## Mind Your Business - Tia's Tips for Better Rental Management

## Think you know what you need to know about landlord-tenant law?

## 20 questions that will give you the answer

By Tia Politi, ROA President

- 1. Using language, written or verbal, that causes a tenant or applicant in a protected class to fear discriminatory treatment is called:
  - a. Cooling effect
  - b. Steering
  - c. Chilling effect
  - d. Butterfly effect
- 2. If a landlord accepts a screening fee, they must:
  - a. Provide written screening criteria to each applicant
  - b. Provide a receipt for the fee
  - c. Return the fee if they don't perform the screening
  - d. All of the above
  - e. None of the above
- 3. The HUD Memo regarding criminal history allows a landlord to continue to deny any applicant for any criminal history, regardless of circumstance or how long ago the crime occurred.
  - a. True
  - b. False
- 4. If a landlord has accepted a security deposit to execute a rental agreement and has a signed Deposit to Hold (DTH) contract with the applicant, and the applicant decides not to move in:
  - a. The landlord must refund the DTH in full within 48 hours
  - b. The landlord may retain the DTH in full
  - c. The landlord may only retain the amount necessary to pay for your actual damages related to their failure to complete the contract and return the remainder within 31 days
  - d. None of the above
- 5. Upon initiating a tenancy, a landlord may charge the following fees:
  - a. A cleaning fee
  - b. A pet fee
  - c. A carpet fee
  - d. All of the above
  - e. None of the above
- 6. If a tenant wants a pet, a landlord may:
  - a. Charge a pet fee
  - b. Limit the size or breed of pet
  - c. Charge a non-refundable pet deposit
  - d. All of the above
  - e. None of the above
- 7. If an applicant or tenant requests an aid animal for a disability, a landlord may require that,
  - a. The request be in writing
  - b. There be only one assistance animal per resident
  - c. Both a and b
  - d. Neither a nor b
- 8. Landlords can charge an additional deposit for an assistance animal.
  - a. True
  - b. False
- 9. A landlord may require tenants to obtain renters' insurance naming them as an Interested Party and requiring a minimum of \$100,000 of liability coverage under the following circumstances:
  - a. It is stated as a requirement in the application and rental agreement and disclosed prior to accepting any payments
  - b. Household income is above 50% of the median income for the area in which the rental property is located based on household size

- c. There are no restrictions on how or when a landlord may require their tenants to obtain renters' insurance
- d. It is against landlord-tenant law to require renters' insurance
- e. Both A & B
- 10. If a tenant provides a landlord with a third-party verification that they have been a victim of domestic violence, sexual assault or stalking and asks that their door locks be changed, a landlord must do so promptly and may not charge them for the service
  - a. True
  - b. False
  - c. Partly true and partly false
- 11. A victim of domestic violence is responsible to pay for damage caused by a perpetrator.
  - a. True
  - b. False
- 12. A victim of domestic violence, sexual assault or stalking (DV) has the right to:
  - a. Release themselves and any immediate family members from a rental agreement with only 14 days' written notice.
  - b. Ask that the perpetrator's tenancy be terminated
  - c. Continue the tenancy, even if there have been noise complaints or damage to the property related to the act(s) of domestic violence, sexual assault or stalking
  - d. None of the above
  - e. All of the above
- 13. In a month-to-month or fixed-term tenancy, if rent is not paid by 11:59 p.m. on the 4<sup>th</sup> day of the rental period, a landlord should serve:
  - a. A 144-hour Notice to Pay or Vacate for Nonpayment of Rent
  - b. A 72-hour Notice to Pay or Vacate for Nonpayment of Rent
  - c. A Notice of Termination with Cause
  - d. None of the above
- 14. To have the right to post-and-mail a legal notice to a tenant, a landlord must:
  - a. Have the right stated in writing in the rental agreement.
  - b. List a physical address located a reasonable distance from the dwelling unit for the tenant to be allowed to post-and-mail notices to their landlord
  - c. Add three days for mailing
  - d. Both a & b
  - e. Both b & c
  - f. Both a & b
  - g. None of the above
  - h. All of the above
- 15. Landlords may charge non-compliance fees of \$50 for a 2<sup>nd</sup> offense and \$50 plus 5% of the rent amount for all subsequent offenses for the following breaches of contract:
  - a. Disturbing the quiet enjoyment of the neighbors
  - b. Improper use of a vehicle
  - c. Smoking in a clearly designated non-smoking unit or area of the premises
  - d. Keeping on the premises an unauthorized pet capable of causing damage
  - e. Both a & b
  - f. Both a & c
  - g. Both c & d
  - h. All of the above
  - i. None of the above
- 16. Accepting behavior by a tenant outside the bounds of the rental agreement for three separate rental periods creates a problem called:
  - a. Leave
  - b. Waiver
  - c. Discrimination
  - d. Nothing, it creates no problem
- 17. If the power goes out due to bad weather, a landlord is obligated to:

- a. Put the tenant up in a hotel until power is restored
- b. Provide food, blankets and an alternate heat source until the power is restored
- c. It is an Act of God and they have no obligation
- d. None of the above
- 18. Once all tenants have vacated the premises, a landlord must provide a written accounting of all deposits paid within \_\_\_\_\_ days.
  - a. 30 days
  - b. 14 days
  - c. 45 days
  - d. 31 days
- 19. In a month-to-month tenancy, if one tenant among a group gives notice and vacates, but the other tenants want to stay, a landlord is obligated to return any portion of the security deposit or prepaid rents the departing tenant tendered at the beginning of the tenancy.
  - a. True
  - b. False
- 20. If a tenant leaves any property behind after they vacate the premises, a landlord is obligated to:
  - a. Serve an abandoned property notice, but only if the property value is more than \$1000
  - b. Hold the property for 30 days and dispose of it if the tenant doesn't make contact
  - c. Serve an abandoned property notice and provide the tenant with an opportunity to retrieve their property
  - d. Sell the property and apply the proceeds to the tenant's account
  - e. Withhold the property pending payment in full of all outstanding amounts owing to the landlord
  - f. The landlord has no obligation regarding a past tenant's property and may consider the property abandoned

## Answer key:

- <u>C Chilling effect</u> Make sure your language written or spoken describes the property, not the kind of people you think should live there. Make sure the words you say or write don't indicate discriminatory intent or action based on an applicant or tenant's membership in a protected class. Protected classes are: Federal Race, Color, National Origin, Religion, Gender, Familial Status (families with children), and Disability. State of Oregon: Marital Status, Source of Income (including housing subsidies like Section 8), Sexual Orientation, and Gender Identity. Eugene: Type of Occupation, Ethnicity and Domestic Partnership.
- 2. <u>D All of the above</u> If a landlord accepts screening fees to cover the cost of screening applicants, they must provide written screening criteria to view prior to or along with the application, provide a receipt for the fee, have an available unit or one that will be available, and refund the fee in full promptly if they do not screen the applicant.
- 3. <u>B False</u> The HUD Memo on the use of criminal history standards for applicants was issued due to a disparate impact of the use of these records against those of Hispanic or African descent. The clarification provides that a landlord must take into consideration not only a criminal act or acts, but the likelihood of recidivism, and the actual danger to the property, the neighbors, the landlord, or the landlord's agent. Refer to the ROA website to read the text of the memo.
- 4. <u>B A landlord may retain the DTH in full</u> The DTH agreement gives each party certain rights. Should the applicants opt against moving in for any reason not related to the landlord's ability to provide the property, they may keep their deposit to hold in its entirety. If for whatever reason, the landlord is unable to deliver the property as promised, they must refund the deposit to hold promptly in its entirety. Without a signed deposit-to-hold form landlords must return any money collected as a DTH if the tenant doesn't move in, no matter who's at fault.
- 5. <u>E None of the above</u> A fee is a non-refundable payment of money. Fees are strictly limited to the following: screening, late payment of rent or utilities, dishonored check, lease break, smoke/CO alarm tampering, unauthorized pets capable of causing damage, parking violation or improper use of a vehicle, trash violation, smoking violation, animal waste violation, HOA/COA move-in or move-out fees, and municipal fees. These are the only fees a landlord may charge. Landlords are not required to account to tenants for lawfully charged fees, but there are strict requirements that must be met for charging and billing fees to tenants, or terminating tenancies based on non-payment of fees.
- 6. <u>B Limit the size or breed of pet</u> Landlords may limit the size, breed or species of pets allowed. Additionally, they may charge a pet deposit and pet rent for the privilege, but not a pet fee or non-refundable pet deposit.
- 7. <u>D Neither *a* nor *b* A landlord must consider all requests for reasonable accommodation, which is a request for a change in policy to accommodate an individual with a disability. In regard to assistance animals, there is no set number of animals that a resident may request; however, the request must be reasonable and while it is a violation to ask the</u>

nature of the disability, a landlord may require that the individual verifying the disability have direct knowledge of the disability. It is also okay to verify that a secondary or tertiary animal provides some additional service or assistance related to the disability that the first does not.

- 8. <u>B False</u> An assistance animal is an assistive device to allow a disabled tenant the right to enjoy their rental unit the way a non-disabled person could. Like a wheelchair, a landlord may not charge any deposits or fees for an assistance animal.
- 9. <u>E Both *a & b*</u> Landlord-tenant law allows a landlord to require renter's insurance with limitations. First, the requirement must be disclosed in writing prior to accepting any payments, but can be offered as a 30-day Notice of Change in Terms after move-in on a month-to-month agreement. Second, landlords may require that the renter's insurance policy maintains liability coverage of at least \$100,000, and names the landlord as an Interested Party. Third, the landlord may not require renter's insurance if the household median income based on household size is below 50% of the median for the location of the dwelling unit. (Income calculator can be found at <a href="www.hud.gov">www.hud.gov</a>.) If allowed by law, failure to maintain the required renter's insurance policy in force, name the landlord as an Interested Party, or reduction of liability coverage below the minimum \$100,000, is a breach of contract for which the tenancy can be terminated.
- 10. <u>C Partly true and partly false</u> Landlords must change the locks immediately upon demand after submission of a third-party verification of domestic violence, sexual assault, or stalking by the tenant, and may not charge for the service prior to being paid to do so; but they <u>may</u> require repayment from the victim within a reasonable time frame for the cost.
- 11. <u>B False</u> A victim of domestic violence, sexual assault or stalking may not be held financially liable for damage caused by their perpetrator.
- 12. <u>E All of the above</u> Victims of DV have special rights, which include the ability to release themselves and any immediate family members from a rental agreement including a fixed-term lease with only 14 days' written notice and without penalty. They also have the right to ask their landlord to terminate the tenancy of a perpetrator, and to continue their own tenancy, even if there have been police visits, noise complaints, or damage related to DV. All of these allowances require the victim to provide a third-party verification of the incident(s) of DV occurring within 90 days preceding the tenant's request.
- 13. A 144-hour Notice to Pay or Vacate for Nonpayment of Rent Typically, rent is due on the 1st, and if allowed by the rental agreement, late if not received by midnight of the 4th. This language allows landlords to charge a late fee and serve a notice for nonpayment at that point. Without that language in the rental agreement, rent is considered late if not received by midnight of the 7th. Most landlords wait and serve a 72-hour notice on the 8<sup>th</sup> day, but it is permissible to serve a 144-hour notice as early as the 5th day. Both notices will expire at the same time, the 144 just provides more time to cure. In a week-to-week tenancy, a landlord may serve a 72-hour notice on the 5th day, but that is the only exception. Some low-income housing providers are required to serve a Notice of Termination with Cause for late rent payments, giving the tenants 14-17 days to cure the notice, or the tenancy terminates in 30.
- 14. <u>D Both a & c</u> To have the right to serve a legal notice by post-and-mail a landlord must meet three requirements: First, the right must be stated in the written rental agreement. (If landlords don't have a written rental agreement, they don't have the right to post-and-mail. If landlords have a written rental agreement and the post-and-mail language is absent, they don't have the right to post-and-mail.) Secondly, the right must provide reciprocity to the tenant to post-and-mail notices to their landlord by the listing of a physical address declared with specificity, wherein the landlord may be served notice. (If landlords don't have a physical address listed in the rental agreement or some other document associated with the tenancy, such as a notice of change-in-terms, they don't have the right to post-and-mail. If the stated location is a post office box or other mail box, landlords don't have the right to post-and-mail.) Thirdly, the listed reciprocal location must be a reasonable distance from the dwelling unit. (The distance is not defined, but landlords should take into account the tenant's abilities and transportation options when deciding if this requirement is being met.) If a landlord doesn't have the right to post-and-mail their legal notices, they have to either personally serve notices, or mail notices first class mail, adding three days for mailing to all cure periods and termination time frames (not counting the day it is mailed).
- 15. <u>B Improper use of a vehicle</u> Disturbing the quiet enjoyment of neighbors is not an offense for which a landlord may charge a noncompliance fee, but repeated violations may be grounds for a termination of the rental agreement. Smoking violations will incur noncompliance fees, but the fee is \$250 per violation, and the same is true of unauthorized pets capable of causing damage. There are substantial legal requirements and limitations for charging tenant fees, and for terminating a tenancy for nonpayment of fees.

- 16. <u>B Waiver</u> When a landlord accepts rent for three separate rental periods with knowledge that the tenant is breaching the contract, they re-write the terms of the agreement.
- 17. <u>C It is an Act of God and there is no legal obligation</u> If a failure of essential services is caused purposefully or negligently by the landlord, there is a legal obligation to provide appropriate assistance. If the lack of essential service is due to factors beyond the landlord's control, there isn't, but many landlords sense a moral obligation to offer what help they can. This concept goes both ways. If the rental unit is damaged by an Act of God beyond the tenant's control, they cannot be held financially liable for the damage.
- 18. <u>D 31 days</u> A landlord has the obligation to provide a written, itemized accounting of all deposits and prepaid rents tendered by the parties to a rental agreement once the tenancy has terminated for all occupants. The accounting should be mailed first class mail, along with any refund owing.
- 19. <u>B False</u> When deposit monies are tendered for a month-to-month tenancy, the deposit stays with the property until the last person vacates. Individual tenants may vacate the premises with a 30-day written notice, and release themselves from responsibility when their notice expires, but they abandon any rights to any portion of the refundable deposits paid, including pre-paid rents. In a fixed-term tenancy, if the landlord and the other residents choose to release one party from the agreement, they may be required to refund that party's prepaid funds, so be careful to clearly state in any release agreement that by their signature of release, they are also waiving rights to those deposits or pre-paid rents. If all parties to a lease break the lease and move out early, landlords are still required to account for their deposits and pre-paid rents within the 31-day deadline. Additionally, the law states that the written accounting be placed in a first-class mail receptacle on or before the 31<sup>st</sup> day, not that it must be postmarked that day.
- 20. C Serve an abandoned property notice and provide the tenant with an opportunity to retrieve their property If you serve that notice personally, the tenant has five days, and if by mail eight days to make contact. The tenant then gets an additional 15 days from the date of contact to arrange to retrieve their belongings, but the retrieval may not pose an undue burden to the landlord. Withholding a tenant's personal property pending the payment of monies owing is illegal. A landlord may require the payment of storage charges alone, if incurred, as long as the personal property was not abandoned after an eviction action, in which case a landlord may not require pre-payment of the storage charges before releasing the personal property. If there is no response during the statutory notice period of the notice, and the total value of the abandoned property is less than \$1000, the property may be donated to charity. If the property is worth more than \$1000, landlords are required to hold a public sale and apply any proceeds of the sale to the tenant's account, refunding any overage to the tenant, or if unclaimed for two years, refunding the overage to the Department of State Lands. A landlord may not keep any of the abandoned property, but must donate to charity any items not sold.
- 19-20 You are the Mary Poppins of landlords practically perfect in every way.
- 15-18 You are on the cusp of greatness. Continue your education, stay aware of changes in the law and you shall succeed.
- 11-14 You know a lot, but not enough to avoid trouble. Continue to take classes, read the ROA bulletin, re-read through the archived articles on the website, and when in doubt call the Helpline.
- 6-10 You are at legal risk. You should consider hiring an attorney or consultant to look over your situation to help you correct your deficiencies before they hurt you. Consider hiring a professional property manager.
- 0-5 You are at great risk of costly legal claims and personal misfortune. Consult with an attorney and/or hire a professional property manager immediately.