

A Must Job - Change Locks Between Tenant's

by Donald Beck

I saw a quote recently that said, "Learn from the mistakes of others because your cash flow won't last long enough to make them all yourself." I hope the following true stories will show you why we all need to take the time to change locks between tenants and learn from these landlords mistakes. All lost property or had a major lawsuit because the didn't replace a \$20 lock.

Case # 1. Tenant's belongings have been removed and landlord is doing a post inspection walk through with the tenant. As he writes a check for return of the security deposit, the tenant hands over two set of keys. The landlord locks the door on the way out and goes home. The next morning he returns to change the locks and do some minor repairs and finds all the appliances missing - including the toilets. It seems the vacating tenants had not turned in all the keys and returned later that night to take a few additional items to improve their new apartment. The neighbors thought nothing odd about the tenant returning. They had been moving things out for the past two days.

Case # 2. Landlord changes locks between tenants and gives a key to his painting contractor. While the painter is working, the landlord brings around the good looking single female tenant who wants to measure for curtains. Three days after moving in, the tenant is raped by the painter who had made a spare key and let himself in the apartment. The painter, who the landlord had found in the yellow pages, had just gotten out of jail after serving time for another rape.

Case # 3. Landlord does not change locks after evicting the previous tenant and moves in a nice young family with elementary school age children. What the landlord didn't know was the previous tenant's brother had moved in and she had given him a key to the apartment. The brother was arrested just before the landlord did the eviction. After getting out of jail, he comes back to what he thinks is his sisters apartment. He noticed she had new furniture but being drunk decided to lay down on the sofa for a quick nap. Can you imagine the horror on the two latch key children's faces when they walked into their home to find a strange man sleeping on their sofa. They, fortunately, tip toed to the neighbor who called the police.

Case # 4. Locks are not changed after the tenant is evicted and the new tenants move in. One month after moving in the wife returns home from work to find her front door unlocked and everything has been removed from the living room. The police knew the old tenant had gambling problems and concluded he had given keys to friends so they could come over when he was not at home to watch his big screen TV set. The friends were owe money so they rented a truck, unlocked the front door and exclaimed, "no wonder he hasn't paid us, look at all this new furniture." Guess who lost this lawsuit?

All of these scenarios could have been avoided with a simple change of locks - and each lock could have been changed in 3 seconds. This lock system is a revolutionary break through and is so simple and easy to do. Using your master key, a quarter turn pops out the old cylinder and with another quarter turn the new cylinder is installed. No more screw drivers and trying to line up the screws! Four locks in a home can be changed in less than a minute and at a cost that is far less than a half hour with the attorney who will be representing you in the above cases. Your tenants will sleep better knowing the locks have been changed and as a landlord, you will feel better knowing your tenants are protected by one of the best locks on the market and at a price lower than your hardware store.

Landlord's Lock Service can be reached at 800-847-8729. Say you heard about them from Don Beck and the master key set up charge will be waived. The author can be reached at mgmtexpert@aol.com

HOW TO ITEMIZE DAMAGE DEDUCTIONS FROM A SECURITY DEPOSIT

Make sure your paperwork's meticulous if you decide to withhold all or part of a security deposit to repair apartment damage left by a departing resident. Most states require you to send an itemization of the damages to the resident within 30 days after the resident leaves. But, many owners' itemizations include only sketchy details about claimed damage and the repair work that's needed or that's been done.

A slapdash approach like this can harm you in two ways: First, it makes it likelier that a dispute will arise, because the ex-resident won't know exactly what damage you are claiming was done. And, if the ex-resident later sues, a court may find that you wrongfully withheld some or all of the security deposit, because you did not provide enough detail about the damage. That could cost you a bundle.

Listing "Cleaning" in Itemization Is Not Enough

When you retain all or part of an ex-resident's security deposit, "you must explain why you considered the damage worse than ordinary wear and tear and how you spent the money you deducted." If you don't, a court might say that the deductions was "arbitrary" and disallow it.

For example, an Ohio owner sent a check refunding part of the security deposit and an itemization explaining why she was keeping the rest of it. One entry in the itemization read \$40 - cleaning. When the ex-resident challenged the deduction, the court ruled that the itemization was not specific enough. The owner had to pay \$580; twice the \$40 that was wrongfully withheld, plus \$500 to cover the ex-resident's attorney fees.

Because the penalty for wrongfully withholding a security deposit can include double or triple damages plus attorney's fees, even a small mistake can get expensive. Like the Ohio owner, you too can lose hundreds, even thousands of dollars for improperly itemizing tiny deductions.

Five Points to Cover in Itemization

You should include five points in an itemization. Be sure you cover all five for each item you list:

1. Item damaged. List each damaged

fixture, piece of furniture, or appliance separately. A separate line for "dishwasher," "stove," and "refrigerator" is much better than one line for kitchen appliances.

2. Location. Note the room in which the damaged item is located. This is especially important for walls, ceilings, floors, and windows. You should also specify the room when itemizing light bulbs, lighting fixtures, smoke detectors, and other items found in more than one room of an apartment.

This approach helped a Connecticut owner defend security deposit deductions when the ex-resident complained that the damage was not properly itemized. The court upheld \$830 in deductions and went out of its way to praise the owner for "noting with particularity which rooms required work."

3. Kind of damage. Saying that an item suffered "damage" is too vague, even if you dress up the word with adjectives like "substantial" or "excessive." A Louisiana owner, for example, refused to return the security deposit of a resident who had lived in an apartment for four years. The owner sent a notice asserting that the resident left "considerable damage." This was not a valid itemization, the court ruled, because the owner was not specific about the nature of the damage. As a result, the owner had to pay the resident \$400.

The bottom line: You must describe how an item was damaged. A single descriptive word like "chipped," "scratched," "stained," "torn," "cracked," or "burned" should do.

4. Repairs needed to be done. Briefly describe what you must do or have already done to fix the damage. Use precise words like "spackle," "sand," "paint," "shampoo," "steam," and "deodorize." Courts prefer descriptive words like these to general ones like "clean" and "repair." Also, if you replace rather than repair, say so on the itemization.

5. Repair or replacement cost. Say how much it will cost to repair or replace each item. If you have already made the repair or bought the replacement, list exactly what you spent.

Some owners give residents who have announced plans to move out, a schedule listing the cost of repairing or replacing specific items. If you do this, you obvi-

ously should stick to this schedule when you do your itemization.

If you don't use a move-out cost schedule and you are sending out the itemization before you have done the repair or gotten an invoice, you should estimate the cost. As long as your estimate is "reasonable," that is, based on the going rate for similar repairs or replacements, a court should allow it.

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BE CONSISTENT ON TENANT BACKGROUND INVESTIGATION

One of the most debatable aspects of tenant screening has been criminal background checks. And, with each new wave of technology, such information becomes more widespread. But, are they legal?

Tenant-landlord law in California has established that landlords have a duty to protect the public and their tenants from the foreseeable harm of another tenant.

Criminal checks should be limited to a certain time frame and come from a reliable source.

Checks should also be limited to "the purpose of finding past bad conduct which would put other residents or neighbors in a state of potential harm."

According to the Federal Fair Housing Act, landlords are not required to rent to people who may present a direct threat to the health or safety of other individuals through objective and credible evidence.

It is important for landlords to be consistent with all applicants, either asking for past criminal histories or running checks for everyone. Also, distinctions should be made between denying an application based on a past conviction and based on previous "bad conduct," since people convicted of crimes are generally protected from further punishment through discriminatory treatment.

There are exceptions under fair housing laws, for persons convicted of manufacturing or selling a controlled substance.

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