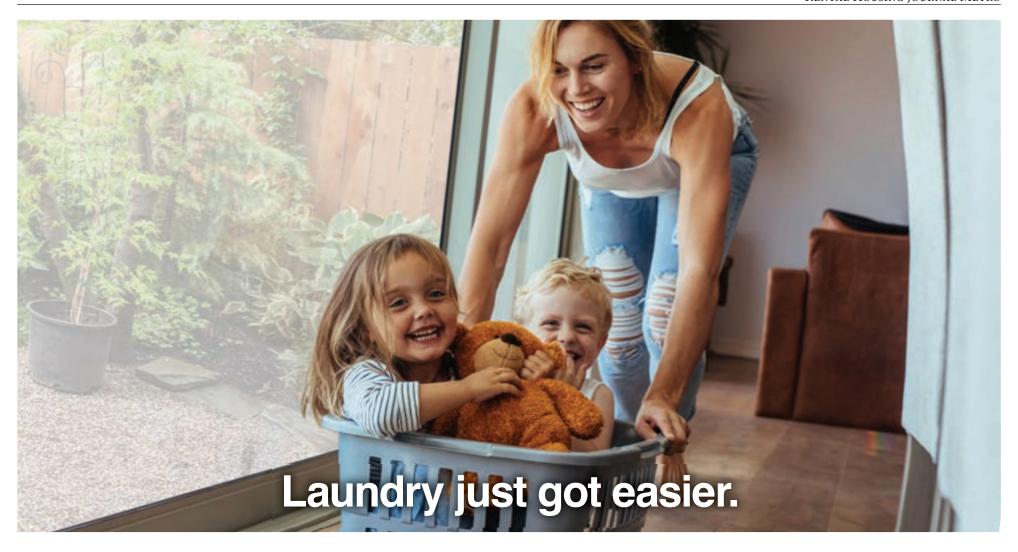
I wish to thank our lobbyist and the members of the RHA Legislative Committee for their work and encouragement during the special session. I also thank everyone that participated in the RHA Oregon and MFNW rent surveys in April, May, and June. Your comments were especially helpful. We joined with MFNW to provide our members, the governor, and the legislature with a picture of the landlord-tenant landscape during COVID-19. We will take a break and see how the situation plays out for the next 90 days, with our next survey likely in October.

Happy Independence Day!

Ken Schriver RHA Oregon President







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Widespread Destruction of Property Alleged in Lawsuit

Continued from Page 1

destruction of property."

The businesses and individuals filing suit say the "city has not listened" to their complaints about destruction of property so they had no alternative but to file a lawsuit. In addition to small businesses and individuals filing the lawsuit, there are many property management companies.

• Hunters Capital, LLC is one of the plaintiffs; it manages multifamily residential and other mixed-use properties in the Capitol Hill neighborhood. "Hunters Capital has suffered, and continues to suffer, economic loss ... its property has been damaged and its tenants and employees have been harassed," the suit says. A maintenance person

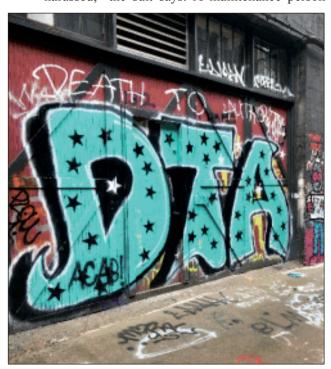


Photo above and top right submitted by the plaintiffs for the lawsuit.

at Hunters Capital was attempting to clean up graffiti on the building "when accosted by a group of CHOP participants" and told to stop the cleanup "and threatened to burn down the building" if the maintenance person did not comply. The company said tenants have been unable to sleep because of the constant noise. "Female tenants in particular have reported concerns about their personal safety in light of the numerous reported instances of sexual assault in CHOP. Some residents have threatened to break leases" with the company "because of extensive problems caused by CHOP." Also the suit says, "tenants have already started to leave because of CHOP, and others cannot pay rent. Every day that passes. more of the company's tenants leave."

- Madrona Real Estate Services, LLC said in the suit that they also have suffered, and continue to suffer, economic loss and other injuries, that their tenants have been harmed and harassed. Madrona also reported that CHOP participants had entered one building, pulled out pipes and set off the fire alarm and set off the sprinkler system, causing evacuation of 100 residents and flooding the parking garage, and "left human feces on multiple premises." Madrona has been unable to lease more than 40 new units in the area "because nobody is interested in moving to CHOP." Also, many of their small commercial tenants are facing bankruptcy.
- The Onyx Homeowners Association has 65 condominiums in the area, and its building has suffered property damage and theft and owners have been harassed and threatened. The president of the association, Wade Biller, "has been physically assaulted by a CHOP participant while attempting to negotiate with CHOP participants in his role as president" of the association. The suit says the building has been subject to graffiti and vandalism and residents calls to 9-1-1 received no



response from the city.

- Redside Partners LLC also manages numerous properties in the Capitol Hill area and "has suffered, and continues to suffer, economic loss from CHOP among other injuries."
- Olive Street Apartments LLC owns two apartment complexes in the CHOP area and also "has suffered, and continues to suffer, economic loss from CHOP, among other injuries." The owner tried to move a dumpster outside the zone so the garbage would get picked up but was "videotaped and harassed" while trying. At the apartments CHOP participants tried to break into the buildings and into mailboxes and the apartments called police "but the police told Olive Street Apartments' security guard that they would not send anyone to the area."

The suit asks an injunction requiring the city to remove barriers and the nuisance created by CHOP and for actual damages to be determined by a jury at trial.

Read the full lawsuit at https://www.documentcloud.org/documents/6956626-CHOPComplaint.html.



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MULTIFAMILY NW

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FORM OF THE MONTH

Assistance/Companion Animal Agreement - M106 OR-WA

DATE PROPE	RTY NAME / NUMBER					
	TITT WANE / NOMBER					
RESIDENT NAME(S)						
JNIT NUMBERS	STREET ADDRESS					
CITY		STATE	ZIP			
Owner/Agent has granted Resi		·	Resident(s) agree	s to the following:		
Only the following describ						
Name	Type	Breed	Age	Weight		
No breeding of any assist						
The assistance animal m		, ,		at all times.		
 No assistance animal with 	No assistance animal with a history of aggressive, threatening or violent behavior will be allowed.					
The assistance animal wi	The assistance animal will not be allowed out of the unit except when under Resident's control.					
6. The assistance animal wi	Il not be chained or tied in an	y way to the exterior part	of the building.			
	not be allowed to use any par pick up the waste. For any re consible to pick up and dispos	ntal unit which includes a	yard designated for			
 The assistance animal windler residents, Owner/Ag 	Il not be allowed to make exc gent, guests or other pets/ass		n threatening condu	ict which might disturb		
9. Any animal waste that is	accumulated in a tray inside	he unit will be disposed of	f properly and pron	nptly.		
10. Resident will immediately	notify Owner/Agent of any pe	ersonal injury or property	damage caused by	the assistance animal.		
11. Any damage attributed to	the assistance animal will be	paid for promptly by Res	ident.			
12. Any additional assistance	animals or any change of as	sistance animal will requi	e a new agreemen	t.		
	ritee shall indemnify, defend a , claims, and demands (inclu of others by any assistance a	ding legal fees, costs, and	expenses) arising	from damage or injury		
Emergency Contact(s): Residen ny assistance animal and may o contact such persons and Ow ny unit:	give him/her/them access to th	e unit to care for my assis	ance animal. Owne	r/Agent is not obligated		
Name	Phone	Emai				
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lo additional fee, deposit or	insurance will be charged of	or required relating to th	e assistance anim	al.		
his agreement does not in any	way alter Owner/Agent's rig	ht to pursue an eviction u	nder the landlord-te	nant law.		
Ve certify that the assistance a	nimal has no history of aggre	essive threatening or viole	ant hehavior			
Ve agree to the above provision		source, uncaterning or viole	on benavior.			
X		X				
RESIDENT	DATE	RESIDENT		DATE		
X		X				
RESIDENT	DATE	RESIDENT		DATE		
X		X				
X RESIDENT	DATE	RESIDENT		DATE		
	DATE			DATE		

If your tenant or applicant shows a doctor's note vouching that their pet is in fact a companion or assistance animal, this is form you'll need to protect your property. The Assistance Companion Animal Agreement contains very similar language detailing tenant responsibility of the Pet Agreement. It's critical that a landlord does not charge any additional fee, deposit, rent, or insurance relating to the assistance animal. Typically, the animal's status of being a companion or assistance animal is determined through the Reasonable Accommodation process, verbal request or written note for the animal. If approved, that assistance or companion animal supersedes any pet policy you may have in place at your property.



Multifan	nily NW Schedule	
JULY 1ST	LANDLORD STUDY HALL – TURNOVER TECHNIQUES	6:30 PM - 8:00 PM
JULY 2ND	HANDLING MOLD CASES	10:00 AM - 11:00 AM
JULY 8TH	HR ISSUES – NEW CHALLENGES MANAGERS FACE	12:00 PM - 1:00 PM
JULY 10TH	IT'S THE LAW – HABITABILITY DISPUTES: HOW TO AVOID THEM AND HANDLE THEM WHEN THEY ARISE	12:00 PM - 1:00 PM
JULY 13TH	PORTLAND'S FAIR ORDINANCES – APPLICATIONS AND SCREENING	10:00 AM - 11:00 AM
JULY 14TH	HUMAN TRAFFICKING – HOW TO SPOT IT AND WHAT TO DO IF YOU THINK IT'S GOING ON AT YOUR PROPERTY	10:00 AM - 11:00 AM
JULY 16TH	PORTLAND'S FAIR ORDINANCES - SECURITY DEPOSITS	10:00 AM - 11:00 AM
JULY 21ST	WA IT'S THE LAW - WINNING COURT STRATEGIES: LEARN HOW TO WIN, BY LEARNING HOW NOT TO	12:00 PM - 1:00 PM
JULY 23RD	ASBESTOS BEST PRACTICES FOR RENTALS	10:00 AM - 11:00 AM

Potential Tenants Like Self-Guided Tours of Rentals Without Agents

RENTCAFE

Self-guided rental-housing tours in person, without the agent, are growing in popularity – not virtual tours, which are everywhere, but actual in-person tours of the property just without the agent, according to a new survey.

RentCafe's survey of 3,500 Americans shows 83 percent would use self-guided

tours, despite having an array of options to tour virtually.

"Unlike virtual tours, self-guided tours allow for an in-person experience, meaning you can tour the actual apartment all by yourself and see how spacious it truly is, how it feels," said Adrian Rosenberg of RentCafe.

Self-guided tours mean visiting

apartments with zero face-to-face interaction. The prospective renters can open and close the apartment door by themselves through a smart lock.

The potential resident picks a date and time from an online calendar, selects a guided or self-guided tour and confirms the appointment.

Then they go through an ID verification

process and receive an address and access code to tour an apartment.

"Living in the time of a pandemic has pushed us into the digital realm faster than ever before, leading to an unprecedented boost in new tech solutions that allow us to continue to work and live while respecting social-distancing norms and minimizing health risks," RentCafe said in the release about the survey.

How to Find Screening Firm Right for You

Continued from Page 1

reliable background on an applicant that allows me to make an intelligent and informed decision, and protects my investment?" This is THE essential question for you, because the wrong background will cost you time, money, headache, and heartache.

As a licensed private investigator, I've had a front-row seat to the deterioration of reliable information generated through tenant screening/background check processes, and the resulting misguided decisions by landlords over the years.

In the past, investigators went to the courts in the jurisdictions where rental applicants lived and worked to obtain current and accurate data, at the source. Contrast that with today's "high-speed" approach to everything, where quickly delivered results are king, regardless of whether they are backed by inferior and useless data.

A *New York Times* article titled, "How Automated Background Checks Freeze Out Renters" does a fantastic job explaining how the growth in data-mining in relation to tenant screening has become such a lucrative market over the last 10 years; all to the detriment of the tenant. Most of the biggest players in the industry are sourcing their tenant applications through these well-known, large data providers. As noted in the article, these large companies often employ rogue screening techniques that saddle landlords with maintaining their investment while also trying to sort through a list of applicants with limited, often inaccurate data as their source material.

AVOID THE PITFALLS

To add to all of this, the government requires landlords



and screening companies to have systems in place to report accurate Fair Credit Reporting Act (FCRA)-compliant records. In other words, false or misleading records can result in a FCRA violation, which can lead to lawsuits. Denny Dobbins, attorney for Rent Perfect, reminds us that the top three pitfalls to look out for with screening-company instant results are:

1) RECORDS ARE THOSE OF MY APPLICANT. Do the records on the report represent the right applicant, and how does the screening company know? Being correct about the data you are using to determine an applicant's status is critical. Recent case law shows evidence that many background companies simply do not have good or adequate processes in place to ensure that a criminal history really belongs to the applicant. Consider all the information that is needed to make sure your screening company is reporting accurate results for your applicant: date of birth, Social

Security number (if it can be found), full address history of the applicant since age 18, maiden names, alias names, etc. Most screening companies that provide instant products do not obtain all this vital information, or lack the experienced personnel to analyze it properly for clues and anomalies.

2) RECORDS MATCH EXACTLY WITH THE COURT: Are the records reported to the landlord identical to what is in court records? Landlords are expected to make informed, professional decisions and, without court-verified and matched records, you may be subjected to making unskilled interpretations and conclusions. Every time data is transferred from one source to another, it loses its original integrity, similar to a copy machine. The more copies of copies you make, the less quality you have versus the original. So, a case in an instant database might show as dismissed – as if they never created the crime – but the

See 'Does' on Page 11



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Does Your Screening Company Know Your Needs?

Continued from Page 10

actual court file will show a guilty plea that was dismissed two years later because of good behavior. One says the person was guilty, the other infers he or she was not.

3) RECORDS ARE COMPLETE AND UPDATED: Are all the records complete and up to date? As a landlord, you deserve to see the case in its entirety. Things to look for are (a) do the records show the actual final disposition of the case, i.e. did the record start as a felony but was later reduced to a misdemeanor; (b) was the case dismissed after the applicant successfully completed probation, or did the matter go through some kind of a diversion process as opposed to ending in a conviction? Keep in mind that criminal records are constantly being updated at the court, and it is critical to the have most recently updated records in your report. Also, of note, states deal with these issues differently and there is no standard by which they all report or update records. Please note, information typically found in instant-database searches is not always complete and/or updated.

Instant searches often provide faulty data, which, when used by a landlord, can result in getting sued by applicants. There is both greater safety and protection for you and your investments using a licensed private investigator to perform your tenant screening. Although this sounds expensive and possibly time-consuming, the exact opposite is true. Over the years, court data has become more accessible, and trained private investigators have paid-subscription access that allows them to quickly gather court data at a minimal cost to you. When an investigator accesses court records at their original source, whether it is for evictions or criminal history, they get current, accurate, and complete results, which protects all parties involved in the transaction.

CUSTOMER SERVICE IS KEY

Having the correct data is the first step in finding the right person, but you should also look to lean on your screening company for additional policies, procedures, and simple answers to questions you might have.

Large companies who want to get into the screening business might offer an online application or background check, but when you pick up the phone to call them, the line keeps ringing. Technology can only get us so far, but it cannot replace a human being on the other end of the line.

An application and background check are nice and convenient, but there is so much more to providing you the service and protection you deserve.

"Landlords get in trouble when they do not follow the Fair Credit Reporting Act," Denny Dobbins continues. "One of the biggest, and most easily corrected, mistakes landlords seem to make is the complying with sending the required Adverse Action letter to the applicant. This letter is required if the applicant does not qualify for or meet the landlord's rental criteria. It is very easy to do, but landlords must make it a habit. A good screening company should have a procedure/process in place to help you meet your obligations for this requirement and consult you through this process, but the landlord has to send the actual letter."

realize they have to comply with is to perform a HUD-type of "individualized assessment" for any report that comes back with negative information resulting in the landlord deciding not to rent to the applicant, based in part or in whole on information found in the background report.

Dobbins indicates that the way to perform this individualized assessment is to ask yourself these questions:

- Looking at the nature and gravity of the criminal history, does the particular criminal history in the report constitute a risk that I am not willing to take based on my substantial, legitimate, and nondiscriminatory interests to protect my property, my staff and other residents? In other words, what kind of criminal history is it and how bad was it? Is it an unacceptable risk to take?
- How long has it been since the applicant was involved with the criminal activity?
- How long has it been since the applicant has been released from prison or parole for that criminal activity?
- Have I analyzed all information that the applicant has provided me about mitigating factors regarding the criminal activity and rehabilitation for the criminal activity?

To help guide the analysis above, Fair Housing suggests investigating back more than seven years, and determining if any prior crimes cause a threat to your property or other people. However, some felonies may create enough risk that you may want

Another area many landlords do not to include a longer research period, such as sex crimes, crimes against children, and violent crimes. These should be discussed with your attorney.

> Landlords have a duty to properly screen tenants as outlined above, and may be held liable for the criminal acts of a bad tenant upon others. What might seem like a "nowin" situation can easily be remedied by having a legally sound rental criteria that is strictly enforced, fair and respectful treatment of tenant applicants, employing a quality background-check company that ensures they are delivering accurate and complete results, and giving you the proper tools and resources to manage applicants that do not meet your criteria.

> So, compare your current tenant applicant background process with the actions that are prescribed above. If you find them lacking in one or more areas, you owe it to yourself and your investments to find a screening company that understands your needs for quick (less than 6 hours), accurate, and up-to-date information on your applicants while supporting you every step of the way. With the right questions and diligent comparisons, you will soon find out that not all screening companies are the same.

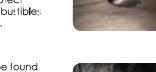
> David Pickron is a private investigator licensed in Arizona. He owns and manages residential and commercial properties and is the founder and president of Rent Perfect, an investigative screening company. He wants landlords to find the right renter the first time.

SMOKE CHAMBERS

The smoke chamber funnels smoke and heat from your firebox to your flue lining. The smoke chamber can reach temperatures of 2000 degrees during a high heat event (chimney fire).



2 The smoke chamber is required to be sealed smooth with refractory mortar to protect exterior combustibles from igniting.



Wood can be found inside smoke chambers, which can lead to



Heat can transfer through masonry and actually ignite combustibles on the other side of a row of brick without actually touching it.





WOOD BURNING FIREPLACES Flues In Masonry Chimneys



HOLES IN FLUE LINING Gaps between tiles will allow heat and gases to escape the flue and potentially get into your



CRACKED TILES Cracked tiles will also allow heat and gases to escape the flue and potentially get into your home. These can be caused by a high heat event.



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Unlined flues are not capable of protecting the combustibles of your home from high heat events.



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INDUSTRY GUIDELINES

Chimney Safety Institute Of America (csia.org)

According to the CSIA (csia.org), problems such as gaps, cracks, and spalling in your chimney's flue can present serious risks to your home and family, because your chimney can no longer performs its intended function the products of combustion to the outside.

National Fire Protection Association (NFPA)

"If the flue liner in a chimney has softened, cracked or otherwise deteriorated so that it no longer has the ability to contain the products of combustion (i.e., heat, moisture, creosote, and flue gases), it shall be removed and replaced, repaired or relined..." NFPA 211 -Standard for Chimneys Fireplaces, Vents, and Solid Fuel - Burning Appliances

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6 Signs Your AC System Could Need Repair Now

Continued from Page 1

come July. But how do you know when it's time to call your local AC repair person?

Here is a short list of warning signs to watch for that signal your air conditioning system may be in need of quick repair.

No. 1- ODD NOISES

While humming and rushing air are usually not a concern, any knocking, growling, squealing or rattling could indicate serious trouble with the compressor or the condenser.

It is advisable that you get a professional air conditioner repair company to assess your system before your tenants start calling.

No. 2 - Unusual Odor or Smell

An air conditioner should never give off peculiar smells.

If yours does, it could be a sign of mold, damaged ductwork or malfunctioning components. All these issues require immediate repair if you do not want to end up replacing the unit.

No. 3 - Decreased Airflow

The primary sign of an air conditioning system that is working well is air flow.

Airflow can become restricted in several ways; there can be a problem with the duct work or fan, or a blockage or leak elsewhere in the system. Air ducts blocked by debris can pose a health



risk, especially if the debris includes decomposing insects or the droppings of small animals. Polluted air flow can cause the onset of respiratory disease or worsen an existing breathing problem.

No. 4 - Excessive Cycling

Does your air conditioner turn on and off in short intervals?

If so, it may be short-cycling. If your unit seems to cycle on and off more than typical, it could mean that your thermostat

is malfunctioning. It could also mean that cold air is escaping; check for leaks and add some weather stripping if needed.

No. 5 – Increase in Energy Bill

A power bill that suddenly shoots up, especially if the unit is not running that often, could be another strong indicator that your system is in need of repair or replacement.

There are multiple causes for this

particular issue, including leaks in your AC's ductwork, a broken thermostat switch, or the advanced age of the unit. Regardless of the source of the trouble, the AC will need to be repaired.

No. 6 - LEAKING WATER

If you notice that your air conditioning system is leaking water, you need to contact your local air conditioning repair company sooner rather than later.

Not only is this a sign that the AC unit is malfunctioning, but it may also lead to damage to your rental unit. AC systems naturally create moisture and condensation, but in a properly functioning system this moisture should be flushed out through drain lines.

In Conclusion

These are just some of the common warning signs to look for when checking on the condition of your AC in your rental properties. If you notice these or any other issues, contact a reputable HVAC repair company before the tenants start calling and the dog days of summer finally arrive.

Keepe is an on-demand maintenance solution for property managers and independent landlords. The company makes a network of hundreds of independent contractors and handymen available for maintenance projects at rental properties. Keepe is available in the Greater Seattle area, Greater Phoenix area, San Francisco Bay area, Portland, San Diego and is coming soon to an area near you. Learn more about Keepe at https://www.keepe.com.





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Portland Rents Continue Decline During Pandemic

APARTMENT LIST

Portland rents continued to decline in June, dropping another 0.1 percent after a 0.3 drop in May, according to the latest report from Apartment List.

Portland rents year-over-year have decreased by 0.4 percent in comparison to the same time last year.

Median rents in Portland stand at \$1,119 for a onebedroom apartment and \$1,321 for a two-bedroom.

"It's important to note that the magnitudes of these rent decreases are all quite modest, but on the other hand, this may just be the beginning of a prolonged trend," said Chris Salviati, Housing Economist at Apartment List.

"I would note that the areas where we're seeing the most significant rent dips are in local economies that are heavily dependent on tourism, such as Las Vegas, Orlando, and Miami. Compared to those cities, Portland has higher shares of workers employed in knowledge occupations that can be done from home, so they're a bit more protected from the harshest economic impacts," he said.

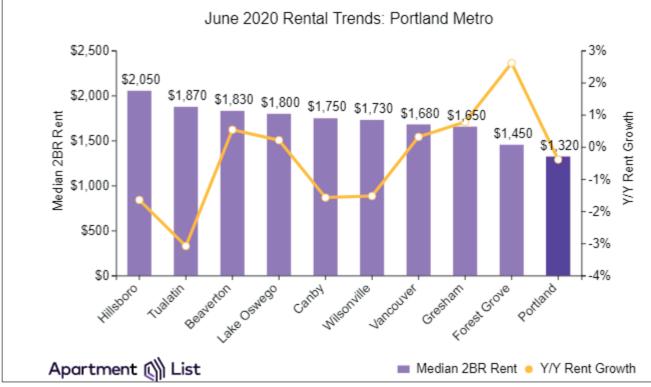
RENT TRENDS VARY ACROSS PORTLAND METRO

While rent prices have decreased in Portland over the past year, the rest of the metro is seeing varying rent trends.

Of the largest 10 cities that Apartment List has data for in the Portland metro, half have seen increases, while the other half have been decreasing.

Here's a look at how rents compare across some of the largest cities in the metro.

Over the past year, Tualatin has seen the biggest rent drop in the metro, with a decline of 3.1



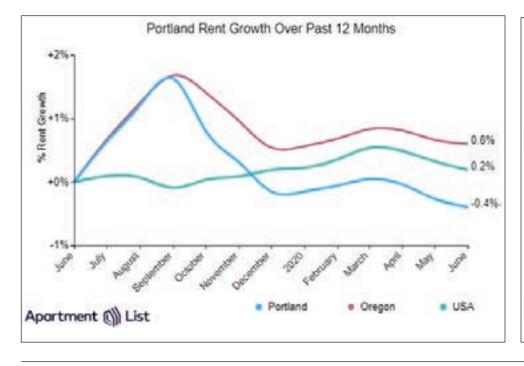
percent. Median two-bedrooms there cost \$1,874. while one-bedrooms go for \$1,589.

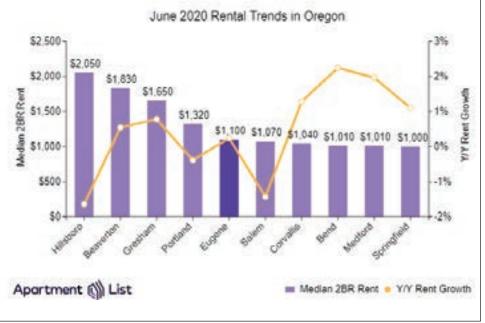
- Forest Grove has seen the fastest rent growth in the metro, with a year-over-year increase of 2.6 percent. The median two-bedroom there costs \$1,453, while one-bedrooms go for \$1,231.
- Hillsboro has the most expensive rents of the largest cities in the Portland metro, with a twobedroom median of \$2,053; rents went down 0.5 percent over the past month and 1.6% over the past

Portland proper has the least expensive rents in the Portland metro.

Salviati said as far as longer-term impact, the pandemic's effect on rent prices will depend heavily on how quickly the economy is able to recover.

"Even in the best-case scenario, it's highly possible that we could see a protracted uptick in downgrade moves as many households facing financial hardship begin looking for more affordable housing," Salviati said.





Innovative Services and the Archaic ORLTA

By Bradley S. Kraus, Attorney at Law

With the COVID-19 outbreak and shutdowns running strong after three months, now is likely a fantastic time to discuss something different. Given the changing dynamics between landlords and tenants, I often hear of new, exciting programs presented to my clients. The moment I hear about these programs, the wheels begin to spin, as I start to analyze what exposure, if any, these programs present for my clients.

The Oregon Residential Landlord and Tenant Act governs landlord-tenant relationships in the state of Oregon. Enacted in the 1970s, this body of law has failed to catch up to the times regarding many issues or interactions between landlords and their tenants. As such, many new and innovative approaches to certain landlord/tenant interactions are challenging to enact without risk, given the archaic nature of this body of law. It is, unfortunately, within that archaic body of laws, that any new programs must be

There are only three types of recurring charges recognized by the ORLTA: rent, utilities, and fees, each of which has a statutory definition under the ORLTA. Any charges a landlord imposes on a tenant must fit within — and comply with the requirements of — one of those particular statutes. Many companies trying to market products for Oregon landlords have products which either (a) do not fit into one of these three categories, and/or (b) require the landlord to charge tenants illegal fees. That makes them problematic and presents potential exposure for landlords.

Whether or not something can be classified as "rent" is the first - and easiest — portion of the analytical discussion. If something is not "rent," it must be either a utility (and be properly billed as such) or comply with the fee statute. A utility or service under ORS 90.315 is defined as "include[ing], but is not limited to electricity, natural or liquid propane gas, oil, water, hot water, likely illegal and should give you pause. heat, air conditioning, cable television, direct satellite or other video subscription services, Internet access or usage, sewer service, public services and garbage collection and disposal." Many services offered by out-of-state companies do not neatly fit into this definition. Even if they do, and the landlord wishes to charge back any costs to the tenant, there are required monthly billing disclosures that present additional hurdles.

If any such charge is not "rent" or a "utility," then it must be a "fee." The fee statute, ORS 90.302, strictly defines the fees for which a landlord can charge. This list is exclusive; if the fee is not listed in ORS 90.302 (and it is not rent or a utility), the landlord cannot charge for the same. Common examples I see are things like "notice service fees" or "month-to-month fees." Such fees are illegal in Oregon. Similarly, if a company provides a service that require you to pass along a fee of some kind to your tenant, such a fee is

As landlords continue their attempts to provide better customer service and amenities to their tenants, there will always be companies marketing new and exciting services. Those companies will try their hardest to sell you on their products. As landlords, do not fall for the "shiny red ball" trick. Carefully analyze any such services with your attorney. The potential exposure for any missteps can be costly.

Bradley S. Kraus is an attorney at Warren Allen LLP. His primary practice area is landlord/tenant law, but he also assists clients with various litigation matters, probate matters, real estate disputes, and family law matters. A native of New Ulm, Minnesota, he continues to root for Minnesota sports teams in his free time. He is an avid sports fan and enjoys exercise and spending time friends and his fiancée, Vicky. You can reach him via email at kraus@warrenallen.com, or by phone at 503-255-8795.







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