

Lease Policy – All Animals Are Not Pets!

Since the end of the year is when many landlords review their rental agreements and lease policies, it is a good time to make sure you have an often neglected rental policy regarding 'service animals', because a growing number of applicants have them.

Does your lease and tenant selection criteria address 'service animals'? Some landlords mistakenly still look at all animals as pets, and if they have a 'no pet policy', they ban all animals from their properties. This type of policy could be a very costly mistake and make you the subject of a lawsuit, because certain animals actually fall into a different classification other than 'pets'.

Service animals are animals that assist people with disabilities in the activities of independent living. Landlords must NOT treat such animals as pets, and must permit applicants owning them to apply for residency even if you have a no-pet policy. Of course, residents still have to meet all other tenant selection criteria to be accepted.

The American with Disabilities Act (ADA) defines service as "any animal individually trained to do work or perform tasks for the benefit of a person with a disability, including, but not limited to: guiding individuals with impaired vision, alerting individuals who are hearing impaired to intruders or sounds, providing minimal protection or rescue work, and pulling a wheelchair or fetching dropped items". Another type of service animal that is growing more common is a 'companion' animal used to assist individuals with emotional disabilities. If an animal meets this broad definition, it can be considered a service animal. It does not have to be licensed or certified by a state or local government or a training program. Federal fair housing laws required a modification be made to a "no pet" policy to permit the use of a service animal by a person with a disability unless doing so would result in an unreasonable financial or administrative burden. That is why it's suggested that your selection criteria and lease be modified to address this issue and that you have a "service animal" policy included.

A sample policy differentiates "service animals" from "pets", describes types of service animals, includes information on fair housing laws and sets out the requirements of service animals and their owners, and requirements by management.

(by Washington State Fair Housing)



DIALOGUE WITH DIRECTORS



Happy New Year!!! With the birth of 2002, we are looking forward to this year.

As we talked about in our December "Dialogue With Directors" article, we are continuing our commitment to represent the membership in the areas of Legislative and Local regulation. And we rededicate ourselves to disseminate the information we find important to landlord ventures.

The ILA Website has been getting used more and more. The landlord management forms and news letter archives have been accessed by more of our member land landlords in the past couple of months as our membership has become more attuned to using the www.iowalandlord.org web site.

We have been working with the webmasters on new services, and are very excited about an upcoming development for our member landlords. We think you will be pleased with the prospect when you learn of how it will be used. Plans for deployment target spring, but you will be finding out more details in the next couple of issues of the newsletter.

Now that winter has finally arrived, we can look forward to the landscaping and facility improvement chores. Speaking of spring, we are planning our Spring Seminar and know that you will want to attend this one. The members that attended our seminar last fall gained lots of insight and expertise from our presenters. The spring seminar should be just as beneficial.

HAPPY NEW YEAR

This Month's January 2002 NewsBrief

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- If Your Credit Cards Are Stolen ...

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A Court Case With Significant Implications

Legal Case Citation:

Rozman v. City of Columbia Heights,
8th U.S. Circuit Court of Appeals,
No. 99-2630 (2001).

(Note: The 8th Circuit has jurisdiction over Arkansas, Iowa, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota.)

Topic: Landlord's Rights:

- Landlord claimed it was unconstitutional to permit inspection with tenant's consent.
- Landlord loses rental license because he wouldn't allow city to inspect apartments.

The city of Columbia Heights required owners of residential rental property to obtain a license before they could rent their properties to tenants. As a part of the license requirement, a yearly inspection was required of each of the owner's units. The landlords were thus required to notify their tenants of the impending inspections. Rozman, a landlord, complied with the city's annual inspection program until 1996. At that time his concern about the constitutionality of the program motivated him to refuse to inform the tenants of impending inspections or allow the actual inspections to take place until the city had gotten the tenant's consent or entered the apartments with a search warrant. As a result, the city revoked Rozman's rental license. Rozman sued the city, claiming it had violated his Fourth Amendment rights against illegal search and seizure when it entered the tenant's apartment without their permission. Rozman also argued the city's inspection requirement was unconstitutional. The court found in favor of the city.

Rozman appealed. – Decision: affirmed.

The law was constitutional, and Rozman's license was properly revoked.

First, Rozman did not have standing to assert the Fourth Amendment right of the tenants regarding an illegal search. It was the responsibility of the tenants to sue, and not Rozman, because the inspection did not infringe any of Rozman's privacy rights, only the tenants' rights. Nevertheless, the lower court did interpret the law to require a valid search warrant to search a tenant's apartment if the tenant did not give consent.

Because a valid search warrant would be required to search a non-consenting tenant's apartment, the law was deemed constitutional. It was also constitutional to require Rozman to notify his tenants of an upcoming inspection. Therefore, Rozman's rental license was properly revoked.

ILA Legislative Report

The Iowa legislature was in Des Moines on November 7th for a special session. Most of the activity was directed to a reappropriations bill. Governor Vilsack instituted a 4.3% cut in funding for all state agencies. Under Iowa law, a Governor cannot make selective cuts to the budget. The legislature put twenty six million dollars of the cuts back into public safety and education budgets.



Joe Kelly
ILA Lobbyist

The legislature also passed a homeland security bill which was needed to give Ellen Gordon, Iowa's Emergency Management Director, the legal authority to work with the U.S. Homeland Security Office.

A part of the Homeland Security law may have an impact on a few landlords in the state. This language not only could affect a few landlords, but it also could affect people making sales on contract as well as financial institutions. The language adopted will be in effect only until the end of January of 2002. The reason for this limitation is that the legislature will then be forced to look at the issue again. At that time, they will have time for a more extended debate on the issue.

The new language changes the definition of military service to mean full time active state service or full time state active duty so long as the duty is for more than 90 days. The impact on landlords is that evictions on the military person's family can be stayed, or delayed, for ninety days. The law also protects landlords who may be paying a mortgage on their rental property affected by the military leave. If the court grants the stay, and the landlord has a mortgage on the property, the landlord can petition the court to stay the landlord's mortgage payments during the time of the military leave.

It's estimated that there are fewer than 100 Iowans who would qualify for protection under this new, and at this point, temporary law.

Why Freedom Dies

Great Nations Rise and Fall

- The People Go from Bondage to Spiritual Faith –
 - From Spiritual Faith to Great Courage –
 - From Courage to Liberty –
 - From Liberty to Abundance –
 - From Abundance to Selfishness –
 - From Selfishness to Complacency –
 - From Complacency to Apathy –
 - From Apathy to Dependency –
 - From Dependency back again to Bondage –

Author: unknown

Why You Need to Raise the Rent

Raise the rent every year.

If you don't you'll have to pay later.

Why? Your costs go up every year, but you are afraid to raise the rent for fear that your long-term tenants will move or because you want to help them out. After a couple of years you start to get behind.

After a few years of not raising rents you are so far behind that you have to raise rents 25% to 50% in order to catch up. Your tenants will move for sure if you do that, even if they have to pay the same amount somewhere else.

The first thing you can't do is maintain the property as well as you could if you were keeping up with inflation and taxes. You also don't make as much money as you think you should. This will be a double hit when you go to sell the property.

Smart investors look at the maintenance of the property when they decide how much they are willing to pay for it. If the property doesn't look good enough, it won't generate good rents and therefore the value is lower.

The second thing they look at is the rents. Too often you see advertised that 'rents should be higher'. Prospective buyers begin looking for reasons and find that maintenance has been deferred. While investors are looking at rents, they are using a couple of figures to multiply the net income by. One is the gross rent multiplier. That is a figure that when multiplied times the gross rental income, gives a rough idea of what the property should sell for. The lower the rent, the lower the sales price (or what the investor would be willing to pay).

Another figure is the capitalization rate, which is the net operating income divided by the asking or sales price. The net operating income is the gross rents less the vacancy allowance less expenses. The lower the rents, the lower the capitalization rate. An acceptable capitalization rate in most parts of the country is now around 10%. So, if rents aren't high enough, your sales price will have to be lower to create an acceptable capitalization rate.

If you raise the rent a small amount every year, say five percent, it is too small an amount to make it worthwhile for your tenants to move. Just be sure you do it every year.

Need to Rent ???
advertise your rental at:

www.iowalandlord.org

Military Call-Up

Under the federal Soldier's and Sailors' Civil Relief Act (SSCRA)(50 USC 530-5), members of the armed forces who



are called overseas enjoy certain relief from their rental obligations. SSCRA provides that, once a service member begins military service, the member and their dependents may terminate (in writing) a lease that was executed by the service member before entering the military. SSCRA also permits a stay of eviction of up to three months, unless the court orders otherwise, of the service member or their dependents from their residence where the monthly rent is \$1200. per month or less.

More details about the SSCRA can be found at: www.jag.navy.mil/documents/SSCR.htm

Apartment employees who are uniformed service members called to duty are also entitled to specific rights under the Uniformed Service Employment and Reemployment Rights Act. (USERRA)(38 USC4301). USERRA grants departing service members specific rights to: continue their health plan coverage; to perform their military duty without incurring a break for pension purposes; and to return to re-employment; subject to certain conditions.

(This came out of the Des Moines Register a week or so ago. It is important because it shows what can happen to a landlord who doesn't follow the rules when it comes to lead paint poisoning. Please check out the Register's website at www.desmoinesregister.com for this and other valuable articles on landlord issues.)

Property Manager Pleads Guilty In Poisoning Case

A property manager and his company pleaded guilty of federal offenses in a case that grew out of the lead-poisoning death of a 2-year girl who had apparently eaten paint chips in her apartment.

James Aneckstein, 36, of Manchester, N.H., will get 15 months in jail and a fine of up to \$40,000 at sentencing. His company could be fined up to \$3.2 million dollars.

Federal prosecutors said it was the first case in the nation in which a rental property manager was charged with criminal offenses for failing to provide the required lead hazard warnings....

Would you like to list your property on the Iowa Landlord Association Apartment Rental Search but you're not on the Internet?



**Iowa Landlord Association
Apartment Search Service
Listing Form**

Make copies of this form, fill out the form and FAX to: 515-255-0675

You can mail or fax in your listing directly to our office if this would be easier for you.

To list your property, please fill out this form and send a picture of your property to our office.

Have you a rental property you wish to sell? Advertise it on the web site! Call us for details.

Interested in banner ads on our website?

ILA Rental Property Search Listing Rates

- Listing Prices = Members - \$50/mo., Non-Members - \$100/mo.
- Pictures/Logo inclusion = \$10/submission
- Picture/Logo image preparation (if needed) = \$35/hr.
- Photography Services = \$50 trip fee; \$35/hr after 1 hour; Materials at cost; Service available in the Des Moines metro and Polk County surrounding areas; Services are on a scheduled basis; Contact information@iowalandlord.org for arrangements.

- Listings placed in **January, 2002** are back to the full published rates above.

(HINT! For the cost of an ILA membership - Non-members can purchase their membership, save money and experience ALL the benefits of ILA membership!)

Your Company: _____
 Your Name: _____
 Your Company Address _____
 Your Phone number for contact _____
 Property Address: _____
 Property City, Zip: _____

Monthly Rent Price: \$ _____ / Month
Number of Bedrooms: Studio/Efficiency 1 2 3 4+

Type of Housing: Condos, Townhomes, or Duplexes
 Unfurnished Apartments Furnished Apartments
 Single Family Dwelling Short Term Rentals Senior Community

Utility Arrangements: None Supplied Some Paid All Paid

Accommodations and General Amenities – Please check the items associated with this property:

Air Conditioning:	<input type="checkbox"/>	Dishwasher:	<input type="checkbox"/>	Wheelchair Accessible: ..	<input type="checkbox"/>
Microwave:	<input type="checkbox"/>	Stove:	<input type="checkbox"/>	Trash Compactor:	<input type="checkbox"/>
Balcony / Patio:	<input type="checkbox"/>	Refrigerator:	<input type="checkbox"/>	Garbage Disposal:	<input type="checkbox"/>
Dining Room:	<input type="checkbox"/>	Fireplace:	<input type="checkbox"/>	Pet Friendly:	<input type="checkbox"/>
Computer High				Laundry Type:	
Speed Broadband				<input type="checkbox"/> Washer / Dryer	
Internet Accessibility: ..	<input type="checkbox"/>	Cable Ready: ...	<input type="checkbox"/>	<input type="checkbox"/> Washer / Dryer Connections	
		Garage:	<input type="checkbox"/>	<input type="checkbox"/> Laundry Facility	

Community Accommodations and Amenities

Club House:	<input type="checkbox"/>	Storage Facilities:	<input type="checkbox"/>	Gated Access:	<input type="checkbox"/>
Public Transportation: ..	<input type="checkbox"/>	Tennis Courts:	<input type="checkbox"/>	Playground:	<input type="checkbox"/>
Fitness Center:	<input type="checkbox"/>	Swimming Pool: .	<input type="checkbox"/>	Whirlpool / Spa:	<input type="checkbox"/>

Run Dates of Your Listing

Date Begin: _____ Date End: _____

Your Email Address:

**** Don't Have A F.A.X. - - Just copy and mail your form to us. ****

Need to Rent ???
advertise your rental at:
www.iowalandlord.org