\$2.95 **APRIL 2022**

Communicating Well With Your Residents Page 4



Ruling Halts Ban on Buyer/Seller 'Love Letters' Page 8



COLORADO

rentalhousingjournal.com · Rental Housing Journal, LLC

DENVER · COLORADO SPRINGS · BOULDER

Circulated Monthly To Thousands Of Local Apartment Owners, Property Managers, On-Site & Maintenance Personnel



Combating Common **Tenant Complaints**

By Jen Baker

Being a landlord is hard work, especially if you want to be a great one who keeps your tenants happy and your units occupied. The best landlords are masters of business and people skills, able to manage their books and their properties while also handling tenant issues and managing employees. But even they get complaints from their tenants from time to time. Here are some ways to manage the most common tenant complaints.

1. INSUFFICIENT NATURAL LIGHT

As people continue to spend more time in their homes due to remote working during the pandemic, natural light can have a considerable influence on how a tenant feels in a space. Adding windows is a costly renovation, but you can make a rental that's low on natural light look

See '10' on Page 5

Presorted Standard **US POSTAGE PAID** Mt. Vernon, WA Permit #34

ECRWSS POSTAL CUSTON

Rent Growth Picking Up Steam RENTAL HOUSING JOURNAL

Even though rents are growing more slowly than in 2021, national rents in March were up 0.8 percent over the previous month, according to the latest report from Apartment List.

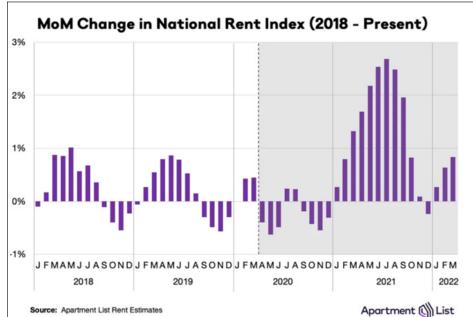
Over the first three months of 2022, rents have increased by a total of 1.8 percent, "but we're just beginning to enter the busy season for the rental market, when the bulk of annual rent growth typically occurs," write Chris Salviati, Igor Popov, Rob Warnock, and Lilla Szini in the April report.

Rent growth has slowed down notably since last summer, "but it still appears that we're on track for another year of aboveaverage growth."

With the exception of December, rents continued to trend upward through the winter slow season, and "growth is now accelerating as we enter the spring and summer months, when rental activity is normally at its peak. Even if prices don't rise as rapidly as they did in 2021, we're already seeing signs that this year will continue to bring rent growth well in excess of the pre-pandemic trend," the report says.

The vacancy index shows that rental market tightness is continuing to ease.

"Our vacancy index has now slowly ticked up for seven consecutive months and currently stands at 4.6 percent.



"Although the recent vacancy increase has been modest and gradual, it represents an important inflection point, signaling that tightness in the rental market is finally beginning to ease. However, the vacancy situation still remains historically tight.

"Over the past seven months, our vacancy index has been increasing by an average of 0.1 percent per month. If that pace continues, we won't hit a vacancy rate of 6 percent – the pre-pandemic norm – until next summer. Nonetheless, the gradual increase in vacancies in recent months has likely been contributing to the slowdown in rent growth," the report says.

"As we enter the spring and summer months, rental activity is likely to pick up, and rent growth is likely to accelerate. Despite a recent cool-down, many American renters are likely to remain burdened throughout 2022 by historically high housing costs," the report says.

You Can Be a Successful, Lazy Landlord



BY SCOT AUBREY

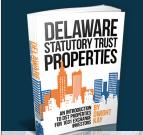
On my first trip to the doctor's office this year I went through that painful experience that we all must endure: updating my personal and health information. My brain immediately goes into shutdown mode as I am trying to conserve the calories that my mind is going to consume filling out paperwork. I profess to the receptionist that nothing has changed but she insists they need it for "their files."

Reluctantly, I sit down with the plastic clipboard and begin to slog through the same questions I filled out last year. Name, date of birth, insurance info (didn't you just take a

See 'Yes' on Page 4



Sign up today for FREE 1031 property listings delivered to your inbox!



DST, TIC, and NNN PROPERTY LISTINGS. You will also get a free book on 1031 Exchanges!

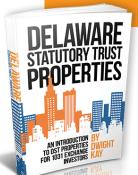
Sign Up for Free at WWW.KPI1031.COM Or Call (855)899-4597



If You're Considering A 1031 Exchange It's Time To Set Sail!



SIGN UP FOR **FREE** At kayrhj.com or Call 1 (855) 875-2781



Get FREE Delaware Statutory Trust (DST) 1031 Exchange Listings Delivered To Your Inbox! PLUS

CALL TODAY FOR
A FREE BOOK ON
1031 EXCHANGES AND
DELAWARE STATUTORY TRUSTS

YOU WILL ALSO GET FREE 1031 EXCHANGE LISTINGS!



Find Out How To Avoid Capital Gains Taxes, And More!

- Management Free No More Tenants, Toilets And Trash!
- Cash Out Refinance Defer Your Taxes And Receive Liquidity Potential
- Monthly Income Potential
- Close Your 1031 Exchange In 2-3 Days
- All-Cash/Debt-Free Offerings
- Multifamily, Net Lease, Self Storage, Industrial And Mobile Homes
- Tenants include Amazon, FedEx, Dollar General, Walgreens, CVS, Fresenius And More
- Non-Recourse Financing From 40-85% Loan To Value

Securities offered through FNEX Capital, LLC, member FINRA, SIPC. Potential returns and appreciation are never guaranteed and loss of principal is possible. Please speak with your CPA and attorney for tax and legal advice.

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 150 years of real estate experience, are licensed in all 50 states, and have participated in over \$30 Billion of DST 1031 investments.

This material does not constitute an offer to sell nor a solicitation of an offer to buy any security. Such offers can be made only by the confidential Private Placement Memorandum (the "Memorandum"). Please read the entire Memorandum paying special attention to the risk section prior investing. IRC Section 1031, IRC Section 1033 and IRC Section 721 are complex tax codes

therefore you should consult your tax or legal professional for details regarding your situation. There are material risks associated with investing in real estate securities including illiquidity, vacancies, general market conditions and competition, lack of operating history, interest rate risks, general risks of owning/operating commercial and multifamily properties, financing risks, potential adverse tax consequences, general economic risks, development risks and long hold periods. There is a risk of loss of the entire investment principal. Past performance is not a guarantee of future results. Potential cash flow, potential returns and potential appreciation are not guaranteed.

Nothing contained on this website constitutes tax, legal, insurance or investment advice, nor does it constitute a solicitation or an offer to buy or sell any security or other financial instrument. Securities offered through FNEX Capital. Member FINRA, SIPC.

Sponsored Content

Why Real Estate Syndication Is Important for Delaware Statutory Trust 1031 Exchange Real Estate Investors

By Matt McFarland Vice President Kay Properties

Delaware Statutory Trust 1031 exchanges have never been more popular, and one of the reasons behind this growth and investor appeal is the power and flexibility of real estate syndication. Real Estate syndication is a major underlying principle for how a Delaware Statutory Trust 1031 investment is structured, and why they continue to grow as an alternative investment for accredited investors.

"A lot of people still don't know about the potential benefits of the 1031 DST syndication structure. Last year, we helped our clients complete more than \$600 million of equity investments in these 1031 DST vehicles," explained Dwight Kay, the founder and CEO of Kay Properties who is a prolific author on the subject including authoring multiple white papers and what some consider to be the first book ever published on the subject.

WHAT IS SYNDICATION AND HOW DOES IT WORK WITHIN THE REAL ESTATE INVESTMENT ARENA

Generally speaking, syndication is the process of organizing a group of individual investors or an organization for the purpose of collectively investing in an asset that requires a significant amount of capital. When applied to the world of real estate investments, syndication refers to the process of organizing a collection of investors to combine their financial resources in order to purchase one or more real estate assets. Real estate syndication means investors are issued beneficial interests or shares of real estate. Profits and losses are usually split according to their respective percentage ownership interests.

The concept of syndication is especially relevant when discussing Delaware Statutory Trusts because not only do DSTs qualify for 1031 exchanges as outlined in Revenue Ruling 2004-86 of the Internal Revenue Code Traditional 1031 exchanges often involve a sole investor exchanging investment real estate into another like-kind real estate asset. A Delaware Statutory Trust 1031 exchange allows multiple investors to own real estate for their 1031 exchange or cash investments. In addition, unlike other group investment structures such as Tenant in commons (TICs) which limit the number of investors to 35. DSTs allow for a much higher number of investors (typically up to 499 investors), creating an ideal choice for investors who want to access larger and potentially more diverse real estate assets.

STATUTORY TRUST SYNDICATION?

BENEFIT #1: PASSIVE OWNERSHIP

One of the most attractive aspects of DST 1031 exchange investments to many investors is that they eliminate the challenges associated with active ownership and management. In DST investments, a sponsor creates the DST and has the responsibility of managing the entire business and assets of the trust. These responsibilities can include the following:

- Underwriting the real estate deal
- Conducting all the due diligence on the property (ies)
- Arranging the necessary financing although some DST 1031 investments are debt free with no loans on them

KEY **T**AKEAWAYS:

- How does Delaware Statutory Trust Syndication benefit investors?
- Why can Real Estate Syndication via a DST potentially reduce risk for investors*?
- · What is the Portfolio Optimization and Diversification Theory?
- How do real estate syndication and DST investments can help investors access larger real estate assets
- Creating a business plan for the property (ies)
- Finding a property management team.
- Coordinating investor relations and potential monthly distribution checks to investors.

In this way, the Delaware Statutory Trust syndication provides investors a passive ownership structure.

According to Kay, in exchange for giving up active management, the passive investor of a DST 1031 property will typically receive 100 percent of the pro-rata portion of any potential principal pay-down from the loan on the property, thereby potentially building equity. In addition, DST 1031 properties are structured so that the investors in the DST receive 100 percent of their pro-rata portion of the potential rental income generated by the property's tenants.

"Furthermore, although appreciation is never guaranteed, DST 1031 investors receive 100 percent of their pro-rata portion of any potential net appreciation of the property over the hold period," said Kay.

BENEFIT #2: Access to Larger, Institutional Grade Assets

Another attractive element for investors of syndicated Delaware Statutory Trust 1031 exchanges is that they provide investors within the trust the opportunity to access large, institutional grade real estate assets that would otherwise potentially be outside of an individual investor's price point. With a typical investment minimum investment of \$100,000, individual investors in a DST can purchase an ownership interest in large industrial distribution centers, medical buildings, self-storage facilities, and even large \$50 millionplus apartment communities. In this way, the syndication structure of Delaware Statutory Trust 1031 exchanges allows investors to access a level of real estate that they oftentimes would not have been able to buy before.

BENEFIT #3: THE POTENTIAL TO REDUCE RISK THROUGH GREATER DIVERSIFICATION*

A third advantage of the Delaware Statutory Trust syndication structure compared to a normal 1031 exchange is that it increases the ability of investors to invest in multiple properties, thus potentially reducing individual risk. Beyond the ability to allow investors to participate in multiple investment properties, DST syndications also allow investors to invest in multiple asset classes (multifamily, commercial buildings, self-storage, medical facilities, industrial distribution centers, etc.) as well as in multiple geographic locations. Portfolio optimization and diversification was first recognized by Nobel-Prize winning economist Harry Markowitz, and continues to be one of the most proven economic theories for success today, including its application in Delaware Statutory Trust 1031 exchanges. * It is important to note however that diversification does not guarantee

profits or protection against losses and that investors should read each DST offerings Private Placement Memorandum (PPM) paying attention to the risk factors prior to considering a DST investment.

Obviously, as with all forms of real estate investments, there is an underlying level of risk that investors should be aware of including things like economic downturns, vacancies, tenant repairs, etc. Investors should not invest in DST investments or real estate syndications if they are unable to sustain the loss of their invested principal.

BENEFIT #4: ABILITY TO WORK WITH AND LEARN FROM SYNDICATION EXPERTS

Commercial real estate investing requires years of experience and lots of resources. Even for experienced investors, the ability to source, inspect, underwrite, and close on large institutional properties within a 1031 exchange timeline is often beyond their reach. However, for Delaware Statutory Trust syndications, the investor can work with highly specialized team members at Kay Properties & Investments. Kay Properties is a national Delaware Statutory Trust expert advisory firm. They have created the www.kpi1031.com platform that provides investors access to the marketplace of DSTs from more than 25 different DST sponsor companies. In addition, they have custom DSTs available only to Kay Properties clients and provide investors independent advice on DST sponsor companies as well as full due diligence and vetting on each DST investment.

ABOUT THE AUTHOR:

Matthew McFarland is vice president and DST 1031 specialist with Kay Properties & Investments, where he works out of the Kay

Properties' headquarters in Los Angeles, helping clients with their 1031 exchanges and direct investments.

Prior to joining Kay
Properties, Matt worked at
a national commercial real
estate tenant representation
firm where he helped
national firms find Class
A and Class B space in

commercial office, industrial, and flex spaces throughout Southern California.

Since joining Kay Properties, Matt has participated in over 1,000 transactions and over \$6 Billion worth of real estate. Matt works hand in hand with all the Kay Properties" Senior Vice Presidents, educating clients on what particular investments make sense for their situation.

A graduate of the University of California, Los Angeles, Matt holds a Bachelor of Science in Physiological Science from the UCLA Department of Integrative Biology and Physiology.



How to Communicate Effectively with Residents

By Kristina Rauscher

Having an effective communication plan for on-site property teams to implement when it comes to communicating with residents is paramount.

Yet, with such a wide variety of communication channels – as well as individuals' preferred styles of communication – it can be difficult to implement a plan that will reach the highest level of engagement. The key to effective resident communication lies in having a well-balanced blend of digital, in-person and traditional grassroots communication.

By mixing these communication styles, multifamily property managers can communicate effectively with their residents. Communication styles can include e-blasts, social media posts, paper flyers and text messages.

EMAIL BLASTS

Email blasts can be sent by using features of your CRM system (as Yardi RentCafé offers), or by using a third-party software (such as Mailchimp), giving companies the ability to send a single email message to multiple recipients at the same time.

Sending an e-blast is an effective way to send a large sum of information to a large group of people in a timely manner. While e-blasts lack customizable features specific to each recipient, they can be an effective way to communicate when rent is due, to communicate about issues and updates regarding parking and maintenance, community events and even host potential giveaways.

It is important to ensure residents add the sender of emails to their contacts, as e-blasts can often be marked as spam. E-blast software systems offer tools to create templates that property managers can adjust and edit with ease, depending on when the announcement is going out.

Social Media Posts

Social media posts are an effective way to communicate with current and prospective residents, as they can be used to share a vast amount of information – including leasing updates, community events, and resident profiles – and the leasing office's hours, announce giveaways and contests, and much more.

It's recommended that multifamily accounts pose questions and calls-to-action to boost engagement with their targeted audiences. For example, you may ask a question within a caption to prompt residents to "comment below." Or on apps like Instagram, you can use its features such as stories and reels to engage with your target audience outside of the standard post.

One of Instagram's newest features is

guides, which communities could leverage to showcase amenities, features within the various floorplans, places to eat and things to do around the community, standard movein checklists and more.

Paper Flyers

Paper flyers can be an effective way to communicate with residents who may not be active online.

Flyers can easily be placed outside of residents' doors, under their doors, on community boards or in their mailboxes. By distributing flyers in every mailbox or room, managers can ensure the information is being seen by everyone.

They can also be helpful for residents who hang them on their fridges to remind them of upcoming due dates for rent, amenity closures, community cleanings or reminders to renew. You can kick it up a notch by offering a goodie bag or treat along with the flyer. Whether it's thanking them for being a resident or getting their attention for an upcoming event, adding this personalized touch has been proven to be effective and well-received.

TEXT MESSAGES

SMS blast reminders can be another effective way to communicate with residents, as they reach the residents' phones.

P.B. Bell uses its CRM software, Yardi RentCafé to effectively implement this strategy, but there are other third-party services that offer this feature if your CRM doesn't have these capabilities.

SMS blasts can be great for communicating last-minute announcements. However, if messages are sent too often or are too long, residents can block the number they are coming from, so use this tactic wisely. With that being said, it's important to provide residents the ability to opt into and out of texts. Keep your messages short and sweet, including only the most important information.

There are multiple channels to communicate with multifamily residents, but the most effective approach is to use all of them for different means in order to communicate with residents at the right time. Effective communication is crucial because it allows residents to know what is going on in their community and can encourage people to re-sign, or sign in the future.

Kristina Rauscher is marketing director at P.B. Bell, where she leads corporate marketing initiatives and communications while strategically planning marketing efforts for the P.B. Bell portfolio. Her skills and duties include branding, creative direction, digital marketing, advertising, public relations, outreach marketing, and events.

Yes, You Too Can Become a Successful, Lazy Landlord

Continued from Page 1

a copy of my insurance card?) and a complete health history. Later, I flip the paper over and realize they want all this information again on the next page. My pace quickens and my handwriting worsens as I go into the "power-throughit" mode.

Finally, with the completed packet in hand I return the information to the front desk and sit down waiting for my name to be called. It's enough to make me forget why I am even there in the first place. It reinforces this truth: When you don't like to do something, you don't do it right.

Then my mind starts thinking there must be a better system, a better way, to make this process less painful and feed my need to thrive and not just survive. Let's face it, most of us want to take the easy or lazy way when it comes to moments like this. Then when I step back and look at how we as landlords handle our own paperwork and process, I see some of the same stumbling blocks in the way we do things. The big difference is, I know there is a better way because I use Rent Perfect every day.

There are three major tools that every landlord can implement starting today to begin the process of transforming their management style to that of the "successful lazy landlord."

Tool No. 1: CHECK YOUR CHECKS

At a bare minimum, every application you receive for a potential tenant should include a thorough check of each applicant's identity, credit, criminal, and eviction history. Just like your favorite meteorologist, we forecast the future by examining the past.

- Identity: How sure are you of the identity of the person applying for your property? It's easier than ever to fabricate an identity and create fake Social Security cards and identification documents. If you don't really know who is applying, how could you possibly trust the results of any future behavior?
- Credit: The financial past of your applicant is usually indicative of their future behavior. Few things affect a person's decisions more than their financial strain, so knowing how your applicant has behaved in the past is a great indicator of how they will honor their commitments to you moving forward.
- Criminal: While the courts across the country continue to soften their stance on criminal behavior,

does that mean you should do the same for your applicants? Statistics show that over 90 percent of offenders have repeatable criminal habits that don't go away. And guess what, criminals tend to hang out with others who are involved in criminal behavior. Actively protecting your investment property should always include a criminal background check of EVERY applicant on the lease.

Eviction: Although the courts have tried to make this more difficult, there are still ways to see if your applicant has a history of leaving their landlord high and dry. An applicant with more than one eviction should be a red flag to you to exercise great caution when considering them as a tenant.

The more you can know about the past, the better decision you can make to find success in the future.

Tool No. 2: Throw away the manila folder!

And while you're at it, toss that big metal filing cabinet, too. Gone are the days of processing paper applications and leases. It's time to embrace the digital world in regard to being a "successful, lazy landlord," as you can now manage everything right from your favorite device.

- Online applications: In the past, I would collect a paper application from an applicant and then go to my office and spend hours taking their written information and re-entering it into a word-processing program. I was operating more like a data-entry employee than a landlord. Programs today allow the applicant to log in, supply the required information, and complete the application process all on their own. All I have to do is go and review their supplied info.
- Lease: After you have collected all their information digitally, it is simple to take that information and add it to your leasing documents, with many programs being able to automatically generate a lease at the click of a button. Again, not having to re-enter all of this information is a huge time and energy saver.
- Move-in inspection process/pictures: With a
 digital move-in inspection process, your tenant can
 document the condition of the property exactly as
 it was at time of possession. No more guessing or
 relying on memories at the end of a lease; you have
 it fully documented and stored for easy access and
 comparison.

The days of gathering and keeping track of paper

throughout the entire rental process are over. Toss that manila folder and embrace technology in your quest of becoming a "successful, lazy landlord."

TOOL No. 3: Make Collecting Rent Easy

There's nothing a landlord loves more than seeing the rent paid in full and on time every month. Technology has made it easier than ever to make this process seamless for the landlord. Find the right technology partner that can help you in the following ways:

- Send upcoming rent notices: Your rental-collection program must be able to begin notifying your tenant of rent due at least five days in advance. Ideally, they should receive a reminder that your rent is due in five days... your rent is due in four days...etc. Take away the excuse from your tenant that they "didn't know" ever again.
- Receive rent right into your bank account: Rid yourself of running to the mailbox in hopes of finding that rent check. Have the funds directly deposited into your account.
- Automatically track late fees and payments: No
 one wants to be the nag when it comes to getting paid.
 The right program will track late fees and send "laterent" notices automatically, which frees you up to do
 other things. Collect and track payments to ensure
 you are getting the rent and late fees paid in full.

This step in becoming a "successful, lazy landlord" might be the most critical, because you collect rent monthly for 12, 24, 36 or more times depending on the term of each lease.

I invite you to step back and look at your current practices from both the landlord and tenant perspective. Are there tweaks you can make that will benefit both you and your tenants in terms of making the process a little less painful for both of you? Nobody wants to just survive as a landlord; by putting some of these tools into practice, you'll see your business (and you personally) thriving in no time.

Scot Aubrey is vice-president of Rent Perfect, a private investigator, and fellow landlord who manages short-term rentals. Subscribe to the weekly Rent Perfect Podcast (available on YouTube, Spotify, and Apple Podcasts) to stay up to date on the latest industry news and for expert tips on how to manage your properties.

10 Suggestions for Addressing Tenant Complaints

Continued from Page 1

more inviting with a few simple changes:

- Furnish the apartment with lamps where overhead lighting isn't sufficient, especially in corners.
- Repaint using light glossy paint to reflect light around the room.

2. Bugs

Wherever people gather, there are bound to also be ants, spiders, and other unwanted pests. As a landlord, you should do your part in the fight against bugs with a pest control routine to keep them from entering the

However, pests can often invade a rental if the tenant doesn't keep it clean enough. In that case, you can suggest the following solutions or do the treatments yourself:

- Sprinkle diatomaceous earth (DE) near baseboards and window sills to kill bed bugs. If the rental is furnished, consider sprinkling it in drawers as well.
- Spray peppermint oil, water, and witch hazel near doors and windows.
- Spray a solution of water and dish soap on cockroaches.

3. Temperature Issues

Whether your unit is old or new, drafts have a way of making their presence known. Unfortunately, in extreme climates, drafts have the potential to make your tenant uncomfortable.

If the temperature issues are extreme, it may be time to explore some renovations to upgrade windows or add more insulation, but in most cases, a few simple DIY solutions can help:

- Place a door snake on the bottom of the door or window to prevent drafts from sneaking in.
- Add weatherstripping to doors and windows.
- Replace door sweeps.

4. Lack of Sufficient Storage

Whether your rental is furnished or not, your tenant may complain about not having enough space for all their belongings. In that case, consider the following options:

- Hang floating shelves on the wall to free up floor space, which will make the room feel less cluttered.
- Provide furniture that does doubleduty: storage ottomans or bookcase headboards can make a difference!
- Decorate with storage baskets that fit under beds, benches, or tables to tuck things out of sight in unused space.

5. TIGHT SPACES

Unfortunately, you can't manufacture space where there isn't any. You can, however, make sure your rental is painted in light and cohesive colors to make the rental feel bigger.

If the rental is furnished, hang mirrors on the wall and invest in dual-purpose decor.

6. Unpleasant Odors

Some odors can't be helped, like when a neighbor decides to cook spicy food. But if your tenant is complaining of a musty or stale smell in their rental, there are a few deodorant tricks to try:



- Clean the washing machine with white vinegar, baking soda, and essential oil. Run it on the hottest
- Deodorize the fridge with essential oils and a box of baking soda.
- Sprinkle baking soda on the carpet, let it sit, and vacuum after an hour.

7. PRIVACY CONCERNS

Everyone wants to feel safe in their home, so it's understandable why some tenants complain about privacy. To help your tenant feel safer, it's best to invest in the following:

- Privacy screens in a studio apartment
- Window shades or blinds to keep people from looking in
- New locks for every new tenant

8. Unsightly Fluorescent LIGHTING

Tenants want their homes to be cozy, but fluorescent lighting often screams industrial or commercial spaces. Replace fluorescent fixtures with traditional ones and put in warm LED light bulbs. For lights with shades, don't replace the entire fixture; instead, swap out the shade for a more modern look.

9.: Noisy Neighbors

Some problems are beyond your control, like a neighbor who has people over and cheers a little too enthusiastically during the big game. If it's in the afternoon, there's no recourse other than politely asking the sports fan to tone it down a little bit.

But an excellent landlord can also suggest a few DIY solutions for their tenants:

- Move big items of furniture like bookcases against a shared wall
- Hang fabric panels on the wall.

As the landlord, you can also make sure all cracks in drywall are sealed to minimize

10. OUTDATED FINISHES

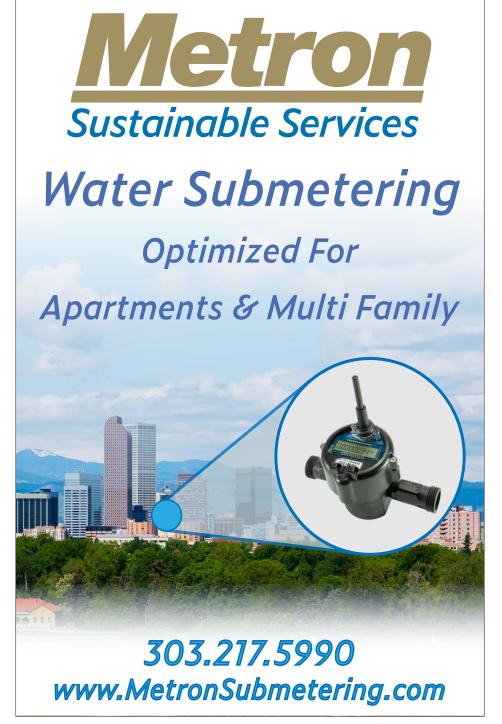
Long-term tenants may complain that their rental is starting to look a little outdated.

While a full-scale renovation may be out of the budget, there are a few relatively lowcost changes you can make:

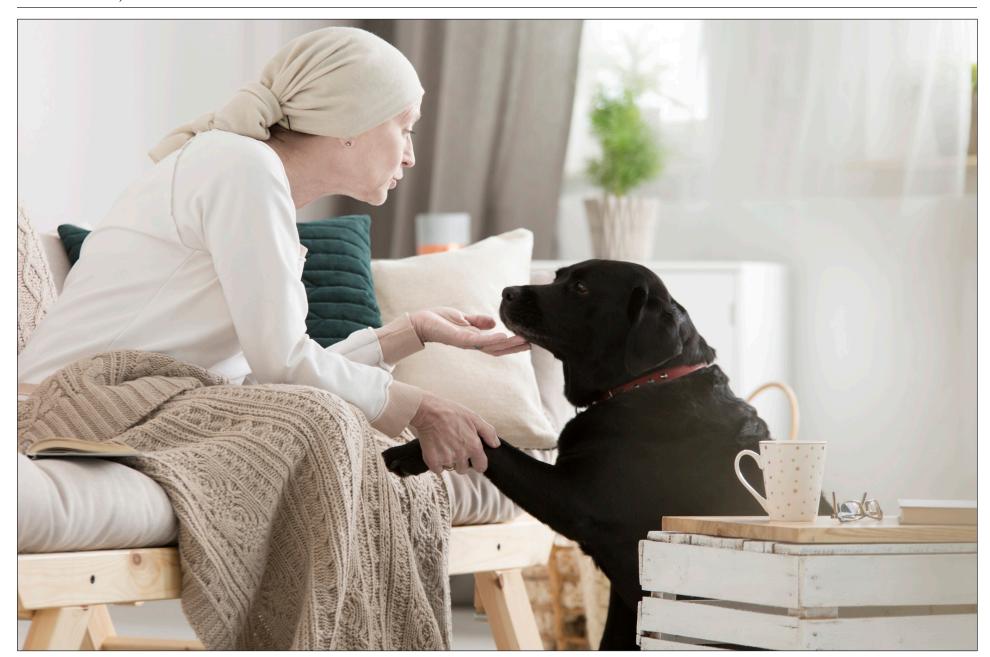
- Replace old hardware on bathroom and kitchen cabinets with updated models.
- Repaint the walls or cabinets.

When you're a landlord, complaints from tenants are a fact of life, but it doesn't have to be the end of the world. Stay calm, communicate, and be proactive, and your tenants will stick around for the long haul.

After teaching English for 13 years, Jen Baker pivoted to content marketing as a way to indulge her passion for writing. She enjoys developing content for her clients and learning everything she can about real estate. When not writing, she's hard at work on her novel or avoiding the real world with an epic fantasy novel.



To advertise in Rental Housing Journal, call Vice President/Sales Terry Hokenson at 480-720-4385 or email him at Terry@rentalhousingjournal.com



ADA, HUD, the Fair Housing Act: Which Applies to Housing and Support Animals?

FAIR HOUSING INSTITUTE

With many different laws governing service animals, it can be confusing as to which ones apply to housing providers and what questions they are allowed to ask.

This article will review the different laws that come into play, highlight which ones directly affect housing providers, and share tips to help you navigate this sometimes confusing process.

Does the ADA Law Apply to Housing?

Even though the Americans with Disabilities Act is very important, it doesn't apply to housing except for maybe the leasing office, as that is a public place. Generally, ADA laws apply to operators of public places, such as Target.

The ADA also limits the types of animals providing support to dogs or, in rare cases, miniature horses, which we are not allowed to do as housing providers.

This is where some confusion can take place. The ADA limits what business owners can ask regarding the animal to: "Is that a trained service dog?" and "What work is the animal trained to do?" They are not allowed to ask for written verification.

So when housing providers ask for verification of need, often they are met with the resident referencing this law and stating that they do not need to provide proof of need. This leaves us with the task of informing them that this applies under the American Disabilities Act, but the ADA does not pertain to housing and that the Fair Housing Act permits verification when the disability and the need for the animal are not observable.

For example, if you can see that the animal is a guide dog, then you shouldn't be asking for verification. But if it's a dog that is a service animal for disabilities such as hearing problems or to alert someone that they're about to have a seizure, you can't see that when you talk to the resident. In that case, you can ask for verification. And if they say to you that's not permitted, then you have to clarify: "I'm asking you this not under the Americans with Disabilities Act, but under the Fair Housing Act."

HUD AND SUPPORT ANIMALS

HUD defines support animals that do work, perform tasks, provide assistance, or provide therapeutic emotional support for individuals with disabilities.



HUD also clarifies the difference between domesticated animals kept in the home (traditional) and non-traditional unique animals such as goats, pigs, chickens, snakes, etc. HUD states that the resident has a substantial burden to be able to show that they need a unique animal as an assistance animal. Now, it is not impossible to justify a unique animal. Still, a resident is going to have to explain in more detail than with a usual animal why they need their snake as an emotional support animal.

HUD also addresses multiple animal requests, again placing the burden of proof on the verifier as to why one animal isn't enough. HUD has also made it very clear that going online and getting your pet registered or certified on some website by paying money is irrelevant to the question of whether this is an assistance animal that should be approved to live in housing as a reasonable accommodation. If someone hands you one of those registrations or online certifications, you can hand it back to the resident and let them know that it is not adequate to verify their need for an assistance animal.

HUD has made it very clear it considers those websites as taking advantage of people—wasting their money—because those registrations are irrelevant to the question of whether you approve their reasonable accommodation or not.

THE FAIR HOUSING ACT AND REASONABLE ACCOMMODATIONS

We have discussed how the ADA—while important—does not apply to housing, and we reviewed HUD guidelines that create the framework for how housing providers should view assistance animals and the questions they are allowed to ask. But how does that come together with the Fair Housing Act?

When we look at the Fair Housing Act and Section 504, we don't care whether an animal is a service animal or an emotional support animal. It doesn't matter; we don't need to ask different questions. We only want to know if the resident is disabled, meets the definition of disability, and if that animal is necessary to assist them because of their disability. That's all you need to be concerned with when you're verifying a request for a reasonable accommodation.

When your property is looking at a request for an assistance animal, you need to have a very detailed procedure that all staff members follow. First of all, the process should be done in writing, complete with a section for the verifier. To be a reliable verifier, the verifier has to have personal knowledge about the resident and should be providing the resident with medical or mental health services, and not merely providing a verification letter or filling out a form.

Suppose you find yourself in the situation of turning someone down because you don't think their verification is reliable. In that case, you need to conduct a meeting explaining why you are not going to accept or grant their request and attempt to resolve their request; of course, documenting everything along the way.

FAIR HOUSING AND ASSISTANCE ANIMALS FINAL TAKEAWAY

As we have discussed, there can be a few pitfalls to understanding the different laws that come into play regarding assistance animals and housing. Regular training is essential to help everyone know which laws apply and how to follow them to ensure fair housing compliance.

In 2005, The Fair Housing Institute was founded as a company with one goal: to provide educational and entertaining fair-housing compliance training at an affordable price at the click of a button. Learn more at https://fairhousinginstitute.com

Summer Maintenance Checklist for Rental Property Owners

By Kris Servidio

Summer is on the horizon for many multifamily communities While the change in season may appear to be a harmless shift to warmer temperatures, it opens communities to several maintenance-related areas of opportunity.

To uphold exceptional standards of service, proactivity is the most important element in summer maintenance. At Mark-Taylor, we begin our summer maintenance efforts in the spring, prior to the influx of emergency requests due to a change in season. It also helps us get a jump start on pool season, alleviating the additional pressure that mass use puts on our amenities.

Being hyper-proactive benefits all parties - residents, community management and maintenance staff. The following checklist, outlining our tried-and-true summertime maintenance methods, will help you bring our proactive approach to your community:

1. BEAT THE HEAT WITH YOUR SUPPLY

A surplus of maintenance issues is expected on the first weekend of summer and the first weekend of winter; the drastic changes in temperatures may throw off your teams' maintenance routines if practices do not adjust to evolving needs.

It is imperative that community service teams plan ahead by ordering supplies before the new season begins. For example, purchase chlorine, clarifier and phosphate removers for increased pool and spa maintenance in advance. This is especially important as we face ongoing nationwide supply chain issues with increased costs and delivery delays.

2. COMMUNICATE WITH RESIDENTS **EARLY AND OFTEN**

Keeping residents proactively informed is a best practice that creates an enjoyable living experience for residents, and an efficient work environment for your teams. Before the start of a new season, start communicating with residents about what to expect, how to submit requests and what to do in cases of emergency. When issues triggered by the heat occur, residents will feel supported and prepared with the correct information, providing a more seamless maintenance experience for everyone.

3. Solve issues before they **BEGIN**

Preventative maintenance could be the difference between a chaotic season of maintenance and a successful one.

Cycling units that are empty and vacant is a recommended practice. However, for occupied units, it remains important to tend to systems, amenities and the surrounding community grounds to avoid pitfalls during the demand of the season. Significant areas to focus on include:

- HVAC system checks Change out air filters once a month
- Swimming pool and spa maintenance – Test the water chemistry on a daily



basis and check jets regularly Landscaping - Replenish plants and perfect your watering schedule

4. THE KEY TO SUCCESS IS WORKING **TOGETHER**

The best community maintenance teams have a strong partnership with their community management. Staying in close contact as one united team helps maintain a well-connected and efficient internal operation. Community management teams are essential partners in times of need, as well as when budgeting for the season, conducting resident communications and identifying key areas of opportunity.

5. CREATE A WELL-OILED MACHINE, YEAR-ROUND

Preventative maintenance is not the endall, be-all; day-to-day maintenance must not be overlooked. Once a new schedule has been put into action, maintenance teams should work together to become aligned. Getting into a streamlined cadence is guaranteed to

save your teams' time and energy.

There are evident benefits to preparing and implementing maintenance before summer is in full swing: heightened resident satisfaction, a result of receiving a 5-star experience, and positive-minded maintenance and community management teams, to name a few. Altogether, these practices support the cultivation of a multifamily community that is not only highly desirable but exceptional in every regard.

Kris Servidio is the Senior Associate Director of Facilities and Service for Mark-Taylor Residential. As a leader and a mentor in the organization, he is responsible for overseeing an exceptional group of service teams that care for luxury communities across Arizona and Nevada. His depth of knowledge in maintenance operations, as well as his extensive experience in the multifamily industry, has equipped him to ensure that Mark-Taylor's 5-star signature standards of service are upheld.

What if Tenant Doesn't Report Smoke Detector Not Working?



By Hank Rossi

Dear Landlord Hank: Who is responsible for replacing a dead smoke detector — tenant or landlord? If the landlord is, what actions can I take, as landlord, if the tenants know about it and won't replace it? — Travis

Dear Landlord Travis: This question comes down in part to your lease. Is the responsibility for a working smoke detector clearly defined as the tenants' responsibility? My lease indicates the tenant is responsible for smoke detector batteries and, if the detector is not working, for notifying the landlord

If smoke-detector responsibility is not addressed in the lease, then, in my opinion, you can't blame the tenant for its functionality.

If tenants are responsible for batteries and



it is a dead detector, then I as the landlord would buy new ones and install them. If the lease states the smoke detectors are clearly the tenants' responsibility, I would talk to them and then put a seven-day notice on noncompliance on their door, since they are in default on the lease and could be evicted.

This is a serious issue for the health and safety of your tenants, not to mention that your property could be at serious risk of fire with no warning. Move quickly on this it seems a small issue but it could be lifethreatening.



OLORADO

Publisher/GM John Triplett **Editor-in-Chief** Linda Wienandt **Associate Editor** Diane Porter

Vice President/Sales Terry Hokenson **Accounting Manager** Patricia Schluter

Rental Housing Journal is a monthly publication of Rental Housing Journal, LLC.

Website

www.RentalHousingJournal.com

Mailing Address

4500 S. Lakeshore Drive, Suite Tempe, AZ 85282

info@rentalhousingjournal.com

Phone

Email

(480) 454-2728 - main (480) 720-4385 - ad sales

The statements and representations made in advertising and news articles contained in this publication are those of the advertisers and authors and as such do not necessarily reflect the views or opinions of Rental Housing Journal, LLC. The inclusion of advertising in this publication does not, in any way, comport an endorsement of or support for the products or services offered. To request a reprint or reprint rights, contact Rental Housing Journal, LLC at the address above.

> © 2022, Rental Housing Journal, LLC. All rights reserved.

To advertise in Rental Housing Journal, call Vice President/Sales Terry Hokenson at 480-720-4385 or email him at Terry@rentalhousingjournal.com



Judge Halts Ban on Buyer/Seller 'Love Letters'

RENTAL HOUSING JOURNAL

A federal judge in Oregon has issued a preliminary injunction prohibiting enforcement of an Oregon law against what are called "love letters" between buyers and sellers of real estate.

In his court order, District Judge Marco A. Hernández says Oregon's House Bill 2550 "likely violates" the First Amendment rights of real estate agents. "It is not in the public interest to enforce a law that is likely unconstitutional, even one aimed at the laudable goal of reducing unlawful discrimination in housing," the judge said in his legal opinion.

The Pacific Legal Foundation filed a lawsuit on behalf of the Bend-based Total Real Estate Group, according to Oregon Public Broadcasting. They filed the lawsuit against Oregon Attorney General Ellen Rosenblum and Real Estate Commissioner Steve Strode, alleging that forbidding these communications violates First Amendment rights.

The "ruling preserves the opportunity of home buyers to speak freely to sellers and make the case why their purchase offers should win out," Pacific Legal Foundation attorney Daniel Ortner said in a release.

"Love letters communicate information that helps sellers

select the best offer. The state cannot ban important speech because someone might misuse it.

"Oregon's overly broad speech restriction is clearly not justified, and the decision is a major victory for free speech and economic opportunity."

Last year, Oregon became the first state to pass a law banning real estate brokers from transmitting non-customary communications between home buyers and sellers, fearing that so-called "love letters" might be used to discriminate in housing transactions—but without any evidence of such discrimination.

"For Total Real Estate Group, the ban on love letters harms their ability to match potential homebuyers with their dream homes. The letters often prompt sales below the top monetary offer, creating opportunities for first-time homeowners and giving sellers peace of mind that their home ends up in caring hands," Pacific Legal Foundation said in the release.

"At a time when home sales have become a cutthroat business, every bargaining chip matters—to buyers, sellers, and the real estate companies in between.

"Prospective buyers commonly use so-called 'love letters' to move sellers' hearts—and sales—in their direction," the

Pacific Legal Foundation said.

"These conversations give less-privileged buyers a chance at their dream home, which might otherwise be out of reach, while helping sellers ensure their homes are well-loved.

"Buying a home is not like buying a pair of pants; it can be a highly personal and emotional transaction for buyers and sellers. Such letters help ensure that all of these other factors are taken into account.

"These letters are also integral to the work of Oregonbased Total Real Estate Group, a mid-sized real estate firm with brokers throughout Oregon and Southern Washington. As many as 75 percent of the firm's offers have some form of love letter or broker-written cover letter that allows buyers to go beyond the financial offer to tell sellers why they love a home and how they'll use it.

"As one of the firm's brokers puts it, 'Without a love letter, it feels like an incomplete offer."

"And they work. The letters often prompt sales below a seller's asking price, create many first-time homeowners, and give sellers peace of mind that their home ends up in caring hands rather than an out-of-state, house-flipping investor or developer," the foundation said in the release.

