

**18 Landlord Rules to Avoid Trouble and Save Money:
Follow These Laws in 2010!
by Patricia A. Harris**

Along with the ever-changing laws, AOA advisors encounter landlord situations that are overlooked, can be confusing, are sometimes neglected and have become very costly to many property owners.

It is our continuous goal to aid and support you in making this business of providing housing for others more profitable, easier *and* yes, more enjoyable. AOA wishes each and every one of you a happy, healthy and prosperous New Year and we look forward to being of service to you throughout the years to come!

Below is a compiled list of suggestions, new laws for 2010, regulations and standard requirements which landlords must follow to avoid trouble, stay out of court, and save money in unnecessary penalties.

1. For **Los Angeles rent-controlled properties**, be sure to *post the notice* providing information about the Rent Stabilization Ordinance, as well as contact information for the Los Angeles Housing Department. Inspectors will be looking for these notices and you could be fined \$250.00 per day if it is not posted. The notice must be the LAHD form that you may find at [http://lahd.lacity.org/lahdinternet/Portals/0/Rent/RSO%20NOTICE%20\(2\).pdf](http://lahd.lacity.org/lahdinternet/Portals/0/Rent/RSO%20NOTICE%20(2).pdf) and be posted in a conspicuous location in the lobby of the property, near a mailbox used by residents of the property, or in or near a public entrance to the property.
2. *Pay Rent Registration and SCEP fees on time.*

LOS ANGELES rent-controlled unit registration fees are due *January 1st and delinquent if not paid by the last day of February*. Late fees are applied to delinquent payments. If you do not receive your renewal notice by January 22nd, contact LAHD at (213) 808-8900.

SANTA MONICA: Owners who pay all outstanding registration fees by *August 3rd* may, with proper written notice, recover the registration fee from tenants at the rate of \$13 per month beginning September 1st. For more information, visit http://www01.smgov.net/rentcontrol/own_rent_sm/Owner_Info_2004.pdf.

WEST HOLLYWOOD - The registration fee is due *on or before July 1st* of each year. The penalty for late payment of the registration fee, depending upon when the fees and penalties are paid, may range from 20 to 100 percent of the annual fee. For more information on tenant pass-throughs, please visit <http://www.weho.org/index.cfm/fuseaction/detail/navid/113/cid/786/>.

3. *Los Angeles Rent Control: On May 1, 2010* – Serve tenants the 30-Day Los Angeles Rent Stabilization Rent Registration one-time pass-through of \$9.35 – to

- be **collected in the month of June only**. (This form will be printed in the April edition of the AOA Magazine and can also be downloaded by members at www.aoausa.com). SCEP fees may be collected at this time as a rent adjustment of \$2.96 per month, also with a 30 day notice. (Note: Delinquent fees cannot be passed through to tenants.) You are required to **include a copy of your Rent Registration Certificate** with your notice.
4. Get your pool up to the new state code standards (Virginia Graeme Baker Act) **before July 1, 2010 or it could be closed down. If your pool is closed down when inspected, you will be required to reduce the rent for all units until you are in compliance, as it will be a decrease in services.**
 5. Read and understand Attorney Dale Alberstone's article in this issue regarding resident managers. Prepare and **sign a Written Employment Agreement** with all of your resident managers.
 6. Make sure to offer all vacating tenants the **AB2330 Walk Through Move-Out Inspection** at least 15 days before tenant is due to move, to avoid Small Claims court action and substantial penalties on security deposit refunds.
 7. Send your **Security Deposit Refund Letter** to vacated tenants **within 21 days after move-out** along with required receipts and proper interest payments (interest payments are required if a Los Angeles rent-controlled unit). Failure to do so could cost you the entire security deposit plus penalties.
 8. **Before April 22, 2010**, get your EPA Firm Certification for pre-1978 housing – the Renovation, Repair and Painting Rule – (RRP – please see www.aoausa.com – AOA magazine article archives for November 2009.)
 9. Be sure to give all new tenants a copy of the **EPA Lead-Based Paint pamphlet with all leases**. (Recently, a Long Beach property owner was fined \$8,000 for violating this federal lead-based paint disclosure requirement.)
 10. Run credit, eviction and criminal reports **BEFORE** renting.
 11. Send the required **AOA "Tenant Rejection Notice"** to all unaccepted applicants.
 12. Prepare and plan ahead to replace plumbing fixtures with the required water-conserving fixtures **before January 1, 2019**. **SB 407** [Padilla] will require all plumbing fixtures be replaced with water-conserving plumbing fixtures on or before January 1, 2019 for any residential, multifamily or commercial property. SB 407 also requires any building permit applicant to replace noncompliant plumbing fixtures with water-conserving ones as a condition to receive a certificate of final completion and occupancy or approval of a final building permit for any building alterations after January 1, 2014.
 13. Know and be in compliance with all **Fair Housing Laws**. Do not discriminate.
 14. Test and maintain the working order of all smoke detectors.
 15. **Save money** with AOA's Low-Cost Workers' Compensation Group Policy.
 16. Go Green this year! Save money with a recycling program, increase your bottom line by replacing burnt out incandescent light bulbs with compact fluorescent light bulbs. (CFL) or save money by using Energy Star appliances. **You may qualify for rebates or federal tax credits. For more information, visit http://www.energystar.gov/index.cfm?c=tax_credits.tx_index.**

17. Serve 3-Day Pay or Move-Out notices the day after unpaid rent is due. Do not wait until the tenant is months behind in payment. ***Do not include late fees*** in the 3-Day Notice as that will nullify proper service.
18. Join AOA and regularly attend the ***FREE member seminars and workshops***. Learn the laws. Knowledge is power!

If you have any additional suggestions, or have experience that you'd like to share with other members, please email editor@aoausa.com. Patricia A. Harris is Senior Editor of the AOA Magazine.