

**Avoid Trouble and Save Money!**  
**New Laws and Money-Saving Ideas for 2012!**  
**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 2012, 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 have the *required notice posted* 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 1<sup>st</sup> 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 22<sup>nd</sup>, contact LAHD at (213) 808-8900.

**SANTA MONICA:** Owners who pay all outstanding registration fees by *August 3<sup>rd</sup>* may, with proper written notice, recover the registration fee from tenants at the rate of \$13 per month beginning September 1<sup>st</sup>. For more information, visit [http://www01.smgov.net/rentcontrol/own\\_rent\\_sm/Owner\\_Info\\_2004.pdf](http://www01.smgov.net/rentcontrol/own_rent_sm/Owner_Info_2004.pdf).

**WEST HOLLYWOOD** - The registration fee is due *on or before July 1<sup>st</sup>* 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, 2012** – 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. Is your pool up to the new state code standards? (Virginia Graeme Baker Act) ***This law required completion on all pools before July 1, 2010 to avoid fines and possible pool closure.***
  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. Download and begin using AOA's updated, ***"new and improved" Rental Agreement and/or Lease.***
  7. When negotiating a lease – speak in English and use an English rental agreement. If you and your tenant discuss the lease in Spanish, Chinese, Tagalog, Vietnamese or Korean, you must give the tenant an unsigned version of the rental lease in that language before asking him to sign. This rule does not apply if you present your English version only and the tenant has supplied his own translator who is not a minor and can speak AND read the particular language AND English fluently. Remember, if you use a Spanish rental agreement, all further notices served on the resident must also be in Spanish.
  8. 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 penalties on security deposit refunds.
  9. Send your ***Security Deposit Refund Letter*** to vacated tenants ***within 21 days after move-out*** along with required receipts and proper interest payments. Failure to do so could cost you the entire security deposit plus substantial penalties.
  10. ***If you are not yet in compliance with the EPA's Certified Renovator regulations, (RRP), put this on your immediate list of things to do.*** Follow all the rules of this one folks - financial penalties are now up to \$37,500 per occurrence. Be sure to also give all new tenants a copy of the ***EPA Lead-Based Paint pamphlet with all leases and the Renovate Right pamphlet before commencing any work*** involving the disturbance of lead-based paint.
  11. Always run credit, eviction and criminal reports ***BEFORE*** renting.
  12. Send the required AOA "Tenant Rejection Notice" to all unaccepted applicants.
  13. 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.
  14. ***Carbon Monoxide Detectors should have been installed in all existing single-family dwelling units by July 1, 2011. All other dwelling units (such as apartments) must have proper carbon monoxide detectors no later than***

*January 1, 2013. Install these detectors in all of your current vacancies and be ahead of the game.*

**Detector:** According to the senate bill, the detector must sound an audible warning once carbon monoxide is detected. It also must be powered by a battery, or if it is plugged in, have a battery for a backup. The detector also must be certified by national testing labs, such as the Underwriters Laboratories. The packaging on the carbon monoxide detector will state this. Carbon monoxide detectors typically can be purchased for about \$20 and up.

**Installation:** Install one detector outside of all sleeping areas and one detector on each level, including basements.

15. Know and be in compliance with all ***Fair Housing Laws***. Do not discriminate.
16. Test and maintain the working order of all smoke detectors.
17. ***Save money with AOA's Group Insurance Program.*** Contact our group insurance team today for **YOUR FREE QUOTE** at 800-227-7434 or email [AOA@hubinternational.com](mailto:AOA@hubinternational.com).
18. 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](http://www.energystar.gov/index.cfm?c=tax_credits.tx_index).***
19. 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.
20. ***Enroll yourself and all your tenants in AOA's new "Resident Discount Club".*** You and your tenants will save money with coupons and enjoy substantial discounts on dining, shopping, groceries and every day items. It's a fun and exciting money-saving program to retain your good tenants and get those new leases signed.
21. Join AOA and regularly attend the FREE member seminars and workshops. The **AOA "Million Dollar" Trade Show and Educational Conference** is scheduled for ***April 25, 2012*** at the Long Beach Convention Center. Be sure to attend this money-saving and money-making event! 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](mailto:editor@aoausa.com). Patricia A. Harris is Senior Editor of the AOA Magazine.*