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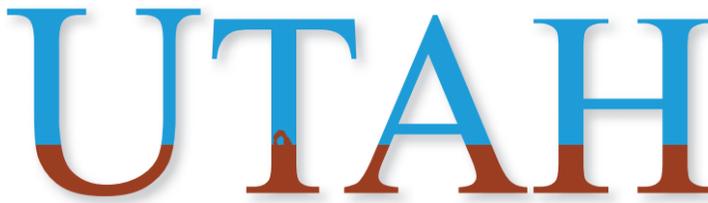
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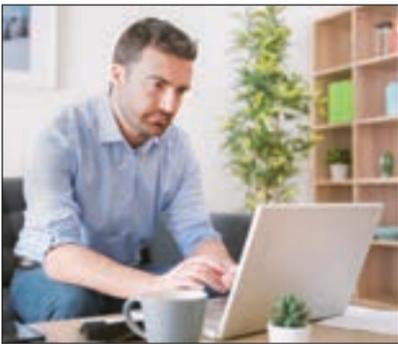
- General Membership Meetings Postponed Until After May 15, 2020
- UPRO Certification Classes Postponed Until After May 15, 2020
- C.A.M. Certification Classes Postponed Until After May 15, 2020

CPO Certification Classes
 Certified Pool Operator
 Wednesday, June 17th and 18th, 2020
 9:00 AM – 4:00 PM
 UAA Office
www.uaahq.org/cpo



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How to Get Federal Funds for your Property Management Company or Small Business

As part of the CARES Act, there is a program called Payroll Protection Program we encourage you to apply for, if you are eligible.

In a nutshell:

If you have payroll, you may qualify for a forgivable loan of up to 2.5 times your payroll amount to cover expenses like payroll, rent and utilities

If you keep your employees for 8 weeks, the loan may be forgiven

We encourage you to reach out to your bank or credit union and apply as soon as possible; the funds are available on a first come, first serve basis.

See 'How to' on Page 4

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Dealing with Renters Who Have Not Paid in a COVID-19 World

Dear Housing Provider –

One of the things we can be grateful for this month is that most renters (94-95%) have paid rent for April. However, we are still getting questions about how to handle tenants that have not paid.

For those who have made rent deferral arrangements:

- Stay in contact
- Send polite reminders
- Avoid serving official three-day notices

For renters who are ignoring you:

• Find out if the CARES Act applies to you – If it does, you cannot send 3-day notices, only a delinquency notice or a rent reminder letter (you are covered by the CARES Act if you have a federal loan like FHA, Freddie Mac or Fannie Mae).

• If you aren't covered by CARES Act, you can serve a three-day notice. If the renter responds that they have lost income because of COVID-19, and they were caught up before April 1, you can't file an eviction until May 15.

The NAA infographic at right may help you explain to your renters how rent is used. Even the 9% that goes to owners, often goes to seniors or others that rely on that income for their livelihood. There are over 60,000 Utahans who own rental properties as investments. The rental business is not just fat cat owners. Its real people who live in our community and are hurt when renters don't pay.

See 'Dealing' on Page 7



Good Landlord Classes Now Available Online!

The Good Landlord Class is the base legal class the UAA offers on landlord laws in the state of Utah. Some cities require you to take this class in order to receive a "good landlord discount" on your business license fees. This class is good for all cities in the state and is a wealth of broad knowledge on landlord law.

In these times of social distancing, we are now offering our GLL Class Online so you can still renew your business licenses in compliance with cities Good Landlord Program requirements.

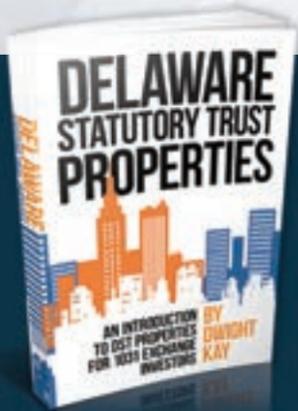
The online class will cover:

- Basic guidelines to being a landlord
- Best practices and policies in property management
- Fair Housing basics and landlord/tenant discrimination (including ESA/comfort animals)
- Tenant screening and background checks
- Evictions and dealing with tenant issues
- Abandoned property and abandoned premises
- Deposits and dealing with damage to property
- As well as a few other rules and guidelines to being a landlord in Utah

REGISTER ONLINE at www.uaahq.org/gll



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- ✓ 721 UPREIT Investments - How to 1031 into a Real Estate Investment Trust (REIT)
- ✓ Delaware Statutory Trust - DST Properties
- ✓ Triple Net Leased - NNN Properties

AVAILABLE OPPORTUNITIES



ACQUISITION FUND, LLC - 7% Debentures*
Minimum Investment: \$50k

The Acquisition Fund LLC was formed to facilitate the acquisition and inventory of long-term net leased assets, multifamily assets and private equity real estate investments. The offering provides investors with the ability to participate in the sponsor's inventorying of real estate assets prior to syndication.

**The Debentures will bear non-compounded interest at the annual rate of 7.0% per annum (computed on the basis of a 365-day year) on the outstanding principal, payable monthly on between the fifteenth and twentieth day of the following month. An investment in the Debentures will begin accruing interest upon acceptance and closing of the Investor's Subscription Agreement. There is a risk Investors may not receive distributions, along with a risk of loss of principal invested.*



SHREVEPORT PHARMACY DST
Minimum Investment: \$50k

A long-term net lease offering with a corporate Walgreens guarantee. Walgreens has been a tenant at this location since 1999 and recently extended their lease an additional 10 years, showing a strong commitment to the site and trade area. The offering which is available to 1031 exchange and cash investors also has a cost segregation report prepared to enhance investors depreciation write offs and tax sheltering of projected monthly income.



SEATTLE MULTIFAMILY DST
Minimum Investment: \$50k

An all-cash / debt-free multifamily apartment community. Located in the Seattle Metropolitan Area which is home to a strong workforce with Amazon, Microsoft, and Expedia. This all-cash/debt-free 1031 exchange offering is believed to potentially possess a defensive cash flow profile with existing and resilient occupancy along with the potential for asset appreciation as the demand from Seattle's core central business district supports greater growth in broader submarket neighborhoods. The offering which is available to 1031 exchange and cash investors also has a cost segregation report prepared to enhance investors depreciation write offs and tax sheltering of projected monthly income.

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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DST Investing Across Market Cycles

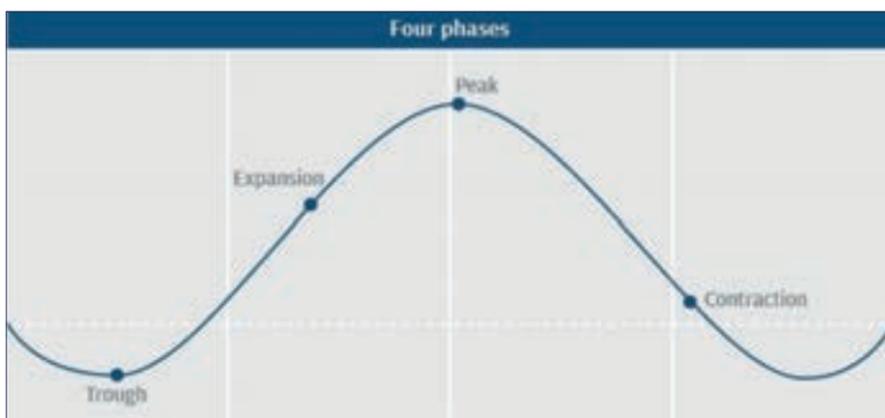
BY SEBASTIAN MOYA /
ASSOCIATE AT KAY PROPERTIES & INVESTMENTS
AND THE KAY PROPERTIES TEAM

One of the common topics that frequently pops up in investment conversations these days is discussion about what stage of the “cycle” the market is in. Why does cycle matter, and what does the current cycle mean for DST investment opportunities?

Simply put, market cycles refer to the periodic ebbs and flows that occur in the economy and across individual sectors, such as tech, energy and commercial real estate. Markets rise and fall across four phases: expansion, peak, contraction and trough.

Four stages to the cycle:

- 1. Recovery/Expansion:** The market is following a healthy, positive growth trajectory.
- 2. Peak:** The top of the market where assets are fully priced.
- 3. Contraction:** Growth slows but isn't negative.
- 4. Trough/Recession:** Growth stalls or becomes negatives and can fall into a recession, which is usually defined as two consecutive quarters of negative growth.



Record-breaking expansion cycle

Timing investments right can help to maximize returns. Yet getting market timing exactly right is never easy unless you happen to have a crystal ball handy. There are plenty of savvy investors making educated guesses about where the market is at in its current cycle. Most are willing to wager that it is late in the expansion phase. The reality is that the current cycle has moved into uncharted territory. The U.S. is officially in its longest expansion, breaking the record of 120 months of economic growth previously occurring from March 1991 to March

2001, according to the National Bureau of Economic Research.

The length of the current economic expansion has many people worried that an inevitable end must be in sight. Yet this current period of slow and steady growth has proved to be sustainable, and there doesn't appear to be anything imminent that could derail that pattern. The “peak” that some were worried was nearing in both the economy and commercial real estate markets could very well turn out to be more of a plateau. Even if there is a contraction or trough ahead it could be a slight downturn rather than a sharp drop off a cliff. There are numerous variables that contribute to the shape of market cycles that range from Fed monetary policy to market bubbles that pop, such as the housing and dot com booms that caused the last two recessions. Hindsight is always 20/20, but it is challenging to predict exactly what events may surface and when they will hit.

Real estate cycles vary

The added challenge in real estate is that it is not a one-size-fits-all market. Different property types and cities are at different stages of their market cycles. For example, the Manhattan office market, may be viewed by some as being close to the peak with slowing or flat growth ahead, whereas the Nashville or Orlando apartment markets could still be considered to be in the mid-stage of expansion with more upside potential.

Defense vs offense? Cyclical investing strategies

What does the current market cycle mean for DST investors? People can and do invest across all phases of the cycle. However, strategies can change depending on the phase. During expansion, investors may choose to be more aggressive as they see more upside for growth. Investors in early stage expansion cycles are more prone to play offense so to speak and are willing to take on more risk. The closer a market gets to peak and a potential down shift to a contraction or trough phase, the more likely investors are to be cautious of risk and gravitate towards defensive strategies.

In some cases, mature market cycles are fueling an increase in property sales and 1031 tax deferred exchanges. Property owners who believe values may be at or near peak see it as a good time to take chips off the table and sell real estate that has experienced good appreciation. DSTs are an accepted alternative for use in a 1031 tax-deferred exchange. Individuals also have an opportunity to reinvest proceeds into a variety of different property types and geographic markets. For example, Kay Properties has DST opportunities with a minimum investment amount of \$100,000 for investors with offerings that span multifamily, student housing, self-storage, net lease (NNN), industrial and medical office properties.

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

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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 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. Diversification does not guarantee profits or protect against losses.

Chair's Message

We're in This Together – We WILL Get Through it!



JEAN SMITH
Chair, Utah
Apartment
Association

In these challenging times, many housing providers and renters are understandably stressed. The UAA's goal is to provide information that can help you remain calm and be kind and professional to all you encounter.

We have all experienced our first rent week in the new COVID-19 world. That means many of us are having some anxiety about rents. First, the good news:

- Most housing providers are reporting

tenants are paying rent as normal, or at least in the high percentages. One large management company reported about a 7% delinquency in its portfolio as of morning I am writing this. While that is twice the usual, it means 93% of their thousands of renters have paid April rent.

• The Department of Workforce Services reports 85% of renters still have income. Of the 15% that aren't working, many have savings, family and friends, or other resources they are utilizing to pay rent.

If your renters haven't paid rent, we recommend that you reach out with a hand of support. Ask if they need help because they have been affected by the health crisis. Try to work with your customer and preserve the relationship. Be pragmatic and kind and work through

solutions together, finding a way for both sides to make things work.

Do your best to think about the long-term and the relationship you have had previously with your renters. Many people are facing situations caused through no fault of their own, that they didn't plan for and most likely don't really know the best way forward in getting themselves to the other side.

There are many reasons an eviction, or having a tenant move out, are not beneficial in these unique times. Aside from the possible negative PR and unwanted government relations, let's face it, the logistics have changed.

- Courts aren't running as normal, which means different processes and delays.
- People aren't leaving their homes

to go "looking" at a new place to live – they're doing virtual tours from their couches or they're not moving at all.

• Rising unemployment rates and an "uncertain" economic outlook could mean that a prospective tenant's financial health may not be what it seems – or could change drastically at the drop of a hat.

So don't panic, take a deep breath and remember we will all get through this together and the UAA is here to help!

Our website (www.uaahq.org/need-2know) is full of tips and helpful information to get you through these unique times, and of course, though the office doors are closed, our staff is standing by to take your calls (801-487-5619) and return your emails (info@uaahq.org).

Let's All Stay Safe!

How to Get Federal Funds for your Property Management Company

Continued from Page 1

LOAN INFORMATION

The Paycheck Protection Program is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll.

SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities.

You can apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating. Other regulated lenders will be available to make these loans once they are approved and enrolled in the program. You should consult with your local lend-

er as to whether it is participating in the program.

Lenders may begin processing loan applications as soon as April 3, 2020. The Paycheck Protection Program will be available through June 30, 2020.

WHO CAN APPLY

The following entities affected by Coronavirus (COVID-19) may be eligible:

- Any small business concern that meets SBA's size standards (either the industry based sized standard or the alternative size standard)
- Any business, 501(c)(3) non-profit organization, 501(c)(19) veterans organization, or Tribal business concern (sec. 31(b)(2)(C) of the Small Business Act) with the greater of:

- 500 employees, or
- That meets the SBA industry size standard if more than 500
- Any business with a NAICS Code that begins with 72 (Accommodations and Food Services) that has more than one physical location and employs less than 500 per location
- Sole proprietors, independent contractors, and self-employed persons

LOAN DETAILS AND FORGIVENESS

The loan will be fully forgiven if the funds are used for payroll costs, interest on mortgages, rent, and utilities (due to likely high subscription, at least 75% of the forgiven amount must have been used for payroll). Loan payments will also be deferred for six months. No collateral or personal guarantees are required. Nei-

ther the government nor lenders will charge small businesses any fees.

Forgiveness is based on the employer maintaining or quickly rehiring employees and maintaining salary levels. Forgiveness will be reduced if full-time headcount declines, or if salaries and wages decrease.

This loan has a maturity of 2 years and an interest rate of 1%.

If you wish to begin preparing your application, you can download a copy of the PPP borrower application form to see the information that will be requested from you when you apply with a lender.

More info can be found at : <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program-ppp#section-header-1>.

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Director's Message

UAA Statement on Limited Evictions Freeze Order



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

The Governor of Utah issued an Executive Order on April 1st that has, unfortunately, been widely misunderstood and mis-characterized. We want to explain quickly what the order does and does not do.

IT IS NOT A RENT DEFERRAL ORDER

Some media have been reporting that renters no longer have to pay April rent. This is not true. Some renters have understood this order to mean they are

excused or "forgiven" of paying rent in April and May. This also is not true. It has been reported this prohibits all evictions. This is not true.

The order is ONLY a suspension of certain evictions for non-payment in Utah. It has nothing to do with deferring or forgiving rent. A full copy of the order is on our website, www.uaahq.org, under Covid-19 resources.

Evictions for rent before April 1, criminal activity, nuisance or lease violations can proceed. This order is designed to cover the most vulnerable in our society – those who lost income or employment because of government ordered health shutdowns. It is very short term, only 45 days. Housing providers will be unable to evict anyone who can demonstrate they suffered a loss of job or wages as a result of COVID-19. It applies only to rent after April 1. It does

not create, require or imply rent forgiveness. It simply gives the most vulnerable tenants waiting on their federal stimulus or unemployment check more time.

Renters, please recognize housing providers have expenses too, and pay your rent as soon as you are able. If necessary, utilize your personal resources, loans from friends and family, help from non-profits and churches, and government programs to stay current on rent.

Housing providers, be patient and accommodating. We are in the business of housing people, not evicting them, and in this unprecedented time, it is reasonable for us to work a little longer with the most directly affected. 80% of renters still have jobs and should be able to pay rent as normal. You should only have to work with the hardest hit.

We all have a role to play in the COVID-19 recovery. We each need to do our part and be patient. We will get through this together. The cycle of recovery includes three steps:

1 - Government getting money into hands of renters as soon as possible through stimulus and unemployment checks

2 - Housing providers accommodating their customer by waiting a few extra weeks for the hardest hit renters to catch up

3 - Renters paying their rent as soon as they can so providers can pay their mortgage, taxes, payroll and maintenance expense

If we all do our part, we will all recover together.

More information can be found on the Apartment Association's website: www.uaahq.org/need2know.html

10 Ways to Keep Residents Engaged During Outbreak

NATIONAL APARTMENT ASSOCIATION

Here are 10 ways to keep residents engaged during the COVID-19 crisis.

Social distancing is a challenge in apartment communities which are at their core a people-driven business. That makes it more difficult to abruptly cut off face-to-face communication.

"Now more than ever, apartment owners and operators have a real op-

portunity to make a difference in how we respond to these challenges by moving resident events and communication online to further engage residents in a different manner," the NAA said in its release.

"Apartment professionals can provide value while also helping people to feel connected and combat loneliness and depression in the weeks and months to come.



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Host an online book club. Let residents vote on a book to read online or listen to on a platform like Audible. Then create a Facebook group to discuss the book virtually once a month. You can host separate clubs for different age groups or book choices.

Use the power of technology with daily or weekly check-ins. Use social platforms, such as Instagram or Facebook Live, for example. People love to feel important and a part of their community. Check in on how everyone is doing and keep them updated on current events and neighborhood information.

Consider gifting subscriptions to Disney+ or Netflix. This will assist with the boredom your residents may enter while being confined to their apartment homes. Take it a step further with recommendations about great movies and shows to watch, and even start a discussion online for neighbors to comment on their favorites.

Encourage healthy competition at an online game center; nothing beats a competitive game of neighborhood Scrabble! There are thousands of games your residents could play together online. You can play chess, find all sorts of virtual reality games, or find card and other puzzle games. Get creative and make your own crossword puzzle using words from your community.

Recommend online fitness apps if your fitness center is closed. Encourage your residents to continue putting their health at the forefront of their confinement with apps, such as Peloton and Beachbody, to name a couple. Consider paying for the first month of their subscriptions in substitution for that month's resident event.

Create a photo scavenger hunt online. List missions in different categories to allow residents to post pictures of objects they find inside their apartment homes. Residents can also solve riddles and complete fun photo challenges to share with neighbors.

Design your own community potluck cookbook. This is an awesome twist on a classic resident event. Have residents submit recipes for their favorite dinner. Then, compile the recipes into a community cookbook and share all recipes on Dropbox or Google Drive.

Send out daily trivia to residents. Random trivia can productively kill time by teaching residents new facts. You can make this into a competition among neighbors by publishing a weekly leader scoreboard. Take this a step further by giving out prizes, such as e-gift cards for winners.

Make a music playlist on a platform, such as Spotify, to share with residents. Energetic music will help motivate residents to exercise, clean, and even dance around their home. You can even ask residents to make suggestions for music to add to the list to increase community participation.

Share online learning websites designed for children from preschool to middle school that encourage positive distant learning while schools are closed. Age of Learning and Scholastic Magazine are just two examples of online programs providing free home access. Even when schools are closed, you can keep the learning going with these special cross-curricular journeys – and parents will appreciate the help while they navigate the balance of work and childcare.

Ask the Attorney

Can I Charge for My Own Time on Property?



JEREMY SHORTS
Attorney

a security deposit, can I charge for my own time working on the property?

A: First, review your lease for anything specific to your situation. Second, Utah law allows you to charge the tenant for cleaning costs as well as repairs, above normal wear and tear. Yes, you may charge your own time, but you need to make sure that the charges are reasonable. The word “reasonable” can

have different meanings for a lot of people and can be difficult to follow, so make an effort to ensure your hourly rate is not too high, and the hours you are charging are also reasonable. Most cases never make it in front of a judge, but you should always act as if this one will. If your tenant disputes the charges and it ends up in court, that can be more of a headache than the charges against

the deposit. Be reasonable, and back up your charges with logs, detailed work descriptions, and even estimates or invoices from other service providers. When in doubt, it might be best practice to have an independent third party complete repairs and cleaning. That way you will be able to provide a third party invoice along with the deposit closing statement to support the charges.

Q: When I am charging fees against

Tenant Says She Cannot Pay Rent Due to COVID-19

Dear Landlord Hank: With schools closed, my tenant has advised she has to stay home with her children and cannot go to work and thus will have no income to pay rent. She wants to know if she can delay paying rent. — **Sam**



Dear Landlord Hank: Do you use credit scores in considering tenants? How important do you think scores are in tenant selection? I read a story that in big cities some landlords want scores over 700. — **Eileen**

Dear Landlady Eileen: I think credit scores are very important in evaluating a tenant.

Next to prior rental history that is the next most important criteria for me.

Credit history is unreliable in some cases. For instance, in some situations a very young applicant may not have had enough life or time to develop any credit. Also there are some prospects that truly

pay for everything with cash.

Then other times, folks are victims of identity fraud and credit history is skewed.

I won't take a tenant with a bad credit history that shows lack of responsibility, poor judgment and/or sometimes a sense of entitlement. I don't want that kind of tenant.

Also, I find failed marriages are sometimes a big contributor to a bad credit history. In that case, you must evaluate credit before the marriage and then during and after the marriage.

If credit scores show lack of payment you may be next.

If you find someone that has many accounts and they aren't paid regularly, you will probably be joining those ranks if you accept this client as a tenant.

I used to take a larger deposit to guard against not being paid rent but then I've had to evict.

Credit score is one very important factor in an overall evaluation.

Make sure YOU are the one that runs the credit. Don't take a tenant's copy of their credit report.

You need a current report for a fair evaluation.

Hank Rossi started in real estate as a child watching his father take care of the family rental maintenance business and was occasionally his assistant. In the mid-'90s he got into the rental business on his own, as a sideline. After he retired, Hank only managed his own investments, for the next 10 years. A few years ago Hank and his sister started their own real estate brokerage focusing on property management and leasing, and he continues to manage his real estate portfolio in Florida and Atlanta. Visit Landlord Hank's website: <https://rentsrq.com>



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Dealing with Renters Who Have Not Paid in COVID-19 World

Continued from Page 1

Below is more guidance:

Frequently we are being asked what can be done for Residents who haven't paid their rent. With the current status of the Federal CARES Act and with the Utah Governor's Order on evictions, Landlords need to make sure that their actions do not violate the current laws and orders.

CARES ACT PROPERTIES

(It is critical to know if you are covered by the CARES Act. If you are not sure, please review previous material we have provided.)

Properties that have federally backed loans, Section 8 tenants and Section 42 properties are covered by the Federal CARES Act. These properties CANNOT:

- Serve 3-day notices or any notice that threatens legal action if someone doesn't pay
- Begin an Eviction for 120 days from March 29th, 2020
- Serve an end of term notice until July 25th, 2020

These properties can receive mortgage forbearance. Reach out to your lender as programs differ.

As a reminder, if your property is covered under the Federal CARES Act, you CANNOT serve a Pay or Vacate notice to those that have not paid their rent. There are some methods to encourage the payment of rent:

- **Deferral Agreement** - Most communities and landlords have enacted a policy to allow for the execution of a deferral agreement for residents who are having a problem paying their rent due to the COVID-19 pandemic. While

originally, we tried to condition that deferral upon showing that a Resident was affected by the COVID pandemic, the CARES Act essentially removed that requirement. Communities and landlords should actively and proactively be trying to get residents to execute a Deferral Agreement.

- **Delinquent Notice** - While you cannot serve a Pay or Vacate, you can "serve" Delinquency Notices and Reminder Notices. Posted on our site are examples of Delinquency Notices that you can serve. If you have residents who have not communicated with you about their rent and have not paid rent, it is recommended that you serve a Delinquency Notice. (NOTE: Since this is not a "legal" notice, you should not post it on their door like a Pay or Vacate. It should be placed in an envelope and taped to the door.)

- **Policy** - It may be helpful to have a policy in place to discuss what your "intentions" will be for those that do not pay during the 120-day period. There is a suggested sample policy on the website, but you should and can adjust it to meet your specific needs. Generally, the policy should be stated in a way to encourage people to pay now and not wait. You can then use that policy when you are discussing payment options with your residents. Some of the Delinquency Notices refer to the policy. (Those too may need to be adjusted to be consistent with your policy.)

- **Check Units** - It is important to check the units for residents that have not paid and not entered into Deferral Agreements. When checking you are trying to make sure that they have not skipped but you should also be armed with Delin-

quency Notices to serve personally and to discuss options for deferral. It is recommended that you check the units no later than the 15th of each month.

- **Other Notices** - While you cannot serve Pay or Vacate or End of Term notices until July 25th, you can still serve Nuisance Notices. When checking the units, if you determine that there is a lease violation you can serve a Comply or Vacate Notice (or Notice to Vacate if it is criminal in nature). Please consult with our office on these matters before serving the notices.

PROPERTIES ONLY COVERED BY GOVERNOR'S ORDER

If you are a community or property that is NOT covered by the Federal CARES act, you are still bound by the Eviction Order issued by Governor Herbert. That order restricts the filing of PAY or VACATE evictions until May 15. However, a resident must qualify to obtain that relief. To qualify the resident must have been current on their financial obligations under the lease on March 31 and they must provide to the landlord documentation that they have suffered a loss of income or job as a result of the COVID-19.

It is likely there will be some implied obligation on the landlord to question a resident who has not paid if they meet the "loss of income or job" requirement.

If a resident has not paid rent and your property is only covered by the Governor's order:

- **Pay or Vacate Notice** - You can serve a Pay or Vacate Notice. There is no restriction on serving the notice only on filing the eviction lawsuit. If a resident has not notified you and requested

a deferral and has not paid rent, you can serve the Pay or Vacate Notice. If the resident was not current on its financial obligations under the lease on March 31, 2020, you can serve the Pay or Vacate Notice and proceed with an eviction with appropriate affidavits that will be provided by our office.

- **Residents who Qualify** - If a Resident has notified you that they qualify for deferment under the Governor's Order, you should encourage them to execute a Deferral Agreement. This will assist you in managing the anticipated payment and strengthen your rights to evict if they do not comply with that Deferral Agreement.

- **Deferral Agreement** - A Deferral Agreement for a property that is only covered by the Governor's Order does not have to waive late fees or other fees. Since the order expires on May 15, the deferral payments do not need to extend beyond that date. If you do enter into a deferral agreement, then you should not serve a Pay or Vacate Notice until the resident defaults on the deferral payment schedule.

- **Business as usual** - If the property is only covered by the Governor's order, other than the possibility that you cannot evict for a Pay or Vacate until May 15, all other matters should be handled as you would normally handle them. Check units, serve notices, end of terms, etc. should all be handled as you would have handled them before the COVID-19 pandemic.

As always, if you have questions or concerns, contact us to discuss.

Some info provided by the Law Offices of Kirk A. Cullimore. www.cullimore.net

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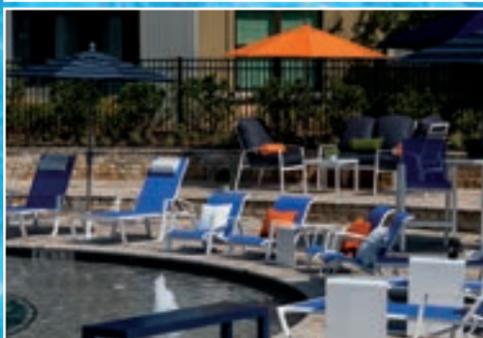
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