

# ORHA RENTAL NEWS

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## From Your Legislative Director

*J. Norton Cabell*

### **FORMS ARE CHANGING... BUT WHAT ABOUT THE ONES I STILL HAVE?**

Some of the ORHA forms are changing. Some of that is driven by changes in the law, mostly effective Jan. 1, 2010; but some is driven simply to make the forms more usable. In most cases, you can still use forms currently in your inventory, but you will have to be careful in a few instances. I won't comment here on forms preceding 2007; refer to the Forms Manual for those.

**Form #2, #2A:** You can still use the month-to-month lease forms, but don't put anything in the "fees" column, because none of these fees are allowed after 2009. Also, don't put anything on the "Delivery of Notice" fee because that also won't be allowed. Remember to put not more than \$25 on the Returned Check Charge line. You are required to disclose if the rental unit is located in a 100-year flood plain. If it isn't, you don't have to disclose anything. If it is, you need to say so. You could write "The dwelling unit is located in a 100-year flood plain" somewhere on the form. Certain provisions in the fine print, particularly those imposing noncompliance fees, on the back won't be enforceable, but as long as you don't try to charge them, there is no harm in them being on the form. The biggest drawback to using the older forms will be that you won't be able to use the new carpet-cleaning rule unless you want to take the wording off the new form and put it in an addendum. Easier, I suggest, to buy the new forms.

**Form #2B:** You can use the Fixed-Term Lease form, as well, subject to all the cautions in the previous paragraph. In addition, you cannot charge a lease buyout fee in excess of 1.5 times rent and, if you use the old form, you won't be able to take advantage of the ability to charge actual damages in lieu of the buyout fee where that makes sense.

**Form #3:** You can use the Pet Agreement form after 2009, but you are not allowed to charge a pet fee, so don't fill in anything on the "Additional Fee for Keeping Pet(s)" line.

**Form #5:** This form, for a no-cause termination notice is fine, but the instructions on it are not. If your tenants have occupied the dwelling for over a year, the minimum time on the notice has to be 60 days, not 30 days. You can use the older form, just don't put a vacate date on it that is sooner than 60 days away—and be sure to add the three days for mailing. If you intend to tell the tenant in writing why you are terminating the tenancy, there is some more required wording so don't use an older form.

**Form #25:** The Abandoned Property form is changing but the current one is fine. Just don't use either one if the property is abandoned because a tenant who lives alone dies.

**Form #30:** The Deposit to Hold form is changing because of new law that requires a landlord, before accepting money from a tenant or applicant, to disclose fees as well as rent and deposits that will be charged. You can make those disclosures—and use the current form—if you attach to Form #30 a copy of the lease or rental agreement you will be using, filled out with the pertinent information. My process is to fill it out entirely; after all, you have to do that eventually anyway.

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**CONTACT YOUR LOCAL ASSOCIATION TO PURCHASE UPDATED FORMS.**

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**GAS HEATING DEVICES – FOR SAFETY SAKE!**

*By Rick Ebert, Re-print NARPM*

According to the National Fire Prevention Association (NFPA) over 400 Americans die and almost 1,500 are hurt nationwide as a result of home heating fires. A third of these fatalities occurred between December and February making home heating deaths the number one cause of fire deaths during the winters. The NFPA cites the primary reasons as (1) lack of regular chimney cleaning, (2) placement of flammable materials too close to space heaters, (3) design and installation flaws of heating systems, (4) fueling mistakes in liquid or gas fired devices, and (5) unattended space or portable heaters.

The astute property manager can readily see the solution to avoiding the risks. Inform your residents in your agreement that fireplaces are “cosmetic only.” Or make arrangements for annual chimney cleaning. Space heaters should be replaced with updated heating systems whenever possible. If this can’t be done, have the tenant read a well-worded document about the use and care of space heaters and portable heaters, and have the tenant sign off that they have read and received the instructions. No “do-it-yourself” heating allowed in your rental by owners – no exceptions. In those areas where heating fuel must be purchased, make this tenant responsibility. The tenant should know what is going into the fuel take and in most instances, the tenant pays utility and full costs.

In multifamily units where there may be an exception, be certain that you and the fuel provider are on the same page so that you get the right fuel for the heating appliance. Again, a good lease attachment about the use of space and portable heaters is in order. Also remember that over 2,000 deaths occur each year as a result of carbon monoxide poisoning. When a gas appliance, such as a heater, has a crisp blue flame without much yellow it is burning correctly. If you or your tenant suspect carbon monoxide, turn off the appliance, open a window or door, and call in professionals to remedy the problem pronto!