



Know the Law, Know the Law, Know the Law! **By Robert L. Cain**

One property manager I knew told the story about the time she was talking to a landlord about her rental property and said, “The law says...”

The landlord replied aghast, “There are laws!!??”

Yes ma’am, there are laws. And in most states, those laws were written to protect the “poor, abused, downtrodden” bad tenant. Also, in most states there are too many judges who take it a step farther and interpret the laws and rule in ways that provide bad tenants even more rights to not pay the rent and trash property.

Shame on the legislatures and shame on the judges, but that’s the situation we face when we own and manage rental property.

Rental property is one of the most regulated industries in the country. It is filled with traps, pitfalls and snares awaiting the unwary landlord. The rental property business is one of the easiest to get into, as well. All you have to do is buy a house, tidy it up a little, find a tenant and rent it out.

Then the fun begins for the bad tenant when the landlord he or she rents from is totally unaware of the landlord-tenant law of the state. Landlords enter without proper notice, harass tenants when rent is late, apply the apartment complex’s rule unfairly, select tenants in violation of the Fair Housing Act and handle security deposits improperly. Bad tenants often know the law. They know the law because they have had experience using it and have probably used a landlord or two over the course of the bad-tenant pillaging and devastation. Again and again they catch landlords who are unaware that laws govern our business. They lurk behind moldy tall grass and under rocks waiting for their landlords to violate the law ever so slightly and then they slither out trying to get a judge to let them live rent free for months and months.

The landlord-tenant laws of most states are easily obtainable either online or from your local Apartment Owners Association. Having them on your bookshelf is one thing, but actually taking the time to read and understand them is another. ***[Editor’s Note: Please call your nearest AOA office and order a copy of California’s Landlord Law Book: Rights and Responsibilities, by Nolo Press. AOA members receive a special discounted price of only \$28.95 plus shipping.]***

Whenever I travel to another state to speak, I always print out that state’s landlord-tenant act and read it. The first thing I look at are notice requirements, that is how much time a landlord has to give to terminate a tenancy, change the terms of the rental agreement, allow after the rent is due before filing an eviction and before he or she can enter a tenant’s home for inspection or repair.

Next, I want to know the security deposit requirement. Is there a limit on how much a landlord can collect? Does the deposit have to be placed in a special bank account? What are the requirements for accounting for it when a tenant moves out?

In most states' landlord-tenant laws, you can expect to see similar rights and responsibilities for both landlords and tenants. The real difference lies in entrance, notification and security deposit requirements. Those are the ones that will get you in trouble if you violate them and the ones that bad tenants can probably recite verbatim. If you don't know the law, you leave yourself wide open for the scheming of bad tenants. These people will take your property, your money and your sanity. Know the law, know the law, know the law.

Robert Cain is a nationally-recognized speaker and writer on property management and real estate issues. For a free copy of the Rental Property Reporter or Northwest Landlord, call 800-654-5466 or visit www.rentalprop.com. Reprinted with permission of the El Paso Apartment Association.