

2014 A.R.M. Meeting Info

Where: Brooklyn
Center City Hall—
Council Chambers

When: Second
Thursday every other
month starting with
January

Time: 10:00am to
11:00am

Meeting Topic

November 13

Two-Hour Session
(10am—Noon)
Rental Inspections
*Qualifies as 2 Meetings

Tentative Topics

- Background checks
- Basic repairs—How to
- Lease termination vs. evictions
- Legislative updates

2015 Meeting Dates

January 8
March 12
May 14
July 9
September 10
November 12

Lessons From The Inspectors *What to Expect During a Rental Inspection*

Based on requests from landlords and managers, the November meeting will highlight items that inspectors check during a rental inspection and things you can do to avoid common violations. This meeting will be two hours from 10 am to Noon and will qualify as two A.R.M. Meetings. Those who should attend include landlords, managers, maintenance staff, and others interested in the inspection process and requirements.

Furnace 411 *Keep your Properties Warm and Efficient*

Winter in Minnesota is inevitable, the cold temperatures and snow will be here soon. Unfortunately Mother Nature doesn't give us any say in the matter, but there are ways to control heating costs. An annual tune-up and cleaning of your property's furnace can help save you money when the next Polar Vortex stops by.



Over the course of a year, things in the air inside a property make their way through the furnace. The more people in a property, the more "stuff" a furnace will collect. This "stuff" can make a furnace work harder, costing more to operate. Changing the filter and having the furnace cleaned will help reduce the workload for your furnace, while also saving you money.

There are also long-term benefits to an annual furnace cleaning, an efficient furnace will be more likely to last longer. Furnace replacements are already costly, but when an emergency service call is required to repair or replace a furnace, the bill can easily double.

Money isn't the only thing you might save with a furnace cleaning, there are health risks that can come from an inefficient furnace. Furnaces in poor repair can backdraft or produce increased amounts of carbon monoxide, a deadly odorless colorless gas.

Questions about Ebola?

Brooklyn Center is working with Brooklyn Park, Hennepin County, and the Minnesota Department of Health to educate and prepare for any possible cases of Ebola in our area. Information and resources are available on the City's website, Search: *Ebola*.

Security Deposits

The Details that Payoff

Have you had tenants trash a property, yet seem surprised when they don't receive their security deposit? While it might be obvious that a security deposit won't be returned due to costly repairs, property managers are still required by law to notify former tenants of damages and expenses associated with the repairs.

Costly damages aren't always the reason for security deposit deductions. Rental homes often require more maintenance from tenants than an apartment, but these extra duties might not be written into the lease. Before you deduct money from a tenant's security deposit for maintenance not performed, check the lease; the duties might not be part of it. As many rental companies are learning, the standard apartment lease might not be best suited for a rental home.

A recent survey found that 1 in 4 renters do not

receive their security deposit back, and of those who do not receive their security deposit, 36% said they are never given any reason for not receiving it.

It's common that property managers will send former tenants a letter with the return amount, or lack thereof, but often not include a breakdown of expenses due to damages. A letter with a brief explanation such as "cleaning" or "damages" is not sufficient. More detail is required by law. Specific damages and the cost of the repairs must be included. Attaching a copy of the move-in walk through can also be a good idea. Finally, doing a move-out walk through with the tenant can help both tenants and property managers become aware of possible security deposit deductions.

Source: www.propertymanager.com



Renter's Insurance

A Safety Net for You and Your Tenants



A common misconception by renters is that their landlord's insurance policy will also cover them. A recent survey found that only 31% of apartment renters had a renter's insurance policy, a startling number considering there was 95,500 apartment fires in 2011.

This can become a big issue for rental companies when something like a fire or other damage-causing disaster occurs. The National Multi Housing Council said that property risk costs are still the highest percentage of apartment risk management costs. If the worst happens and tenants are responsible for apartment fires, they could be held liable for damages to the entire buildings, yet they often don't have the insurance needed to cover the damage.

As a property manager, there are things you can do about this issue. First, you can include a clause in your lease that requires some form of renter's insurance. This is becoming more common, up 20% in recent years, but that also means you need to enforce it. Yes, there is a risk of pushing a few possible tenants away, but as more rental companies require insurance, more tenants will expect it.

The other option is proactive education for tenants about the importance of renter's insurance. Some tenants might not be aware that renter's insurance exists, while others might not realize how affordable it can be. The average renter's insurance policy for \$10,000 of personal property coverage and \$100,000 of liability coverage is slightly more than \$100 a year. Whether you require renter's insurance or educate tenants, you will be providing an important service.

Source: *The National Multi Housing Council*