

WHAT'S INSIDE:

3. Five Things to Remember When Deciding to do a 1031 Exchange

4. Chair's Message — The Importance of Networking

4. Ask the Attorney — How to Handle an Eviction Lockout

5. Director's Message — NAA Reaches 10 Million Units

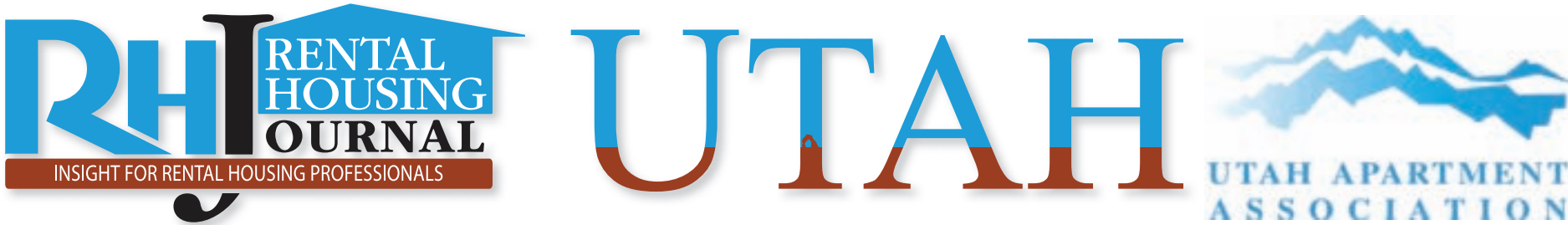
7. Can I Ask a Tenant Behind in Rent to Just Leave?

UPCOMING EVENTS:

General Membership Meeting - Salt Lake
Topic: FUN BUS to WENDOVER – Legislative Update
Thursday, Jan. 16, 2020, noon-10 p.m.
General Membership Meeting - Ogden
Topic: Good Landlord Refresher Class

Tuesday, Jan. 28, 2020, 6-8 p.m.
UPRO Certification Classes
• Friday, Jan. 10, 2020, 8:30 a.m. – Property Management Systems & Case Studies
• Friday, Jan. 10, 2020, 10:30 a.m. – Investment and Financing
• Friday, Jan. 24, 2020, 8:30 a.m. – Tenant

Screening; 10:30 a.m. – Fair Housing and Other Federal Laws Affecting Rentals
www.uaahq.org/upro
C.A.M. Certification Classes
Legal Responsibilities, UAA Office
Tuesday, Jan. 7, 2020, 9 a.m.-4 p.m.
www.uaahq.org/cam



HUD Seeks Investigation of Websites Selling ‘Worthless’ ESA Documentation

U.S. Department of Housing and Urban Development (HUD) Secretary Ben Carson is seeking action against online companies that profit from selling sham assistance animal documentation at the expense of rental housing providers and renters who have legitimate needs. These companies’ documents are intended to justify reasonable accommodation requests for assistance animals (service animals and emotional support animals (ESAs)) in housing but are often used to skirt pet restrictions under false pretenses.

In a letter sent to Chairman of the U.S. Federal Trade Commission Joseph J. Simons and Director of the Bureau of Consumer Protection

See ‘HUD’ on Page 6

PRSRT STD
US Postage
PAID
Sound Publishing Inc
98204

‘The Most Transformative Program in the Country’

*Wasatch Battery, Solar Project with Rocky Mountain Power
Heralded by Environmental, Utility Industries*

Apartment developer Wasatch’s recent efforts to bring an innovative solution to powering its communities in collaboration with its local utility company and the surrounding area is being heralded by environmental and utility industries.

Located 27 miles south of Salt Lake City, Soleil Lofts, a 600-unit community in Herriman, Utah, is the high point of Wasatch’s years-long effort into sustainability operations.

By partnering with its local utility Rocky Mountain Power (RMP) and Auric Energy, The Wasatch Group was able to deliver a solar-based program that powers all-electric apartments that were engineered to consume 50 percent less energy.

What sets this program apart from many solar-powered real estate projects is that it serves more than just the direct end-user. For example, typically for a homeowner who installs solar panels on their roof, that power is used only by that owner.

But in each apartment at Soleil Lofts, batteries are included. They store energy that can be used by the resident and accessed by RMP to enhance their infrastructure for the benefit of all customers on the utility’s grid.

One example of how the apartments were designed to consume less energy can be seen in the Air Changes per Hour (ACH) where once there would be between five and 12 air-exchanges per hour per apartment home, the new system limits this to one, Johnson says. Residents also have a 5 percent lower overall energy cost because of the



innovative design of the buildings.

Such efficiency is a big step up from Wasatch’s initial efforts about five years ago when its sustainability retrofits were built out to offset common area electric use while maximizing the local utility rebate system.

“Back then, we were just trying to use the rebates to offset as much costs as we could,” Johnson says.

How It Works

Each apartment home comes with efficient appliances and a safe, long-lasting sonnen battery—powered by solar panels on top of all 22 buildings in the community. RMP will manage the batteries as a Virtual Power Plant (VPP) capable of operating as a grid

See ‘Wasatch’ on Page 6



CONSIDERING SELLING
YOUR INVESTMENT PROPERTY?
CONSIDERING A
1031 EXCHANGE?



ASK US ABOUT

- ✓ **1031 Exchange Solutions**
- ✓ **Preferred Return Investment Opportunities**
- ✓ **Passive Investment Opportunities – No More Tenants Toilets and Trash!**
- ✓ **Delaware Statutory Trust (DST) Properties**
- ✓ **Triple Net Leased (NNN) Properties**
- ✓ **721 Exchange UPREIT Properties – How to 1031 Exchange into a Real Estate Investment Trust (REIT)**
- ✓ **Opportunity Zones**
- ✓ **Real Estate Investing Seminars and Workshops**

CALL TODAY
1.855.899.4597

**FOR A FREE BOOK ON
1031 EXCHANGES OR REGISTER AT**
www.kpi1031.com

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 and legal professional for details regarding your situation. This material is not intended as tax or legal advice. There are material risks associated with investing in real estate, Delaware Statutory Trust (DST) properties and real estate securities including illiquidity, tenant vacancies, general market conditions and competition, lack of operating history, interest rate risks, the risk of new supply coming to market and softening rental rates, general risks of owning/operating commercial and multifamily properties, short term leases associated with multi-family 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. Securities offered through WealthForge Securities, LLC. Member FINRA/SIPC. Kay Properties and Investments, LLC and WealthForge Securities, LLC are separate entities. Preferred return is not guaranteed, and subject to available cash flow.

LEARN MORE AT

www.kpi1031.com or 1.855.899.4597

Sponsored Content

Five Things to Remember When Deciding to do a 1031 Exchange

By Dwight Kay and the Kay Properties Team

A 1031 exchange is a legal way for investors to defer their capital gains taxes on the sale of real estate held for investment or business purposes. It allows one to defer taxes on a property sale as long as they follow specific 1031 rules and guidelines. In other words, you have the potential to keep all your profits working for you with the purchase of your next investment property, without the IRS coming after you looking for their share of the pie. Here are five things to remember before a 1031 exchange.

1. TAXES ARE APPLICABLE IN A NON-1031 EXCHANGE

When an investor sells a property that has gone up in value this results in several types of taxes. These include capital gains taxes, which the investor must pay if they sell the asset at a price higher than they initially paid for it. Federal capital gains are taxed at 15-20% of the increase in value, while state capital gains are taxed between 0- 13.3% of the increase in value.

Depreciation recapture taxes are taxes due when the seller had claimed depreciation expenses on the sold property. Depreciation recapture is currently taxed at 25% of the amount you have depreciated over the years. Other taxes incurred on property sales include the 3.8% Medicare surtax.

All these taxes are able to be deferred if you do a 1031 exchange. But if you choose to sell your property without a 1031 exchange, ensure you consult a reputable attorney and CPA so you can know what your full tax bill

will be when adding up federal capital gains, state capital gains, depreciation recapture and the medicare surtax.

2. YOU NEED A QUALIFIED INTERMEDIARY

A 1031 exchange isn't as simple as selling and reinvesting in another property. You must first transfer the relinquished property to an intermediary or an accommodator so they can execute the sale on your behalf. This is a process whereby your sale contract is assigned to the qualified intermediary and when the property closes your funds are then wired to your account at the qualified intermediary. From there you will instruct which properties you would like the qualified intermediary to purchase on your behalf. Kay Properties is not a qualified intermediary however we work with many throughout the country so if you would like a referral please let us know.

3. YOU CAN ONLY PURCHASE A LIKE-KIND ASSET

For you to defer taxes via a 1031 exchange, you must reinvest the profits from the sale in like-kind property. In other words, if you sell a property held for investment or business purposes in a 1031 exchange, the replacement property must be of the same character. For example, you could sell an apartment building and purchase a commercial building or you could sell a rental home and purchase a DST 1031 investment.

4. REMEMBER DEADLINES

1031 exchanges are subject to deadlines. If you sell a property today, you're expected to have identified the replacement property within the next 45 days and reinvested the

proceeds in it within 180 days. But if you'd already identified the replacement property, you can reinvest immediately.

5. UNDERSTAND YOUR OPTIONS

Once investors have decided to do a 1031 exchange they should consider their options. First, they could purchase another type of investment property that they would manage on their own. Second, they could purchase a triple net lease property whereby a national tenant such as Walgreens or FedEx has leased the property for typically 10-15 years. The problem with the triple net leased properties is that it causes investors to place a large portion of their net worth into a single property which could be disastrous (think Blockbuster Video). Third, if the investor is wanting to get out of active management and the day to day issues of dealing with tenants, toilets and trash as well as they are wanting to diversify their investments into multiple properties then a DST 1031 exchange may be a solution. The DST (or Delaware Statutory Trust) is a type of property whereby the management is handled by a third party trustee and since the typical minimum investment of a 1031 DST offering is \$100,000 investors are able to purchase a diversified portfolio of Delaware statutory trust properties that may include a piece of Walgreens for 100k, piece of a FedEx distribution warehouse for 100k and a piece of a 800 unit portfolio of multifamily properties located throughout the south east and Texas*.

If you are interested in learning more about your 1031 exchange options please get in touch with us today to learn more.



Kay Properties and Investments, LLC is a national Delaware Statutory Trust (DST) investment firm with offices in Los Angeles, San Diego, San Francisco, Seattle, New York City and Washington DC. Kay Properties team members collectively have over 114 years of real estate experience, are licensed in all 50 states, and have participated in over \$9 Billion of DST real estate. Our clients have the ability to participate in private, exclusively available, DST properties as well as those presented to the wider DST marketplace; with the exception of those that fail our due-diligence process.

To learn more about Kay Properties please visit: www.kpi1031.com

* These are illustrative examples of 1031 DST offerings. Future available 1031 DST offerings and tenants may be different. Diversification does not guarantee profits or protect against losses.

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. This email contains information that has been obtained from sources believed to be reliable. However, Kay Properties and Investments, LLC, WealthForge Securities, LLC and their representatives do not guarantee the accuracy and validity of the information herein. Investors should perform their own investigations before considering any investment. 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. This material is not intended as tax or legal advice.

There are material risks associated with investing in real estate, Dela-

ware Statutory Trust (DST) properties and real estate securities including illiquidity, tenant vacancies, general market conditions and competition, lack of operating history, interest rate risks, the risk of new supply coming to market and softening rental rates, general risks of owning/operating commercial and multifamily properties, short term leases associated with 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. For an investor to qualify for any type of investment, there are both financial requirements and suitability requirements that must match specific objectives, goals and risk tolerances.

Securities offered through WealthForge Securities, LLC, Member FINRA/SIPC. Kay Properties and Investments, LLC and WealthForge Securities, LLC are separate entities. There are material risks associated with investing in DST properties and real estate securities including illiquidity, tenant vacancies, general market conditions and competition, lack of operating history, interest rate risks, the risk of new supply coming to market and softening rental rates, general risks of owning/operating commercial and multifamily properties, short term leases associated with multi-family properties, financing risks, potential adverse tax consequences, general economic risks, development risks, long hold periods, and potential loss of the entire investment principal. Past performance is not a guarantee of future results. Potential cash flow, returns and appreciation are not guaranteed. IRC Section 1031 is a complex tax concept; consult your legal or tax professional regarding the specifics of your particular situation. This is not a solicitation or an offer to see any securities. Please read the Private Placement Memorandum (PPM) in its entirety, paying careful attention to the risk section prior to investing.

Chair's Message

The Importance of Networking

In Utah we are lucky to be part of one of the largest organizations for owners and managers in the country. This gives us an excellent opportunities to meet with other owners, managers, vendors and service providers, which is one of the best resources that the association provides.

KEYS TO NETWORKING

When it comes to networking, here are 7 things that you need to make sure that you do in order to be successful.

- **Don't forget your business card.** Having contact information that you can quickly and easily give out is important in order to follow up.
- **Break the ice quickly.** You don't have to be fancy about it, just going up and saying hello to people and asking them how they are enjoying the event or class can make for an easy segue into taking about common issues.
- **Join a conversation, don't hijack it.** If you see a group discussing something you don't need to take over



MATT LEDINGHAM
Chair, Utah
Apartment
Association

in order to be included. Conversely, feel free to join into an ongoing conversation if you have something to add!

- **Give yourself time to chat.** Arriving early is the easiest way to find other people to talk to.
- **Set a goal of meeting a certain number of people and try to stick to that goal.**
- **Pay attention to who asks questions.** If another attendee asks a question that is relevant to you, it might be worth meeting them to discuss your similar interests and issues.
- **Keep in contact.** Don't wait until next year's trade show to reach out to your new friends, you might want to follow up within the next few weeks,



and it's always a good idea to keep in touch at least a couple times a year.

OPPORTUNITIES

The UAA provides several excellent opportunities to network. The best by far is the UAA Annual Fair Housing Conference and Trade Show, which bring together thousands of landlords, property managers and rental housing

specialists from around the state, and also includes hundreds of vendors and specialized service providers. I strongly recommend that you do this, especially if you have never had the opportunity to attend before. You will be able to find other people who know exactly what kinds of issues you face, and who might have some ideas or solutions that can help you.

Other networking opportunities include UAA classes, especially the monthly General Membership Meetings that the UAA hosts at the end of every month, as well as the other events put on by the UAA - including the Reverse Trade Show, Golf Tournament, and Awards Banquet. Also, for those who really want to get involved, we have the UAA Committees where you can work with other members to help plan events, recruit new members, run community service activities, design educational materials and direct our Government Affairs issues. Not only is this a great way to get involved, it is a fun way to meet other members and network.



Boost your knowledge, skills, and confidence!

Certified Apartment Manager



CAM
CERTIFIED APARTMENT
MANAGER®

WE RECOMMEND THIS COURSE for community managers and experienced assistant managers.

Earning your CAM credential allows you to demonstrate that you have the knowledge and ability to manage an apartment community and achieve the owner's investment goals. The CAM credential positions you well for career opportunities and advancement.

SPRING 2020 Certified Apartment Manager (CAM) Program

Come Learn about:

- Occupancy Rates
- Comprehensive marketing plans
- Sales team management and product readiness
- Equitable treatment of current and potential residents
- Resident retention and maintaining a positive company image
- Communicating with residents
- Customer service and issue retention
- Enforcing company policy and complying with laws and regulations
- Property inspections
- Preventative maintenance programs
- Service request process
- Apartment turnover
- Working with contractors and vendors
- Recruiting high-caliber employees
- Employee orientation and training
- Employee evaluation
- Employment regulations and record keeping
- Analyzing the property's financial operations and taking corrective actions for underperformance
- Monitoring property performance to achieve the owner's investment goals
- Accounting principles and practices
- Maximizing net operating income
- Reporting property performance accurately

Full course with materials \$825

Register online : www.uaahq.org/CAM



Ask the Attorney
How to Handle an Eviction Lockout

"I HAVE AN EVICTION ORDER; HOW DO I HANDLE THE LOCKOUT?"

An Order of Restitution (or eviction order) from the court usually requires that a Sheriff or a Constable be the



JEREMY SHORTS
Attorney

one to enforce the order and perform the lockout. If the tenant refuses to leave, this is not something that the landlord should do by yourself. Having a sheriff or constable finish the lockout will help to ensure everything is done correctly. There will be additional cost associated with the lockout, but if the case ends up back in front of the judge, you will be glad that everything was done correctly. If anything was handled incorrectly or the order was wrongfully enforced, the tenant may try to make a claim for wrongful eviction or damage to their personal items. As a piece of practical advice, allowing a sheriff or constable to enforce the order will also protect you as the landlord from any emotionally charged or dangerous situations which may arise as you attempt to perform a lockout on your own.

To advertise in Rental Housing Journal
Call 480-720-4385

Director's Message

NAA Reaches 10 Million Units

The National Apartment Association (NAA) recently announced that its affiliate network now represents more than 10 million apartment homes globally.

“NAA works diligently to serve and represent the interests of the apartment industry,” said NAA President & CEO Robert Pinnegar, CAE. “As Americans increasingly choose to call apartments home, NAA’s latest membership milestone shows the depth of our industry and importance of delivering quality resources to our stakeholders so that we may provide quality housing to the 39 million people who live in an apartment home, as well as to meet the growing demand for apartment homes which is at an all time high. We look forward to continuing to provide cutting-edge advocacy, education and networking opportunities to rental



L. PAUL SMITH, CAE
Executive Director,
Utah Apartment
Association

housing professionals.”

The milestone culminates years of hard work by local, state and national leaders to raise the profile of the apartment industry and increase the value of NAA membership. Among NAA's member benefits are: access to federal, state and local advocacy resources; countless tools, resources and educational opportunities; NAA Click & Lease, which provides powerful leasing solutions; premier networking and education events; and an expanded legal assistance program. Together,

these benefits offer a comprehensive range of resources valuable to any apartment industry professional.

“Representing over 10 million apartment homes is a tremendous milestone,” added NAA Senior Vice President of Affiliate and Member Engagement Kevin Watkins, MBA, CAE. “The entire NAA team works hard each and every day to support our members and affiliates and this milestone is proof of their dedication.” With a mission “To serve as a trusted, preeminent resource for all stakeholders in the rental housing industry through advocacy, education and collaboration,” NAA will continue to lead the industry and provide consistent, quality resources to members and industry professionals. For additional information on NAA membership, please visit <https://www.naahq.org/member-services>.

Members of the Utah Apartment Association are automatically members of NAA. As of October 2019, UAA Represented 2,740 members representing 109,617 and 209 suppliers.

The National Apartment Association (NAA) serves as the leading voice and preeminent resource through advocacy, education and collaboration on behalf of the rental housing industry. As a federation of 155 affiliates, NAA encompasses over 82,000 members representing more than 10 million apartment homes globally. NAA believes that rental housing is a valuable partner in every community that emphasizes integrity, accountability, collaboration, community responsibility, inclusivity and innovation. To learn more, visit www.naahq.org.

Four 4 Outdoor Flooring Options for Your Rentals

RENTAL HOUSING JOURNAL

Outdoor flooring options for your rental property is the maintenance checkup from Keepe this week as we look at tfour different types.

- Natural stone can present unique variegations in a variety of colors, which results in a beautiful, one-of-

a-kind accent in your outdoor space. It can be custom-cut to be arranged accordingly to a preferred pattern and look, with irregular shapes being used for meandering mosaics and modular stones being used when a more regular and symmetrical appearance is desired.

- Wood is one of the most common flooring materials utilized for decks

and porches, and has been a favorite for generations.

- Concrete pavements are simple. Their simplicity can make them the ideal element to feature along with minimalist, modern décor. Or, make them a definite “no-no” for those wanting their outdoor flooring to be a more visible accent piece.

- Tile is a common pavement type. It allows you to achieve both uniform, subtle pavements but also incredibly intricate decorative designs and contrasts.

Keepie is an on-demand maintenance solution for property managers and independent landlords.

Rentegration.com

Integrated Solutions at your fingertips

5 REASONS TO USE RENTTEGRATION

1. Access - Rentegration.com is a web based, multi-user software offering customers 24/7 access to forms generation, archives, property management data-base, basic accounting, vendor ordering and other services.

2. Rental and Lease Forms - Unlimited use of a full line of state specific rental and lease forms. All Rentegration.com forms are created by attorneys and/or local rental housing associations.

3. Simplified Accounting - Owners and managers can track income and expense for each unit, property and company. Perfect for mid and small size property managers and independent rental owners, who neither have the need or budget for larger, more expensive software.

4. Management Database - Rentegration.com is an easy to use, database driven software. Most form fields are auto populated from the database. The modules are all integrated and work together. For example, a customer can use the rent-roll function to identify all delinquencies, apply fees, and create eviction forms with a few simple clicks of the mouse.

5. Value - Large property management companies that use Rentegration.com for only forms generation will save time and money over other methods. Mid and small size property managers and independent rental owners can manage their entire business at a fraction of the cost of other software and forms.

Exclusive Industry Partner of

NATIONAL TENANT NETWORK

State specific rental and lease forms available in:

AK, AZ, CA, CO, DC, DE, FL, GA, IL, IN, KS, KY, MA, NC, NJ, NV, NY, OH, OR, PA, TX, UT, VA, WA & WV.

rentegration.com 503.933.6437 sales@rentegration.com



IT'S WHO
WE ARE.
IT'S WHAT
WE DO.

(L) MORRIS HAINSWORTH (R) KENNETH HAINSWORTH

Since we were founded 50 years ago, there continues to be one constant in who we are and what we stand for.

The Hainsworth name.
Still family run. Still locally
serviced. We are where you
are. Since 1963.

HAINSWORTH
LAUNDRY COMPANY

WWW.HAINSWORTH.BIZ
1.800-526-0955

Wasatch Battery, Solar Project with Rocky Mountain Power Heralded

Continued from Page 1

resource. Once fully operational, Soleil Lofts, which is 100 percent powered by electricity, will be the largest residential battery demand response project in the United States.

“In my opinion, this is the most transformative project we’ve worked on in the United States,” sonnen CEO Blake Richetta tells Utility Dive.

That’s coming from a company that has installed more than 45,000 batteries globally and already developed multiple VPPs that combine residential energy systems into grid resources. But Richetta, who took the helm at sonnen

earlier this year, says the Utah project stands out for multiple reasons.

“This has never been done,” Richetta says. “Soleil Lofts is a completely purpose-built community, owned by the developer but the utility is completely managing the solar and battery resources.”

Sonnen and RMP credited the developer for its environmental focus.

“If we tried to do this on our own, it wouldn’t have penciled out,” RMP Managing Director Bill Comeau told Utility Dive. “Not for us, or them.”

The Wasatch Group will own the solar array and batteries, while RMP

will manage the VPP as a grid resource and will be studying its potential integration into the Western Energy Imbalance Market. More than 600 individual sonnen ecoLinx batteries will be capable of storing 12.6 MWh of energy from a 5.2 MW solar array.

While the VPP is unique, both sonnen and RMP say it represents a solution that can be replicated.

Salt Lake City, like many parts of the country, is struggling to meet housing demand, Johnson says. “What’s great about this program is that it provides housing without adding any carbon particles to the air,” Johnson says.

Some surveys rank Salt Lake City, which sits in a geographic basin, among the 10 worst markets for air quality. That rating is based mostly because of winter climate, when an inversion of atmospheric conditions occurs. Normally, cool air resides above while warm air resides below, so when an inversion occurs, the inversion traps a dense layer of cold air under warm air.

This article was originally published on Utility Dive (www.utilitydive.com). Utility Dive is a daily news publication that provides busy professionals with a bird’s-eye-view of their industry in 60 seconds.

HUD Seeks Investigation of Websites Selling ‘Worthless’ ESA Documentation

Continued from Page 1

Andrew Smith, Secretary Carson expresses several concerns in line with those of the apartment industry and asks the FTC to investigate some websites selling assistance animal verification documents. As HUD General Counsel Paul Compton states, “These websites are using questionable business

practices that exploit consumers, prejudice the legal rights of individuals with disabilities, dupe landlords, and generally interfere with good faith efforts to comply with the requirements of the Fair Housing Act.”

For four years, NAA and NMHC have articulated the industry’s concerns about abuse by those who do not

legitimately require emotional support animals. We continue to urge HUD to issue new guidance as more clarity is urgently needed in the face of growing abuse of the law intended to protect the rights of disabled persons.

In its March 2019 letter to HUD, NAA and NMHC emphasized that these companies make a profit by taking

advantage of consumers who do not know what is required as proof for the need for a reasonable accommodation. Not only do these companies offer unnecessary certification and registration documents, they often provide the required attestation after completion of a simple online form and payment. Most consumers do not realize that these practices are illegitimate. An online form evaluated by a mental health provider or a single consultation alone does not constitute a legitimate treatment relationship. In short, these companies are less about helping disabled persons fully use and enjoy their housing and more about enabling bad actors to avoid pet restrictions and fees.

Secretary Carson’s November 6 letter further explained that: “These certificates are not an acceptable substitute for authentic documentation provided by medical professionals when appropriate. These websites that sell assistance animal certificates are often also misleading by implying that they are affiliated with the federal government. Nothing could be further from the truth. Their goal is to convince individuals with disabilities that they need to spend hundreds of dollars on worthless documentation to keep their assistance animal in their homes.”

NAA is pleased with HUD’s attention to this important issue and will continue to monitor the situation for future developments. We encourage all members, owners and operators, to wait for further guidance from HUD before altering any policies or procedures for evaluating reasonable accommodation requests for animals. While this announcement should not interfere with an applicant or resident’s right to ask for an accommodation for an assistance animal, remember rental housing providers have the right to request reliable documentation when the disability or disability-related need are not readily apparent.



UTAH APARTMENT ASSOCIATION

Join us! Thursday, January 16th, 2020 for a

FUN BU\$ General Membership Meeting



On the way to Wendover you'll hear from guest speakers from the Law Offices of Kirk A. Cullimore who will be providing a Legislative Update.

\$20 ticket includes: Top Notch Education, Games & Prizes on the bus, Buffet at Montego Bay, \$5 Lucky Buck, Free Drink and \$7 Free Play at the Casino.

Register Now : www.uaahq.org/funbus-GMM

The bus will depart the Utah Apartment Association office (230 W Towne Ridge Pkwy Sandy, UT 84070) at **Noon on January 16th** and will travel to Montego Bay. The bus will **return** our guests back to the pick up spot at our office **by about 10:00 PM** that evening.

Questions? Call 801-487-5619 or email stephanie@uaahq.org.



Le Bus A Better Way To Travel

Register Now:

www.uaahq.org/funbus-GMM

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

Can I Ask a Tenant Behind in Rent to Just Leave?

Dear Landlord Hank: I have a tenant who is behind on rent and his lease is up in January. I do not want to resign the lease. Can I ask him to leave when his lease is up? — **Brenda**

Dear Landlady Brenda: I ‘m not an attorney so I can’t offer legal advice.

A lease is a written agreement to rent a specific property for a particular term at a defined rental rate.

You need to check your lease with this tenant, but you will have somewhere in the lease a clause relating to HOLD OVER.

It basically states that tenant will deliver possession of residence in good repair to management upon termination of agreement.

I would send this tenant notice that you are not renewing the lease at the end of his term, and do it certified mail with return receipt requested, and do it now, if lease is up next month.

If you think this tenant is not going to pay January rent and is already significantly behind in rent, then I would give him the required notice in your state and begin eviction process now.

If you start now he won’t be served until after Christmas.

This may seem harsh but this tenant is stealing from you by not paying the agreed upon rent, and you don’t need to put up with that.

Dear Landlord Hank: How do you decide how much you going to raise rent for tenants in 2019? We have some leases coming up for renewal and of course just got increases from our insurance company and taxes from the county and school district. How do you decide how much? — **Landlord Tim**

Dear Landlord Tim: When I have increases in fixed expenses I try, when possible, to pass along the entire cost to my tenants.

If your insurance went up \$300 and your taxes went up \$400, for example, that is \$700 increase total.



If you divide that by 12 months it only comes out to \$58.33 per month over an annual lease.

That, to me, is very reasonable and I think most folks could handle that with no problem.

I’d be open to discussion if a rent increase could be problematic for a tenant.

I would rather not pursue an increase in rent if it is going to cost me a good tenant.

Vacancy costs and rehab costs will more than make up for the small amount of rent you aren’t receiving from not increasing a good tenant’s rent.

Dear Landlord Hank: My tenant had kids over and flushed wipes down a toilet that led to a major plumbing incident in my rental. I had to pay \$2,000 for the repair. He also told me last week that he lost his job. What do I do? He paid for the month of November. What do I do come December 1st when he cannot pay? I live in Washington State. — **Laura**

Dear Landlady Laura: If you already know, and the plumber confirmed, that the blockage and plumbing expenses were caused by the tenant or the tenant’s guests or invitees, then your lease should clearly state that the expense for the repair would be borne by the tenant.

Or, that the landlord, at your discretion, may make the repair, and the tenant be fully responsible for the payment of the repair due to the kids flushing wipes down the toilet.

If the tenant can’t pay for the damage caused by flushed wipes down a toilet,



he would be in default of your lease.

If you already know he has lost his job, I’d talk to him and tell him he’ll need to move immediately. You will use his security deposit to cover the damage that he caused, but to keep from being evicted, you will re-rent the property and he’ll no longer be liable for the balance of his lease.

I’m not knowledgeable about Washington State landlord/tenant laws, but you may need to evict.

I’d would try to be reasonable and show him the logic of leaving now before his credit and rental history is damaged.

I know we are moving into the holiday season, but you are running a business. You must keep your charitable self in check. It’s not up to you to pay his bills, including damage to the property and rent.

If you let him stay until December’s rent is due, and he doesn’t pay that either, you will be further in the red.

You may need to get an attorney involved, but you need to have your property back in your hands so you can

find a replacement tenant.

Don’t hesitate, and move quickly. Good luck!

Strong leases save us when we’re all on the same page and it’s in writing.

About Landlord Hank: “I started in real estate as a child watching my father take care of our family rentals- maintenance, tenant relations, etc. in small town Ohio. As I grew, I was occasionally Dad’s assistant. In the mid-90s I decided to get into the rental business on my own, as a sideline. In 2001, I retired from my profession and only managed my own investments, for the next 10 years. Six years ago, my sister, working as a rental agent/property manager in Sarasota, Florida convinced me to try the Florida lifestyle. I gave it a try and never looked back. A few years ago, we started our own real estate brokerage. We focus on property management and leasing. I continue to manage my real estate portfolio here in Florida and Atlanta. Visit Hank’s website: <https://rentsrq.com>

Subscribe Today!

NAME		
ADDRESS		
CITY	STATE	ZIP
E-MAIL ADDRESS		

I am an:

☐ OWNER☐ INVESTOR☐ PROPERTY MANAGER☐ VENDOR☐ OTHER

*Print subscriptions \$25/year

I would like:

☐ PRINT☐ E-MAIL

Editions:

☐ ARIZONA☐ COLORADO☐ PORTLAND, OR☐ SALEM/EUGENE, OR☐ SEATTLE/TACOMA☐ UTAH

☐ VISA☐ MASTER CARD

CARD NUMBER	EXP.	CVV
NAME ON CARD		
BILLING ADDRESS		

OR MAIL A CHECK TO:

Rental Housing Journal
4500 S. Lakeshore Drive, Suite 300
Tempe, AZ 85282

Publisher/General Manager
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 300
Tempe, AZ 85282

Email
info@rentalhousingjournal.com

Phone
(480) 454-2728 - main
(480) 720-4386 - 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.

© 2019, Rental Housing Journal, LLC. All rights reserved.

RENTAL HOUSING JOURNAL UTAH · DECEMBER 2019

7



DON'T WAIT FOR THE SMOKE TO SETTLE.

For a higher appraisal and healthier tenants,
go smoke-free.

way to quit |  **UTAH DEPARTMENT OF HEALTH**