



IOWA LANDLORD ASSOCIATION NEWSLETTER
www.iowalandlord.org

June 2008

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From the Desk of Your Directors

Our summer breakfast meetings start on June 17. This is a wonderful way to start the day. Have a good breakfast, listen to an informative speaker, and enjoy the view from the Cub Club sky box. We will also have these breakfast meetings in July and August. (More information on page 3.)

At our general membership meetings we have had a good turnout and the members have enjoyed the social hour and information that they have received from our vendor partners and speakers. June 19 is our next meeting at Okoboji Grill in Johnston. The social hour starts at 5 p.m. followed by the general meeting. There is no cost to our members for this

meeting.

If you need to contact any of the new ILA officers, their phone numbers and e-mail addresses are listed in the left-hand column on this page. We would encourage you to submit comments, questions and any suggestions that you may have.

The Crime-Free Multi-Family Housing Program

The Des Moines Police Department is in the process of reinstating the once active Crime-Free Multi-Family Housing Program. This is a program designed mainly for apartment buildings; however, many of its principles can be applied to any size rental housing unit.

The program is voluntary and involves training and security upgrades. As more information becomes available, we will pass that along, or you may contact Officer Steve Anderson of the Des Moines Police Department at (515) 237-1591 or e-mail him at SLAnderson@dmgov.org.

WELCOME, NEW MEMBERS

Security Investment Association, Inc. -
Rich Webster - Des Moines

National Management Corp. - Des Moines (National Management brings with them numerous apartment buildings totaling 2,352 units in five different regions.)

Welcome aboard!

WELCOME, NEW VENDOR PARTNER

Vines Insurance - Don Vines - Des Moines



NEW VENDOR



Windows as low as \$185 Installed!

Clear Choice USA Windows and Siding is a nationwide company offering customers premium-grade window and siding products at a guaranteed lowest price. With the combined 125 locations nationwide, we have the buying power that allows us to get major discounts on great quality windows. We then pass those discounts on to you.

The Des Moines location is independently owned and operated which means you deal directly with the owners.

For more information on our services, visit our website at clearchoice-desmoines.com or call us at (515) 277-6256.

Why Do Residents Rent Your Property?

Every resident has two reasons for deciding to rent your property. The first is because they need a place to live. The second is more abstract and may be one of the following reasons: Financial - your property is offered at the best rental rate of other comparable properties; Location - your property is the best location they can find; convenient to key places the resident frequents—i.e., work, school, stores, bank, church; Upgrades/Extras - your property offers features and items that others did not offer.

The next time a prospective tenant calls or looks at one of your properties, try to determine which of the factors applies to their needs. From all responses you receive from them, determine which factors are the most appealing for your property. Then make a list of why your property is a great match for those factors. Tailor your presentation to meet those needs. You should be able to easily state reasons that match most of your prospective tenants' interests.

ILA Legislative Report

Joe Kelly
ILA Lobbyist



The second session of the 82nd General Assembly adjourned at 2:38 a.m. on Saturday, April 26. Since General Assemblies are two-year operations, it means Iowa has had a legislature for 164 years. The 83rd General Assembly will begin on Jan. 12, 2009.

Top Two Issues: Municipal Liens and Security Deposits. The 2008 session was much like the 2007 for landlords. Two issues left over from 2007 captured our attention again in 2008. In 2007, we had a comprehensive bill passed, HF 783, dealing with protecting landlords from liens of

Rental Applications----

Your rental application should be simple to read, simple to follow, brief and yet thorough. You don't need the applicants' entire life history to help you decide whether to rent to them. You might satisfy your idle curiosity by reading those life histories, but they likely wouldn't be any more useful to you in determining whether you ought to rent to somebody than would the information contained in a simple one-page application.

The application to use should have sections with information on the applicant's current and previous tenancies, current and previous jobs, fellow occupants, pets, financial status, vehicles, and driver's license. If this information is complete, you will have plenty to consider and check in the next step.

municipal utilities on debts incurred by previous tenants. HF 783 was a comprehensive bill dealing with all municipal enterprise services, including sewer systems, storm water drainage systems, sewage treatment, solid waste collection, and solid waste disposal. The current law already included water charges. HF 783, with no one in the Iowa House voting against it and only three Senators voting against, was vetoed by Governor Culver. As the 2008 session began, there was much confusion and fear about what the Governor would accept as HF 2392 was introduced on the same subject. Rep. Geri Huser (D-Altoona) and Rep. Tom Schueller (D-Maquoketa) again agreed to merge their ideas on the subject of municipal utility liens. Rep. Mary Gaskill (D-Ottumwa), Chair of the House Local Government Committee, again agreed to allow the bill to be debated in her committee. Rep. Huser and Rep. Schueller met with staff members in the Governor's office. Still there was no clarity as to what the Governor would accept on the issue.



Rep. Huser and Rep. Schueller decided to go with the realtor's language last year, but only deal with Rep. Schueller's original idea from 2007: instead of informing the utility every time a tenancy changed, have a one-time registration for rental properties in order to avoid water liens. That version of the bill passed the House; but the Senate, at least the subcommittee in control of the bill in the Senate, would not accept the one-time registration concept. In the end, the Senate extended the notification time from 10 business days to 30 business days. The law still only applies to water liens. Governor Culver signed HF 2392 on April 16. **Security Deposits** The other issue from 2007 was SF 445, a bill that passed the Senate 35-14 on March 26 of 2007. SF 445 passed out of the House Judiciary Committee with the minimum votes needed for passage. It was not debated on the House floor in 2007 and was returned to the Judiciary Committee. Earlier this session, SF 445 was again voted out of the Judiciary Committee, but this time SF 445 was amended in committee. The legal standard for imposing punitive damages was returned to retention of the security deposit "in bad faith," which is current law, instead of the original version of "wrongful retention." As a compromise for this change, the Judiciary Committee raised the punitive damages amount to a maximum of two-and-a-half times the amount of the deposit in contention. SF 445 would have also given the judge discretion as to how much money in damages to award. Current law does not give the judge discretion. If bad faith retention is found, the full punitive damage amount of \$200 must be awarded. Even though SF 445 had been changed from last year's bill, House leaders decided not to debate it. The security deposit issue heated up somewhat when Rep. Paul Bell (D-Newton) filed a bill, HF 2446, to create a new Landlord-Tenant Relations Review Board, which would have been housed in the

Department of Commerce, Real Estate Division. Landlords would have been required to file annual reports on the status of their security deposits; would have been required to, as a part of a written denial of return of security deposits, provide photographic evidence of the damages to the property and provide evidence that a final inspection of the property had taken place after termination of the tenancy. The board would have written administrative rules for landlords, including the common costs for repair and restoration. The board would also have heard dispute resolution cases, if both landlord and tenant chose to use that option. The reporting requirement to the state board would have applied only to those landlords with 25 units or more. HF 2446 would have also required the property owner to provide the new tenant with a written report showing all damages from the previous tenant, to provide photographs of the rental unit after the expiration of the previous tenancy, and to provide a written report of all the repairs made following the previous tenancy. HF 2446 failed to get out of subcommittee. Then, Rep. Bell filed his bill as an amendment to SF 445. When SF 445 wasn't brought up, Rep. Bell filed a modified version of his bill as an amendment to HF 2700, the last bill of the session. Rep. Bell decided to withdraw his amendment when it was called up for consideration on the floor of the House. Rep. Bell has indicated that he will try again in 2009 to make some changes on how the security deposit question is handled in Iowa.



BREAKFAST

Enjoy a hearty breakfast in the sky box overlooking the ball diamond while listening to our featured speaker. Come join us for the first summer breakfast meeting of the season. Ken Tharp with Iowa Equity Exchange will be our speaker. Ken will speak on the Section 1031 Tax Deferred Exchange.

The buffet breakfast starts at 7:30 a.m. at the Cub Club, Sec Taylor Stadium at Principal Park followed by our speaker. The meeting will last approximately an hour to an hour-and-a-half. The cost is \$20 per person.

Please call Connie at (515) 255-0675 or e-mail her at ilaservices@iowalandlord.org for your reservations. We are limited as to number of attendees so don't forget to sign up early.

Future breakfast meetings are July 15 and Aug. 19. We will keep you posted as to speakers at these events.



June 2008

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| 29 | 30 | | | | | |

- 17 Summer Breakfast Meeting -
7:30 a.m. - Cub Club - Principal Park
- 19 Vendor Meeting - Okoboji Grill -
Johnston - 4 p.m.
General Membership Meeting -
Okoboji Grill - Johnston - 5 p.m.

July 2008

| S | M | T | W | T | F | S |
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- 4 Independence Day - ILA Offices
Closed
- 15 Summer Breakfast Meeting -
7:30 a.m. - Cub Club - Principal Park
- 17 Vendor Meeting - Okoboji Grill -
Johnston - 4 p.m.
General Membership Meeting -
Okoboji Grill - Johnston - 5 p.m.



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