

METRO
MULTIFAMILY
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ASSOCIATION

mmha

NEWS & EVENTS

P R O M O T I N G Q U A L I T Y R E N T A L H O U S I N G

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By:
Greg Knakal

Today we have many different ways to communicate via email, fax, social media or phone. According to statistics the phone is still the most important sales tool, yet as an industry we have lost the art of a good sales call.

If you want to increase sales while improving customer satisfaction and retention, focus your attention on telephone prospects. Consider these facts provided by Call Source:

- 75% of all prospects will call before coming into the leasing office
- 80% of telephone prospects will lease within five days of the initial call.

In addition, Call Source released a 2005 Telephone Performance Analysis (TPA) study for the multifamily housing industry, which found that leasing professionals failed to convert 80 percent of qualified phone prospects to an appointment, resulting in a per-property loss of \$9,800 and an aggregate \$11 million in lease revenue across the communities sampled.

So before you answer the phone you need the following: a clear mind, a pen, a guest card, a list of available apartments, features and prices, information regarding the surrounding area, and a positive attitude and enthusiasm. Approximately 84% of what we communicate via the

telephone is through the tone of our voice.

You have paid for great advertising it is time to answer the phone! You have only three seconds to establish great rapport. The reason for this is simply that you will not have the ability to use body language to convey your message, so you need to have a bright, cheery personality when you answer the phone.

It's critical you do not come across too pushy or as if you are reading from a script. It is much more important you use your personality to your advantage so you can sell your products and services. Getting past the three second hurdle is critical to effective and productive phone selling.

Ask for the prospects name and use it throughout the phone call. There is no sweeter sound and nothing gets people's attention as effectively as calling them by name. When you use the prospects name in conversation within your first twelve words and the first seven seconds, you are sending a message you value that person and are focused on him or her. Next ask the caller what is most important to them in a new apartment. If they say a washer and dryer a necessity then describe to them in detail the size of the machines etc. Set a specific appointment like 2:15 pm on Thursday. This will tell them you value your time and demonstrates professionalism. Even with GPS give them clear driving directions from all parts of town including landmarks. Ensure you obtain

their phone number so if they do not show up you can call them.

Ask questions that solicit a response from your prospect and you will get an idea of what's going on inside the prospects mind. Let's say you are describing how your product or service will benefit the caller and you have not received any kind of verbal response from them. This is the time to ask open ended questions such as: how does that sound? Does that work for you? Isn't this great? You are looking for feedback from them so you can see what they are thinking and know how to proceed.

The second phone skill is to listen carefully to their responses to your presentation and your questions. When you ask a question, be quiet and listen. Continue to question the prospect until you are clear what they are saying.

Listen to the prospect's tone of voice. If you get a very positive response, you have a buying signal and you should move forward with confidence. This is when you proceed with, "Max, it sounds like I have the perfect apartment for you. What time can you come see me today?"

Remember the goal of the phone call is to obtain a set appointment for the prospect to visit the leasing office. Your goal is to convert 40% to 50% of your qualified phone calls to set appointments. By doing this you will be very successful at leasing up your property.



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Member Spotlight

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There's a real difference with the Beecher Carlson approach to insurance. It starts with an immediate and effective response to your needs, followed by rare expertise and an unwavering commitment to your satisfaction. Our partnership approach goes well beyond any traditional insurance company/client relationship. We help you anticipate exposure and liability, we provide the tools and training you'll need to avoid legal and risk pitfalls, we're you're advocate and most importantly...we deliver! Why pay for acceptable when you have "exceptional" --- everyday at Beecher Carlson.

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Legislative Update

Each legislative session Metro Multifamily Housing Association works on dozens of bills that affect property owners and managers of rental housing. In addition, we work on ordinances in many local jurisdictions that can be precedents—good or bad—for other jurisdictions or even statewide policy. The MMHA legislative team works to achieve results so our members can offer the best quality rental housing while retaining profitability in an increasingly complex political and regulatory environment.

MMHA works with a diverse network of collaborators to promote quality rental housing and the rental industry as a whole. While some agencies can be competitors or even adversaries, these strategic and mutual beneficial alliances allow the relationship building and cooperation that's necessary to realize significant legislative achievements.

ACCOMPLISHMENTS

There are victories and losses but persistence pays.... MMHA has been a steadfast leader in advocacy for the multifamily and rental industry, and its staff and committee efforts have resulted in some major accomplishments for our industry. Accomplishments here are defined by as passing or changing legislation to favor our constituents and defeating legislation that would be harmful to the industry.

SUCCESSFULLY ACHIEVED

Negotiated better Oregon Real Estate Agency (REA) rules:

- Convenient electronic and out-of-state file storage options are now allowed for property management companies.

- Companies can now determine their business practices as long as an audit trail is provided.

- With MMHA leadership, our industry has a higher, more respected profile, through minimum education requirements for licensure and new standards for providers and instructors of continuing education credits towards licensure.

Created easier explanation for no cause termination notices

- Landlords can now explain the reason for terminating the tenancy, without converting a No Cause Notice into a For Cause Notice.

Created temporary occupant option, so guests won't morph into tenants:

- Offered solution so that a landlord may allow an individual to become a temporary occupant of the tenant's dwelling as a guest of the tenant via a written agreement of the landlord, the tenant, and the temporary occupant—without gaining tenant rights.

Streamlined abandoned property of deceased tenant:

- A landlord can now allow the designated person of a deceased tenant to remove any personal property, if state probate procedures fail address the issue. Landlords following these provisions are not liable to another person that has a claim or interest in the personal property.

Accelerated eviction for occupancies conditional upon employment by landlord:

- Landlords are only required to give 24 hours written notice to an employee of a resident of a dwelling unit, including members of the employee's household, whose occupancy is conditional

upon employment in and about the premises.

SUCCESSFULLY CHANGED

Fought for realistic and practical consumer protections for towing on rental property:

- Successfully challenged provisions requiring a two hour waiting period before towing any vehicle, and requiring property managers/owners to contact vehicle owner prior to any tow.
- Retained landlord's right to tow without notice at parking lots where there are more residential units than there are parking spaces or a vehicle blocks access by emergency vehicles, blocks entry to premises, or blocks another parked vehicle.
- Towing operator must photograph each vehicle in violation noting the date and time and if the owner or operator of vehicle is present at the time of the tow, the tower is required to drop vehicle at no charge.
- If the parking facility has assigned space parking, the owner/agent of parking facility must first notify the assigned tenant prior to towing a vehicle from that assigned space.

Maintained fair burden of proof for any alleged housing discrimination in landlord-tenant coalition bill

- Defeated attempt to raise the prosecution's burden of proof in housing discrimination claims from "preponderance of the evidence" to a criminal standard "clear and convincing".

Forced reasonable Carbon Monoxide Alarm regulations:

- Negotiated reasonable definition of "carbon monoxide source"

Legislative Update

applied to multifamily housing.

- Stopped immediate installation provision and ensured phased implementation dates for carbon monoxide alarms.
- Successfully removed call for special inspections, and pushed for carbon monoxide alarm responsibilities to be in line with existing smoke alarm statutes.

Made smoking policy disclosure for rental properties more reasonable:

- Collaborated with Governor's Task Force for Smoking Disclosure to only apply to new residents.
- Removed provision that would have had required landlord warn tenants of second hand smoke dangers during lease signing.
- MMHA rental agreement will be modified to have the necessary language to disclose the smoking policy.

Reduced owner liability with 100 year flood plain disclosure:

- Disclosure of whether or not the property exists on a federally designated 100 year flood plain will remove liability from property owners for any damage to tenant possessions.
- Using MMHA's rental agreement will keep landlords compliant with the requirement to disclose whether or not the property exists on a federally designated 100 year flood plain.

Energy Efficiency Building Goals:

- Reduced onerous efficiency mandates for existing multifamily residential buildings to between 10 and 15 percent.
- Removed Energy Star as benchmark in favor of ratings developed by state and local building industry.

Prevented multiple real estate transfer tax proposals:

- MMHA concurred with a historic compromise between Realtors, Home Builders, Bankers, and Affordable Housing Advocates to produce this bill raising the current recording fee for real estate documents \$15 to build goodwill and fund affordable housing programs in Oregon, while holding back other real estate transfer tax efforts.

New non-compliance fees defined:

- A non-compliance fee of up to \$50 may be charged to a tenant for the following circumstances:
Late payment of utility or service charge that the tenant owes the landlord, Failure to clean up pet waste, garbage or rubbish from premises (other than dwelling unit), parking violations and improper use of vehicles within the premises.

SUCCESSFULLY CHALLENGED

Eliminated draconian retaliation language:

- Killed proposal of a presumption of retaliation to any challenged 30 day no cause.
- Landlord not required to repair damage caused by tenant in order to claim against the deposit for the cost to make repair.
- Landlord can be reimbursed for their labor costs.

Defended 30 day no cause eviction period for tenants of up to a year:

- 60 day period will only affect tenancies where all tenants have lived in the rental unit for more than one year. The 30 day period remains for tenancies where any tenant has lived in the rental unit for less than one year.

SUCCESSFULLY DEFEATED

Defeated Requirement for Landlord to Distribute Voter Registration Cards:

- Bill called for mandating voter registration cards to be distributed at time of signing rental agreement.

Stopped Mandatory Section 8 Participation:

- Would have mandated participation in Section 8 by including "source of income" as a protected class.

Defeated Costly and Unnecessary Condo Conversion Rules:

- Bill would have required owner to make relocation payment 3 times the Section 8 fair market rent to tenant after giving notice of conversion.

Prevented Mandatory Sub-metering of Utilities:

- Bill would have required sub-metering of electrical utilities by a tenant majority request.



Legislative Updates

Make Your Voice Heard - *Your Opinions Count!*

MMHA depends on its members, representing over 150,000 apartment units in the state, to provide critical and strategic input to the legislative processes. Your phone calls, emails, letters and testimony during the legislative session is very important to the passage of favorable legislation each year and the

defeat of unfavorable legislation. Your opinions and suggestions are always invited and welcomed.

Please consider taking an active role in shaping the future of the apartment industry by getting involved or designating a decision-maker from your company to get involved. Contact Jonathan Clay at jonathan@metromultifamily.com to engage in MMHA Government Affairs.

Learn the details of the 2010 Law Changes that fit your schedule: classes, luncheon, or seminar.

This Fall, Metro Multifamily Housing Association is hosting several opportunities for landlords and property owners to be informed of all the important changes to Landlord/Tenant Law effective January 1, 2010.

2010 New Laws Seminar

Make sure you know the major changes coming in 2010 affecting landlords and the property management industry.

Do not miss these important legislative seminars detailing the new laws effective January 1, 2010. Metro Multifamily Housing Association has organized back to back seminars to better fit you and your employees' schedules. Substantial changes include restrictions in the types of allowable fees, a new 60 day no cause notice for qualifying tenancies, the option of temporary occupant agreement, and streamlined abandon property procedures of deceased tenants. Prior to the tenancy, landlords will now be required to give to the tenant a written list of all eligible deposits and fees. Additional written disclosure requirements include informing the tenant of the smoking policy of the premises, and whether or not the property is located on a 100 year flood plain. These seminars will detail all pertinent law changes for the property management industry including further restrictions of towing vehicles from apartment parking lots, and new carbon monoxide alarm requirements for certain qualifying units.

TUESDAY, DECEMBER 15, 2009

AT THE MONARCH HOTEL

12566 SE 93RD AVENUE CLACKAMAS, OR 97015

MORNING SESSION

REGISTRATION: 8:45AM

SEMINAR: 9:00AM-11:00AM

AFTERNOON SESSION

REGISTRATION: 12:45PM

SEMINAR: 1:00PM-3:00PM

Reserve your seat today! Register online or email erin@metromultifamily.com.

Legislative Updates



New Oregon Law requires Landlords to Disclose Smoking Policy to Tenants

By: Diane Laughter, Health In Sight, LLC



Starting January 1st, 2010, landlords will be required to disclose their smoking policies to their tenants as part of the rental agreement. According to the new Oregon law, "The disclosure must state whether smoking is prohibited on the premises, allowed on the entire premises or allowed in limited areas on the premises. If the smoking policy allows smoking in limited areas on the premises, the disclosure must identify the areas on the premises where smoking is allowed." This law pertains to dwelling units regulated under ORS Chapter 90 but does not apply to rental agreements in which the owner of a manufactured or floating homes is renting space in a park or moorage.

The new law will be useful for landlords many who want to adopt no-smoking policies but are not sure whether it is legal to do so. This law clarifies that no-smoking rules are indeed legal. Jonathan Clay, Legislative Analyst for Metro Multifamily Housing Association emphasizes, "This new law reminds landlords they have the right to choose no-smoking policies for their properties."

To comply with the new law, landlords may use rental forms currently available from the Metro Multifamily Housing Association or develop their own. (See sample language to the right)

Though the new law does not require landlords to adopt no smoking policies, taking advantage of the huge market demand and the momentum toward adopting no-smoking policies is a very smart business decision. The vast majority of renters are looking for a smokefree environment. A survey by Campbell DeLong Resources Inc. revealed that 75% of renters in the Portland/Vancouver Metro area would choose a smokefree rental and 52% are

even willing to pay a little more rent to be protected from secondhand smoke.

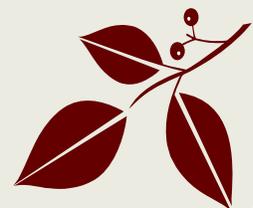
Signs designating where smoking is prohibited are not required but they go a long way toward achieving good tenant compliance. Find a variety of no-smoking signs and posters at www.smokefreehousinginfo.com along with more information about the new law and other helpful tools to implement no-smoking policies.

Disclosure of Smoking Policy:

Check all that apply:

- Smoking is not allowed on the entire premises
- Smoking is not allowed:
 - Inside the units
 - Inside all common areas such as hallways and laundry rooms
 - Outside within ___ feet of windows, doors and air intake units
 - Outside on porches, patios and yards adjacent to the units
 - Outside in common areas such as pools and playgrounds
 - In other areas: _____
- Smoking is allowed on the entire premises

See the 2009 Rental Survey on Apartment Smoking Policies on page 11



NAA Update

October 8, 2009

Dear MMHA Member

On September 17, 2009, the MMHA Board of Directors voted to withdraw from our affiliation with the National Apartment Association (NAA). Our action to disaffiliate is based upon a belief that NAA did not and could not fulfill the "value propositions" of vibrant education and advocacy programs promised to the MMHA Directors and the membership over three years ago. The vote to disaffiliate was nearly unanimous.

Prior to the vote, the Board has had numerous discussions to ensure that our members did not experience a void in our educational offerings or our advocacy programs and that the transition would be seamless. In order to achieve that smooth transition, the MMHA Board has taken a number of steps:

- » Created a Political Action Committee
- » We will join the National Multifamily Housing Council- The national legislative advocate for the multifamily housing industry
- » Hired Dana Brown, Our Education Coordinator with 20+ years of property management and training expertise

MMHA is making a commitment to our members to create and develop an elevated training platform that will be more effective. This platform will incorporate adult learning techniques and a hands-on training style with increased student accountability that reflects the diverse and unique needs of all of our members including our industry suppliers.

As MMHA continues to grow, we see this as an exciting opportunity to increase the "value added" for our members. If you have any questions, please contact me or the MMHA office.

Sincerely,

Greg Knakal
MMHA Board President

For questions or concerns, please contact the MMHA Office Ph: 503-226-4533 TF: 800-632-3007

New MMHA Members

- Integra Remodeling & Construction, Inc. - Gordon Nelson ~ Roberts Kaplan LLP - Walter McMonies ~
- EB Bradley - Ron Taisey ~ ACE Equipment and Specialty Services Inc. - Mike Kuenne ~ Parkwood, Inc. - Tiffany Davies ~
- MDH Mangement - Michael Hummel ~ Conzatti Crew - Ed Conzatti ~ Bigelow Homes - Dave Bigelow ~
- Starr Center, LLC - Tom Youmans ~ Mark Stonewall ~ Silver Moon Properties - Gene Zilberstein ~
- Strom St. Market, LLC - Dale & Roberta Strom ~ Ken Miller & Associates - Vicki Miller ~
- Maxwell Property Management, LLC - Marie Maxwell ~ Integra Telecom - Jeremy Johnson ~
- National Credit Systems - Laura Sinclair ~ Jeff Houghtaling ~ Dave Crockett ~
- Documart Copies, Printing & Mailing - Julie Tone ~ D&W Properties, LLC - Susie Thompson ~ Arthur Jones ~
- Heartland Payment Systems - Tom Progin ~ Tricia Smith ~ Portland Chimney - Therese Lee ~
- 1-866-JUNKAWAY - Brad Wallingford ~ Tye Aldana ~ Marla Beeson ~ FMK Holdings - Fred Kinyon ~
- Greenworks Contractors, LLC - Brett Grantham ~ Full Spectrum Security - Khalvin Cook ~
- Lexius Nexius Resident Data - Kim Wilfley ~ Pilot Property Management, LLC - Lanie Kelly ~
- Fowler Property Acquisitions - Dana Aschbacher ~ Albany Property Management - Terry Rowley ~
- Steven Printing Company - Jason Roraback ~ Cornerstone Disaster Repair, Inc. - Chris Ingram ~
- Alpha Impressions, Inc. - Brian Ermshar ~ G3 Flooring Services, LLC - Gary Payne ~
- Fortress Property Management - Cammie Allie ~ Cordero Painting Inc. - Rosa Lopez ~
- Aldrich Law Office, P.C - Cheryl Wunder ~

Education



A New Education Coordinator has arrived! And she is ready to hear what you have to say.....

MMHA would like to introduce our new Education Coordinator, Dana Brown. Dana brings over 20 years of business and industry experience to MMHA. Prior to joining the organization, Dana was the Director of Marketing and Training for Holland Residential, where she created, developed and executed the training platform.

Dana will develop a multiple level course curriculum of adult learning, geared toward all learning styles, needs and experience. She will develop classes to educate members, housing associates, and industry suppliers ensuring MMHA members are providing the best rental experiences for its residents. Topics will include fair housing requirements, landlord/tenant law, government assistance programs, legislative updates, and professional development. The Launch of MMHA's first series of classes is slated for January 1, 2010.

Metro Multifamily Housing Association is dedicated to educating and supporting the real estate investment community and is committed to "Providing Quality Rental Housing" throughout Oregon and SW Washington.

In response to earlier requests the following classes will be available January 2010:

- Sales and Leasing (Marketing) Property Management Sales and Marketing - Industry Suppliers
- Resident Retention – Property Management Client Retention / Industry Suppliers
- Customer Service – Property Management / Industry Suppliers

Expect to hear from us on what would assist your organization in their training efforts. We will be asking you to weigh in on topics such as the Oregon Apartment Designation Program & Meeting the New Real Estate Education Requirements for 2011 in the following topics:

- Marketing
- Close the Back Door
- Telephone Etiquette
- Closing/Overcoming objections
- Financials / Budget
- Action Plans
- Time Management
- Delinquency / Collections
- Lease Renewal/Lease Expiration
- Strategic Financial Planning

A detailed description of up coming classes will be outlined soon on our website, www.metro multifamily.com please keep checking our website for exciting news of our new educations program.

Upcoming Classes

October

- Oct. 22 Oregon Landlord/Tenant Law Class - Part II 1:00pm to 5:00pm
- Oct. 29 Dealing with Difficult People Class 9:00am to 12:00pm
- Oct. 30 FREE Brown Bag Lunch – Bed Bugs: Proactive Tips to Defend your Property 12:00pm to 1:00pm

November

- Nov.11 Basic Electrical Class 9:00am to 12:00pm
- Nov.10 Rental Home Owner Dinner – Pets vs. Service Animals 6:00pm to 8:00pm
- Nov.12 Oregon Fair Housing Class 1:00pm to 5:00pm
- Nov.13 "It's the Law" Series - Domestic Violence: A Delicate Departure 12:00pm to 1:00pm
- Nov.16 Washington Fair Housing Class 1:00pm to 5:00pm
- Nov.17 Understanding Generational Differences Class 9:00am to 1:00pm
- Nov.18 November Membership Luncheon – Legislative Update 12:00pm to 1:00pm
- Nov. 19 Eugene Membership Luncheon 12:00pm to 1:30pm
- Nov. 20 FREE Brown Bag Lunch – Green Retrofit for Multifamily Properties 12:00pm to 1:00pm

December

- Dec. 7 Washington Landlord/Tenant Law 1:00pm to 5:00pm
- Dec. 11 "It's the Law" Luncheon Series – The 'M' word: How to handle mold disputes 12:00pm to 1:00pm
- Dec. 15 New Laws Seminars for 2010 – Two Sessions, 9:00am to 11:00am & 1:00pm to 3:00pm

"The best investment your company can make is in those who represent you!"

-Dana Brown

FOCUS

For the Rental Home Owner

By Kathryn King, KJK Properties



As the owner of real estate assets that have been used and abused by the current market, I have had the opportunity to evaluate my long term goals. I have always used the business mindset with the belief that my rentals can pave the path to retirement down the road.

Have you evaluated your own real estate holdings? Are you the owner of a house you would rather see "sold?" Are you a landlord by default? Here is a thought – try renting the assets with a concurrent lease option. Who is it best for? This fits an existing investor looking for income, and anyone with a "due on sale" clause that has considered selling on contract.

There are many benefits to concurrent lease options, but they are not for the faint hearted. If you have a business mindset about owning a rental, this option could be for you. The positive aspects:

- Increased cash flow
- Does not trigger the due on sale clause
- Tenant may better maintain the property, expecting to own it one day
- Makes sense in a slow market where cash is hard to obtain
- Up front fee for the right to the option
- Find your future buyer in this slower market
- Potentially lock in at a higher price than you could obtain today
- Defer tax on option portion until option is exercised or term expires.

All of that good comes with some required due diligence, the business aspect.

- Not drafting the contract properly

- Failure to have attorney review
- Disclosure liability

Case scenario: Tom Carpenter has owned a few rental houses since 1997. Although he is happy at how well the equity has done, he is tired of paying for expenses, out of pocket, and dealing with turn over, so he looks at lease option as a way to reduce burdens of time and expense. Typically Tom could rent his home out for \$925 a month, a net profit of \$160 a month, after a small maintenance budget. With a rental agreement and concurrent lease option, Tom can gross \$1125 a month, a profit of \$260, after banking \$100 to benefit the optionee, as the "option," held in trust, for the optionee's future down payment. He also has less expense and time expended by becoming an optionor if the tenant takes better care of the home in anticipation of buying it.

Here is what I would include if it were my concurrent option:

- Agreement not assignable
- Termination date
- Exercise of option in writing
- Price offered agreed upon at beginning of option term
- Determine cost of option
- Cross default – termination of rental agreement terminates option
- Costs – identify who pays closing fees, how proration's are handled, what title insurance is included and at who's cost
- Owner should carry expense to maintain the property and pay taxes or risk triggering a taxable sale in the eyes of the IRS
- Type of deed to be delivered
- Definition of access during rental term
- Expect that you may have to begin your option process or sale process again in the future

- Lender review – insure the chance of success by having the Optionee seek a pre-approval appointment. All cards on table, win – win
- Provide a disclosure form – protect yourself from liability
- Require a home inspection – further protection for yourself as Optionor

In addition to your own terms, you should seek legal advice to review your wording and:

- Risk of loss – who takes a loss if property is damaged?
- Attorney fees – prevailing party?
- Amendments and modifications – who can make them and under what conditions?
- Length of agreement – and potential tax or legal consequences
- Expertise on termination dates
- Expertise on foreclosure vs. eviction and scenarios that could create either

For more information and a private consultation on how to use your own real estate assets to your benefit, please contact me. We can discuss value, reasonable rents, concessions, capital improvements, and the prospect of increased cash flow with a lease option. The best business person does their due diligence and makes wise decisions based on facts. Now is the time to evaluate your real estate holdings with a long view.

Information courtesy of Kathryn King, KJK Properties, P.C. Kathryn is a licensed Realtor in Oregon and Washington serving buyers and sellers. For a confidential asset review please call Kathryn at 503-772-8825 or email Kathryn@kjkproperties.com.



In My Opinion

Section 8 needs changes to make it work for everyone

By: Deborah Imse



A recent article in the Oregonian on the Section 8 program in the City of Portland (*Section 8 Works on Carrots before Sticks*, October 1) states up front that landlords who do not accept Section 8 are discriminating against poor people. That's not only wrong, it misses the point.

Section 8 is a complex, cumbersome program that often makes it hard for landlords to participate.

First, Section 8 is not just a source of income. There is extensive paperwork, including two contracts involving landlords, tenants and the Housing Authority with different requirements set by HUD. Landlords must agree to a minimum one-year lease and additional inspections. Reimbursement for tenant-caused damages doesn't always cover the value of the loss and increased accounting. All these factors can make the Section 8 program unviable and administratively prohibitive for landlords.

Second, Section 8 has a limit on the amount of rent and utilities it will

subsidize to a fair market rate. Rentals in and near downtown are more expensive than those farther out, so many near-in apartments don't qualify for the program. Another problem with Section 8 is how the "fair market rate" is calculated. While the MMHA rent survey is a component of the fair market rate, Section 8 currently averages the rates across many areas. In some cases, landlords have asked for rate adjustments that reflect real rates they are getting for the other units in the same building, only to be told that's not the fair market.

Last, the Section 8 program does not conduct credit and full background checks on prospective renters. It falls to landlords to turn down renters with bad rental history problems and other disqualifying criteria. These turndowns are included in the rate of vouchers not being accepted, making the rate of program participation look worse than it is.

Despite these limitations, *not a single Section 8 voucher goes unused in Portland*. For example, a potential renter may have a bad rental history that keeps him or her from being an acceptable tenant. After a maximum of 120 days, those vouchers are transferred to another renter on the

waiting list.

The way to make Section 8 work for tenants *and* landlords is to address the true barriers to participation.

City Commissioner Nick Fish and the Housing Authority of Portland have both been working very hard at revamping the program, as well as educating landlords who may still be operating under old stereotypes. Commissioner Fish has formed a task force of landlords, tenant and affordable housing representatives to reduce or eliminate the biggest barriers. Creating an accessible damages fund, tying the market rate to the local market, screening potential renters before they become Section 8 participants, and providing education and support on how to be a good tenant all will go a long way to winning over reluctant landlords.

Portland has numerous non-profit and private landlords who are working diligently to provide housing solutions for those in our community less fortunate.

Painting landlords with a broad brush of discrimination is not only untrue, it distracts from solving the real problems with Section 8.

Monthly Rental Home Owner Dinner

Please join us at our next Monthly Dinner - only \$19.95
(located at the Macadam Bar & Grill - 5833 SW Macadam Avenue)

- | | |
|-----------|--|
| 10-Nov-09 | Pets vs. Service Animals - What you need to know about accommodating the disabled and 'Reasonable Accommodation' form and process. |
| 16-Dec-09 | Don't miss the Holiday Social at the MMHA office |

To register for the Rental Home Owner's dinner please contact Jonathan@metromultifamily.com or call 503-226-4533

For the Area

2009 Renter Survey Shows Real Change in Availability of Smokefree Apartments

By: John Campbell, Campbell DeLong Resources, Inc.

Demand Remains High Among Renters; Market Opportunity for Landlords

In 2006, a market survey of Portland-Vancouver metro area renters conducted by Campbell DeLong Resources Inc., found that 17% of tenants said their landlord prohibited smoking inside their living space. In the summer of 2009, the survey was repeated and 22% of tenants said their indoor living space was now covered. This represents a **29% increase** in the availability of smokefree apartments over the three year period. Projecting from metro-area figures provided by the U.S. Census, there has been an increase of approximately **13,000 rental units** covered by a no-smoking policy since the original study. More landlords have adopted no-smoking policies and more renters are now protected from secondhand smoke in their homes.

Key findings from the 2009 survey include:

- Renters are less likely to experience secondhand smoke in rental housing today than they were three years ago, and more likely to find rental housing offering a smokefree environment. In 2009, **76% of renters** say they rarely or never experience secondhand smoke in their homes, compared to 70% in 2006.
- Similar to the 2006 findings, **three-quarters** of all metro-area renters

prefer a smokefree environment, all else being equal. Additionally, **half of renters** would choose a rental community with a no-smoking rule, even if they had to pay a little extra rent or compromise on things like location.

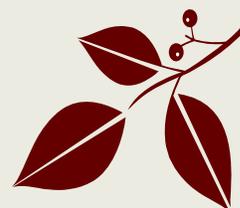
- Almost **9 out of 10 renters** live in homes that are virtually smoke-free, where the frequency of anyone smoking is described as "rarely" or "never"; they have a lifestyle that can comply with a no-smoking rule.
- Also similar to the 2006 findings, when 42% of renters said they were uncomfortable with the idea of living next to someone who smokes, in 2009, **46% of renters** said they would be uncomfortable with this idea. This holds true for those who have household incomes of less than \$35,000 per year; they are just as likely to reject the idea of living next door to tenants who smoke as renters of higher incomes are.

According to John Campbell, Director of Training, Planning & Assessment at Campbell DeLong Resources, Inc., The 2009 findings show that there has been a substantive increase in the percentage of rental units that are covered by a non-smoking policy. Today, renters are less likely to experience secondhand smoke in rental housing and are more likely to find rental

housing featuring smokefree rules than they were three years ago. This is the change in the market that smokefree housing efforts were designed to bring about and the research confirms that the change has begun. Because there remains a large unmet desire for smokefree housing by tenants and because there is both a market advantage and maintenance savings for landlords who convert units to non-smoking, we see every indication that the trend will continue.

If you have already gone smokefree, you know the benefits of doing so. For landlords, no-smoking policies result in less maintenance costs, faster turnover of units and a decreased risk of fire. If you have not yet gone smoke-free, now is the time! Starting January 1, 2010, a new law will require Oregon landlords to disclose their smoking policy to tenants in rental agreements. This is an opportunity for property owners to adopt no-smoking rules and there are resources to help them make the transition at: www.smokefreehousingNW.com.

The Portland-Vancouver Metro Area Smokefree Housing Project is a partnership between the American Lung Association in Oregon and the health departments of Multnomah, Washington, Clackamas and Clark (WA) counties.





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Form of the Month

Smoke Alarm w/ Carbon Monoxide

By: Juli Hansen, Oregon Credit Systems, Inc

About the form: Have you tested your smoke alarm or carbon monoxide alarm in the past six months? Use the MMHA's form number M005 OR 12-09 to notify a new tenant about the type of each smoke and carbon monoxide detector in their unit, how to test and how often to test the device. Tenants should test their alarms at least every six months and replace the batteries as needed. This form also has information about the hush feature and battery replacement (if applicable).

Additional Information regarding Smoke Alarms: If your rental unit is with the city limits of Portland, all sleeping areas are required to have a smoke detector in them, as well as all adjacent areas outside of the sleeping area, and each story of the dwelling including the basement and attic. For counties outside of Multnomah County, the rules may vary so check with your county.

Additional Information regarding Carbon Monoxide Alarms:

Beginning in 2010 in Oregon most rental units will be required to have carbon monoxide alarm(s) installed. Implementation dates: After July 1, 2010 carbon monoxide alarms need to be installed at turnovers, and by April 1, 2011 all qualifying rental units must have alarms. This form will be available by December 2009 as will the administrative rules currently being written by the state fire marshal detailing the types and placement of the carbon monoxide alarms.

If you have acquired a property and realize this form is not a part of your tenant file you may want to consider updating your tenant file with new forms to help you stay in compliance.

SMOKE ALARM / CARBON MONOXIDE ALARM

DATE _____ PROPERTY NAME / NUMBER _____

RESIDENT NAME(S) _____

UNIT NUMBER _____ STREET ADDRESS _____

CITY _____ STATE _____ ZIP _____

SMOKE ALARM
 A 10-Year Battery Electric Electric with Battery Backup powered smoke alarm has been installed in the above-noted unit for resident protection. The smoke alarm was tested by the Owner/Agent on _____ and found to be in working condition.

CARBON MONOXIDE ALARM
 If required, a Battery Electric Electric with Battery Backup powered carbon monoxide alarm has been installed in the above-noted unit for resident protection. The carbon monoxide alarm was tested by the Owner/Agent on _____ and found to be in working condition.

THE RESIDENT SHALL TEST THE ALARMS AT LEAST EVERY SIX MONTHS AND REPLACE THE BATTERIES AS NEEDED, AND NOT REMOVE OR TAMPER WITH A PROPERLY WORKING SMOKE ALARM AND/OR A PROPERLY WORKING CARBON MONOXIDE ALARM, INCLUDING REMOVING WORKING BATTERIES. OWNER/AGENT MAY CHARGE RESIDENT A FEE OF UP TO \$250.00 FOR ANY NON-COMPLIANCE WITH THESE DUTIES.

TESTING THE SMOKE ALARM AND CARBON MONOXIDE ALARM
 Test by pushing the button on the cover. The alarm will sound if all electronic circuitry, horn and battery are working. If no alarm sounds, the unit has a defective battery or other failure. You can hush the smoke alarm by blowing smoke into it.

SMOKE ALARM HUSH FEATURE
 If the smoke alarm has a hush feature, you can silence the alarm by pushing the hush button on the cover and holding for three seconds.

BATTERY REPLACEMENT (where applicable)
 If the alarm is powered by a 10-year battery, it may not last for 10 years. The alarm has a low-battery indicator which will "chirp" at 30-second intervals for a minimum of 7 days. Replace the battery when chirping occurs. If the alarm is equipped with a 10-year battery, replace it only with a 10-year battery. If the alarm is electric with battery backup, use Mallory MN1504 or equivalent 9-volt alkaline battery or equivalent sold at most drug, department, hardware or electronic parts stores. Never use an ordinary or heavy-duty carbon-zinc battery.

If your responsibility to report any deficiency in either the smoke alarm or carbon monoxide alarm to the Owner/Agent immediately in writing. The Owner/Agent will correct the deficiency as soon as practical.

<input checked="" type="checkbox"/> RESIDENT	DATE _____	<input checked="" type="checkbox"/> RESIDENT	DATE _____
<input checked="" type="checkbox"/> RESIDENT	DATE _____	<input checked="" type="checkbox"/> RESIDENT	DATE _____
<input checked="" type="checkbox"/> RESIDENT	DATE _____	<input checked="" type="checkbox"/> RESIDENT	DATE _____
		<input checked="" type="checkbox"/> OWNER/AGENT	DATE _____

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