



Residential Rental Reality

Residential Property Management

By Natalie Danielson

This 5 clock hour real estate course focuses on the basic principles and practices of residential property management. In addition to learning about the field of property management and tenant administration, the Washington State Landlord Tenant Act, Fair Housing Laws and Agency Law are covered. This course is a strong introduction to a field in which almost all real estate agents, at one time or another, get involved.

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Please Read this First! Thanks!



Clockhours by Mail

1. You will be provided with a booklet of with the class material. It is for use as a clockhour class under Professional Direction. Any other use by permission only.
2. The course has been divided up into one hour sessions. In Washington State a “clock hour” is 50 minutes. There are questions about each session. They can be answered while reading the material, at the end of the session, or at the end of the course.
3. **Answer** the questions on the quiz answer sheet.
4. If you have any questions regarding the material or the questions, don’t hesitate to email Natalie Danielson.
5. **Email** Answer Sheet and Evaluation to Professional Direction.
6. The certificate will be mailed or scanned within hours usually. If you are desperate, let us know.
- 7.

Disclaimer.. the course materials and questions are not to be used for legal advice. Information can change over time. Real estate transactions are handled different ways in different regions in the State of Washington. If you have any comments or concerns about the material contact Professional Direction.

Thanks!

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Curriculum

Session Hours	Major Topics	Assignment
1 1/5 hour	Introduction Identify the course objective and learn about the field of property management.	Read Booklet Take Notes
2 2 hours	Landlord Tenant Act Identify responsibilities of landlords and tenants. Discuss different types of agreements. Differentiate fees and deposits. Explain obligation and procedures for repairs. Identify privacy and personal property issues. Discuss termination of tenancy.	Read Booklet Take Notes
3 1/5 hour	Fair Housing List 7 federal protected classes. Identify actions that can be considered blockbusting or steering. Describe 3 actions that are illegal. List other protected classes besides Federal.	Read Booklet Take Notes
4 1/2 hour	Agency Law Lead Paint Disclosure List 5 exemptions of presumption of tenant agency. Distinguish between material fact and negative stigma. Explain agency disclosure requirements. Know 4 ways to terminate agency relationships. Know the background and requirements for lead paint disclosure	Read Booklet Take Notes
5 1 hour	Administration Analyze the market for comparables. Know how to determine cash flow. Identify words to avoid in advertising. Qualify a tenant.	Read Booklet Take Notes
6 1 hour	Rental Contracts and Agreements Identify common clauses on rental agreements. Handling Eviction Explain the process to evict a tenant and the reasons to do so.	Read Booklet Take Notes Take quiz

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Residential Property Management

Introduction to Property Management

Property Management is an area of real estate that can include managing one single apartment unit to managing hundreds of units. Property managers are bound by license and agency laws. A person managing property for another must have a real estate license in Washington State. It includes contracts, agency, trust accounts, and market analysis.

A property manager generates income for owner but also must preserve and increase the value of the property. It is often far more than just being a caretaker of residential property.

The profession has not been standardized. There are no widely used common forms, there are no similar job descriptions and there is no formal training for all aspects of the industry. It is one area that real estate agents often get themselves in trouble for not knowing the laws and doing property management without managing under their broker's license.

Most professional property managers work in one of two capacities: as an employee or an owner of extensive properties, or as an independent manager for several owners. In addition, there are opportunities to be a resident property manager.

The professional property manager must have a comprehensive understanding of the economic forces at work in the real estate market. A property manager must be able to evaluate the property in terms of operating income, forecast potential for the future and construct a management plan that reflects the owner's objectives while remaining flexible enough to adapt to future changes in the market. A property manager must become a specialist skilled in space marketing, tenant psychology, the legal aspects of the landlord tenant relationship, maintenance procedures and accounting.

Course Objectives

Upon completion of this course students will be able to do the following:

- Discuss the purpose and organization of the property management function.
- Show a working knowledge of the Washington State Landlord Tenant Act.
- Explain the purpose and general guidelines of the Fair Housing Laws.
- Discuss how Washington State Law on Agency applies to property managers.
- Outline the duties of a property manager including setting rental standards, advertising, prequalifying and qualifying tenants.
- Identify the elements and clauses that are in rental contracts.

What area of property management are you most interested in learning more about?

What types of property management have you been involved in?

Professional Associations

There are a number of professional associations that have been created for property managers in all areas of the business. They include:

IREM. The Institute of Real Estate Management which was started in 1933. It is a subsidiary of the National Association of REALTORS. Individuals wishing to join must satisfy education and experience requirements and must pass exam. They can be awarded the designation of Certified Property Manager (CPM) in recognition of their professional status as property managers and their affiliation with IREM. In addition, the institute grants qualified management firms the designation of Accredited Management Organization (AMO).

BOMA. The Building Owners and Managers Association was started in 1911. They sponsor an educational program for property owners and managers and after completing courses a member can receive the professional designation of 'Real Property Administrator' (RPA).

NAA. The National Apartment Association was created in 1939. It sponsors courses for Certified Apartment Managers (CAM).

RHA Rental Housing Association It is open to landlords and tenants and real estate brokers.

Have you heard of these organizations? Ever been a member?

Property Management Organization

There are real estate firms that specialize in property management. They only handle property management and not all the other aspects of real estate sales. They may manage their own properties or be a firm that manages properties for a number of clients. The properties can be as varied as a studio apartment to a large 5-bedroom house.

Many full service real estate firms also handle property management. Many firms have their own property management division, which can be a large division, or a single agent that handles property management.

One problem area in the property management field is the individual property management function that salespersons play. Often Brokers, while working for a firm, but acting on their own, negotiate management contracts with owners or investors. Sometimes it can be as innocent as discussing with a seller about their expired listing and the terms for renting it for a period of time to actually handling funds for rent and deposits for the owner. Unless these kinds of situations are disclosed to the firm, the firm is at risk of unknown liability for damages, lawsuits, unpaid rents, misplaced or unreimbursed deposits. It is important to stress that the firm is responsible for all properties and agreements their brokers are engaged in while under their supervision. In addition there are numerous complaints directly to the Department of Licensing regarding brokers conducting property management business independent of their office.

How does your firm handle property management requests?

Legal Guidelines for Property Management

In the State of Washington the Landlord-Tenant Act RCW 59.18 is the law governing residential rentals. It does not cover commercial leases. In addition, there are some other exceptions. A brochure from the Attorney General's office is available on the act.

Washington State License Law covers property managers. It is required to be licensed to practice real estate including property management.

The Agency Law that became effective in January 1997 also covers property managers from agency duties to disclosure.

There may also be county and city ordinances that may apply in your area. There are federal laws that govern Section 8 tenants.

Contract laws are applicable whenever signing a residential rental agreement or lease.

Most importantly...NO property management is to be done by an agent for another party/owner without working under the Designated Broker. You are not to be advertising, showing, filling out contracts or any aspect of renting property without your Firm's knowledge and consent even if you are not earning a commission! Any changes to the agreement with the client must be signed by the client and the Designated Broker. RCW 18.85 License law requires a license for:

“Performing property management services, which includes with no limitation: Marketing; leasing; renting; the physical, administrative, or financial maintenance of real property; or the supervision of such actions.”

All property managed by a firm must be supported by a written management agreement. Unlike listing agreements, for example, the management agreement require the signature of the firm's Designated Broker according to WAC 308 124 C.

“All properties managed by the firm must be supported by a written management agreement signed by the owner and designated broker and retained.”

The property management agreements according to WAC 308 124 C must include:

- The firm's compensation;
- The type (i.e., apartments, industrial) and number of individual units in the project or square footage (if other than residential);
- Whether or not the firm is authorized to collect funds and disburse funds and for what purposes;
- Authorization, if any, to hold security deposits and the manner in which security deposits may be disbursed; and
- The frequency of furnishing summary statements to the owner.

The firm must provide a summary statement to each owner for each property managed showing: (The designated broker is to retain a true copy of this statement.)

- (a) Balance carried forward from previous summary statement.
- (b) Total rent receipts.
- (c) Owner contributions.
- (d) Other itemized receipts.
- (e) Itemization of all expenses paid.
- (f) Ending balance.
- (g) Number of units rented or square footage if other than residential.

The Landlord Tenant Act

Knowledge of the Landlord-Tenant Act is imperative for any real estate agent that at any time gets involved in property management in any way in the STATE of WASHINGTON. It is known as the Residential Landlord-Tenant Act of 1973 and can be found in RCW 59.18. A full copy of the law is available from the Department of Licensing.

State Legislation

There were several legislative changes to the Landlord Tenant Act in 2019.

Late rent Pay or Vacate notice

The 3 day pay or vacate notices was increased to 14 days. The Landlord must wait 2 weeks to start the eviction process. There is a mandatory form required that is in multiple languages.

Eviction

The eviction time frame has been extended from 3 days to 14 days. Rent is to include all reoccurring charges. All payments from the tenant must be applied to the rent first.

Military rental termination

The military clause clarifies the condition where service members can terminate rental agreements early or with less notice. The notice changes to 20 days after receiving orders.

Raising Rent

The timeline to raise rent has been extended to 60 days no matter how small or large the increase. This includes any increase to base rent as well as other reoccurring fees not defined as rent.

Termination

There is a 120 day notice to terminate tenancy due to demolition, substantial renovation requiring a permit, or change of use (senior home, student housing, short term rental) of any rental property. There is an exception for an owner or immediate family member that wants to make it their primary residence. In that case, a 20 day notice is acceptable.

Local legislation

It is important to know the landlord tenant laws in the jurisdiction where you have a rental. These are just some of the different issues to be aware of.

Criminal background check

In Feb 2018, Seattle landlords will no longer be able to deny an applicant based on any type of criminal records history regardless of the type or severity of conviction. The RHA does provide screening reports for Seattle. It includes adult sex offender search, credit score, eviction search, high risk fraud and alternative ID report, previous address history and Soc Sec verification. The only criminal conviction still allowed to be considered as a reason for denial in Seattle are sexual offense convictions as an adult and requiring registry.

There are similar regulations in other jurisdictions.

Rental Inspection

There are several jurisdictions in the state where a housing inspection is required. In Seattle, there is the Rental Registration and Inspection Ordinance (RRIO). It is required that all rental properties including all single family to large apartment buildings be registered. They must be registered as soon as they have a tenant in the rental space. Registrations must be renewed every 2 years. All Rental properties must be inspected every 5-10 years to make sure it is safe. The owner must hire a qualified rental housing inspector or City inspector to do the inspections. Kent, Renton, and Bellingham are either in discussions or instituting a program.

Source of income

It is a protected class in some jurisdictions or in discussions.

Rental Agreement Regulation

This limits move in charges and requires the provision of a payment plan.

Deposits and Fees

The city of Seattle regulates the amount of security deposits and move-in fees a renter is required to pay at the beginning of the rental agreement

Increase in Rent notice

The city of Seattle requires written notice before increasing a renter's housing costs: at least 6 months before an increase of any amount;

Disclosure of laws

The city of Seattle requires that at least annually the tenant is provided with "Renters Handbook" brochure that outlines the state and city laws.

Pet ordinances

Some pets have been classified to be dangerous in some jurisdictions.

Summary of the Landlord Tenant Act

The following is a summary of the major provisions of the act. It is important to review the law in its entirety to know all the provisions.

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Rights and Remedies

Every duty under this chapter and every act, which must be performed as a condition precedent to the exercise of a right or remedy under this chapter imposes an obligation of good faith in its performance or enforcement.

Definitions

This section defines dwelling unit, landlord, person, owner, premises, rental agreement, single family residence, tenant and reasonable attorney's fees.

Exemptions from the Landlord Tenant Act

The following are exempted from the Act.

1. Institutions, public and private, where residence is incidental to detention or the provision of medical or similar services.
2. Occupancies under bona fide purchase money agreement or option to buy.
3. Transient lodging including hotels, motels, etc.
4. A family residence incidental to the lease of agricultural land.
5. Housing for seasonal agricultural employees.
6. A tenant whose right to occupancy is dependent upon his employment.
7. Space in a mobile home park.
8. Tenants who lease a single family dwelling for one year or more, who have had their attorney approve the exemption.
9. Property used for commercial purposes.

Does the law cover tenant leases of retail space in a strip mall?

Give an example of a rental property that is exempt from the law?

Responsibilities of Landlord

Landlord's Duties include the following:

1. The landlord shall at all times keep the premises fit for human habitation.
2. Maintain the premises to substantially comply with all state and local statutes and codes.
3. Maintain all structural components.
4. Keep any shared or common areas reasonably clean and safe.
5. Provide for the control of insects, rodents, and other pests, except in a single-family residence.
6. Make repairs where not attributed to normal wear and tear.
7. Provide the tenant with locks and keys.
8. Maintain all electrical, plumbing, heating and other facilities and appliances supplied by the landlord.
9. Maintain the dwelling in a reasonably weather tight condition.
10. Provide garbage cans and arrange for the regular removal of waste, except in the case of single family residences.
11. Provide facilities adequate to supply heat and water as reasonably required by the tenant.
12. Provide working smoke detection devices at move in, and a smoke alarm notice signed by both landlord and tenant.
13. Provide the tenant written notice of the name and address of the person who is the landlord. Immediately notify the tenant by certified mail of any change of landlord.
14. Designate an agent who resides in the county where the premises are located if the landlord resides out of state. Doesn't have to be a "real estate" agent... just a representative.

The Landlord shall not:

1. Intentionally shut off a tenant's utilities.
2. Lock out a tenant.
3. Confiscate a tenant's personal property.
4. Enter the premises without proper notice, except in an emergency.
5. Attempt to physically remove a tenant from the premises.
6. Threaten a tenant with a firearm or other deadly weapon.
7. Attempt to evict a tenant who has been a victim of on-site threats or violence.
8. Rent property, which has been condemned or could be deemed unlawful to occupy due to code violations.

If the tenant is behind on the rent, can the landlord refuse to pay the utilities so they are turned off until the rent is paid?

If after the tenant moves into the unit there is an infestation of cockroaches, is the tenant or the landlord responsible? What if the infestation is due to fleas most likely from the tenant's pet?

Give three examples of actions a landlord can and cannot take under this law.

Responsibilities of the Tenant

The Tenant shall have the following duties:

1. Pay the rental amount at such times as required by the rental agreement.
2. Conform to all reasonable obligations or restrictions that are noted at initial occupancy or mutually agreed upon after proper notice by the landlord.
3. Comply with all obligations imposed by municipal, county and state codes, statutes, ordinances, and regulation.
4. Keep the rental unit clean and sanitary.
5. Properly dispose of all waste and eliminate infestation caused by tenant.
6. Properly use all fixtures and appliances supplied by the landlord.
7. Leave the premises in as good a condition as it was at the beginning of the tenancy except normal wear and tear. Tenants are responsible for any damages they have caused.
8. Maintain the smoke detector and CO2 monitor, including battery replacement.
9. Upon termination and vacation, restore the premises to their initial condition except for reasonable wear and tear or conditions caused by failure of the landlord to comply with his or her obligation. The tenant shall not be charged for normal cleaning if the tenant has paid a nonrefundable cleaning fee.

The tenant shall not:

1. Intentionally and maliciously damage, destroy or remove any part of the structure, equipment, furniture or appliances, nor permit any other person to do so.
2. Permit a nuisance or destroy property.
3. Unreasonably withhold consent from the landlord to enter the dwelling unit within 24 or 48 hours of a written notice.
4. Engage in drug related activity or allow anyone else to engage in drug related activity at the rental property.
5. Engage in any activity on the rental property, which is:
 1. Hazardous to the physical safety of other persons
 2. Involves physical assaults upon another person which results in an arrest
 3. Involves the use of a deadly weapon, which results in an arrest.

In a multi-family living situation, who is responsible for the common areas?

When a landlord needs to check on the property, how much notice must be given to the tenant? Does this change if there is a life or property in danger?

Give three examples of actions that a tenant can and cannot take under this law.

Rental Agreements

If the landlord collects money as a deposit, the Rental Agreement must be in writing. Both the Rental Agreement and written checklist detailing the cleanliness and condition must be signed and dated by the landlord or his agent and the tenant. A copy must be given to the tenant before the tenant moves into the unit.

Month to Month Tenancy

An oral or written agreement may establish a month to month tenancy, which continues indefinitely until either party terminates the agreement with proper written notice.

Lease

This is a written contract for the tenant to occupy the rental unit for a specified period of time, during which rent will be paid. Both the landlord and the tenant are bound to the terms of the lease during the period of the lease. The tenancy will terminate automatically at the end of the specified period of time.

Waiver of Rights

The rental agreement between the landlord and the tenant cannot

1. Force the tenant to waive any legal rights or remedies.
2. Allow the landlord to sue the tenant without notice.
3. Force the tenant to pay attorney's fees, except those fees authorized by law.
4. Allow the landlord to confiscate the tenant's property without a written agreement signed by the tenant.
5. Designate a particular arbitrator.

Rules of Tenancy

A landlord may change the rules of tenancy in a month to month tenancy by giving the tenant a written notice of the change at least 30 days before the end of the rental period.

Rent Increases

The landlord is required to give the tenant written notice at least 6 months prior to the end of the rental period of any increase in rent in a month to month tenancy.

What are the advantages and disadvantages to a month to month and a lease agreement?

Explain why a landlord and tenant cannot waive certain rights.

Handling fees and deposits

Application Fee/Holding Deposit

1. Collection of a fee for a waiting list is illegal.
2. The landlord must provide an applicant with a receipt for any funds received to hold the unit and must provide a written statement of condition, if any, under which there will be a refund.
3. If the tenant does occupy the unit, the landlord must apply the holding deposit to the first month's rent or security deposit.
4. If the tenant does not occupy the unit, the landlord must process the deposit in accordance with the written statement provided to applicant at the time the deposit was made.
5. This holding deposit must not include any fee charged by the landlord to run an application check.
6. The landlord may charge the applicant for the actual cost of tenant screening process.
7. The landlord must provide the applicant with a written explanation of the screening process and the applicant's right to dispute the accuracy of the screening.

The Landlord Must:

1. The landlord must have a written rental agreement and a written checklist specifically describing the condition and cleanliness of or existing damages to the premises signed by the tenant in order to collect a deposit.
2. Describe all terms and conditions under which a deposit may be withheld.
3. Deposit all money received from the tenant in a trust account with a bank or Washington State licensed escrow company.
4. Give the tenant a receipt for any money deposited with landlord. The receipt must indicate the location of the trust account. The tenant must be informed in writing of any change in the account's location.
5. Mail any money due the tenant from the deposit to the tenant within 30 days of the tenant vacating the rental unit. Any money withheld must be specifically accounted for to the tenant.
6. Not withhold a deposit for normal wear and tear resulting from ordinary use of the rental unit.
7. Refund the total deposit to the tenant, including reasonable attorney's fees, if landlord does not comply with these deposit requirements.

Deposit and Fees

1. Any non-refundable money paid to the landlord must be called a fee, and it must be clearly stated in the Rental Agreement that it is non-refundable.
2. A landlord may not take money in the form of a deposit and/or fee from a tenant without a written rental agreement.
3. If any part of a deposit can be withheld as damages, it must be clearly stated as such in the Rental Agreement.

Does the rental agreement change upon expiration of the lease if there is no agreement to continue with a month-to-month tenancy?

Can a landlord charge a screening fee if he does the screening himself?

How do you determine "normal wear and tear?"

Repairs

1. The tenant must give the landlord written notice of any requested repairs to the rental unit.
2. The tenant must allow the landlord a reasonable amount of time to perform the requested repairs. A reasonable amount of time will vary depending on the type of repair requested, but the general time periods to commence repairs is as follows:
 - a) 24 hours if the repair involves heat, water or a hazardous condition.
 - b) 24 hours to restore hot water or electricity.
 - c) Not more than 72 hours if the defective condition deprives the tenant of the use of the refrigerator, range /oven, or a major plumbing fixture supplied by the landlord.
 - d) 10 days to begin to make repairs in other cases.
3. Either the landlord or the tenant may notify local health or building department of possible health or building code violations.
4. If a tenant's rent is current and all utilities are paid, a tenant may consider one of the following courses of action if the landlord fails to repair a defective condition within a reasonable period of time following written notice from the tenant outlining the needed repairs.
 - (a) The tenant can give written notice and move out immediately without forfeiting any deposit.
 - (b) The tenant may make the repairs and deduct the expense from the rent. If the required repair work needs to be completed by a licensed repairman, or will not exceed two months rent the tenant may:
 - 1) Obtain a bid from licensed repairman and give to landlord.
 - 2) The bid can be given to landlord when written notice of defect given.
 - 3) If the repairs still are not started within a reasonable period of time following written notice, the tenant may contract with the low bidder to have work done.
 - 4) The tenant must make arrangements to pay for the completed work.
 - 5) The tenant must give the landlord an opportunity to inspect the work.
 - 6) The tenant can deduct the cost of repairs from the next month's rent, but the deductions cannot exceed two months rent in any year.
 - 7) If the cost of repair does not exceed one month's rent and the landlord fails to start the repairs in reasonable period of time, the tenant may complete the repairs in a workman like manner. The tenant can repair broken locks after notice has been given to the landlord. If a lock is replaced, the tenant must give the landlord the new keys. The tenant may deduct the cost of these types of repairs from the next month's rent after allowing the landlord an opportunity to inspect the work. The tenant may not deduct more than the cost of repair or one month's rent, whichever is less in any year.
5. In the case of a serious defect, a court or arbitrator may determine that rent should be reduced until the defect is repaired.

As a landlord how do you handle a drippy faucet in the bathroom differently than a faulty hot water tank? A broken dishwasher vs. a broken furnace?

If the tenant breaks the water heater, how should the landlord respond and how does the cost of repair get handled?

Tenant's Right to Privacy

1. The tenant shall not unreasonably withhold consent to the landlord to enter into the dwelling unit in order to inspect the premises, make necessary or agreed repairs, alterations, or improvements, supply necessary or agreed services, or exhibit the dwelling unit to prospective or actual purchasers, mortgagees, tenants, workers, or contractors.
2. In cases of emergency, abandonment or with 48 hours notice to inspect, a landlord does have a legal right to enter the rental unit of a tenant without the consent of the tenant.
3. In order to show a rental unit to a prospective tenant or purchaser, a landlord must give the present tenant written notice 24 hours in advance
4. A landlord cannot use the right to enter the unit to harass the tenant.
5. A landlord has the right to enter the rental unit only at a time of day that is reasonable to the tenant. Tenant may not unreasonably withhold consent to enter.

Tenant's Personal Property

Any provision in a rental agreement creating a lien upon the personal property of the tenant is not legal. Any landlord who takes or detains the personal property of the tenant without the specific written consent of the tenant may be liable for damages of up to one hundred dollars per day.

Property left when tenant abandons property

In cases of abandonment, the landlord may enter and take possession of any property.

1. If the property has an accumulative value of \$250.00 or less, excluding personal effects, the landlord may sell the property 7 days after a notice of sale is mailed to the tenant.
2. Property valued over \$250.00 must be stored for 45 days, after which it may be sold.
3. The property need only be stored in a reasonably secure place and the tenant notified promptly that it is stored.
4. The tenant must pay the actual moving and storage costs before the stored property may be claimed.
5. Notice of any intended sale of the property must be mailed to the tenant.
6. Income from the sale of any property may be used to cover money due the landlord, including moving and storage costs.
7. Any excess funds derived from the sale of a tenant's property shall be held for one year and after one year those funds belong to the landlord.

Retaliation

1. A landlord cannot retaliate against a tenant for reporting code violations or exercising any other rights under the Landlord Tenant Act.
2. Retaliatory actions include unlawful eviction, rent increases, reduction of services, or expanding a tenant's rental obligation.
3. Such acts by a landlord within 90 days from a tenant's exercise of rights under the Landlord Tenant Act is considered to be retaliatory.
4. A complaint made by a tenant to a governmental agency within 90 days of a proposed rent increase or other action by the landlord, taken in good faith, is considered to be retaliatory.

Termination of Tenancy

By Tenant

Giving the landlord or his agent written notice 20 days before the end of the rental period may terminate a month to month tenancy.

Due to Threatening Behavior by a Tenant

1. Any law enforcement agency which arrests a tenant for threatening another tenant with a deadly weapon or assaulting another person on the premises will make a reasonable attempt to notify the landlord of the arrest.
2. A tenant may breach a rental agreement and will not be responsible for the payment of any rent after the unit is vacated if the tenant notifies the landlord in writing, that he has been threatened by another tenant, and;
 - (a) The threat was made with a deadly weapon, and
 - (b) The tenant who made the threat was arrested, and
 - (c) The landlord does not file an unlawful detainer action against the other tenant within seven days after receiving notice of the arrest.
3. A tenant who vacates under the above condition is entitled to a pro rata refund of any prepaid rent.
4. In the case of assault and arrest by a tenant, the landlord may proceed directly to an unlawful detainer action.

By Landlord

The Just Cause Eviction Ordinance JCEO was passed in Seattle. It requires that a landlord must have just cause reasons to terminate or evict a month to month or other periodic tenants (pay weekly or twice a month) There are 18 total just causes listed in the ordinance.

The just causes include nonpayment of rent, noncompliance with lease terms, chronically late rent payments, and the intention of the landlord to occupy the unit themselves or to rent the unit to an immediate family member. Also, If your occupancy of a unit depends on being employed on the property and that is terminated, the landlord rents a portion of their own home or ADU and no longer wishes to share, the landlord is doing some major remodel. Or the landlord wants to convert to a condo or coop. For detail on all 18 reasons see Seattle.gov

Outside of the Seattle City limits there is no just cause protection for tenants and landlords can ask tenants to not on a term lease to vacate with only 20 days written notice.

Eviction and Unlawful Detainer

A landlord cannot physically remove a tenant from a rental unit for any reason until the following process is complete;

- (a) The landlord prevails in an unlawful detainer action to evict the tenant.
- (b) The court issues a Writ of Restitution directing the Sheriff to remove the tenant.

Unless a tenant objects, property removed from the unit under the supervision of the Sheriff will be stored and the tenant will be liable for moving and storage costs.

Order for Protection

If a tenant notifies the landlord in writing that he or she has a valid order for protection and the person to be restrained has violated the order the tenant, after notifying the police, may terminate the rental agreement and is entitled to a pro rata refund of any prepaid rent only if restraining order otherwise owes rent to end of month.

Abandonment

If the tenant defaults in the payment of rent and reasonably indicates by words or actions the intention not to resume tenancy, the tenant shall be liable for such abandonment. If a tenant abandons the rental unit, the landlord must immediately attempt to re-rent the unit. A tenant who abandons a rental unit may be liable for one month's rent, if the tenancy was a month to month, or the remainder of the rent due if rented for a fixed term. Rent due from a tenant who has abandoned a unit will be reduced by the amount of rent received from a new tenant.

Drug Related Activity or use of deadly weapon

If a tenant or resident or anyone else engages in drug-related activity at the rental premises or is arrested for use of a deadly weapon or physically assaults a person on the rental premises the rental agreement or lease can be terminated. The process commences with an unlawful detainer suit.

Any law enforcement agency, which seizes illegal drugs from a tenant or arrests a tenant, must make a reasonable attempt to notify the landlord of the seizure. A landlord can claim compensation from any law enforcement agency for property damaged during a drug raid from the seized assets of the tenant if an unlawful detainer suit is filed within 7 days after the police gave notice of tenant's illegal activity. One exception to this policy is if the landlord had knowledge of the illegal activity.

Discuss the different ways that a rental agreement can be terminated.

How does the landlord know if the tenant has abandoned the property?

Does the landlord have grounds for eviction if there has been a drug raid and no illegal drugs were found at the property and there were no arrests of the tenants?

Foreclosure and Tenancy

New legislation in Washington State passed to protect and notify tenants in properties that are going into foreclosure.

Tenants in non-owner-occupied one- to four-unit residences must be notified at least 90 days in advance of the impending foreclosure sale, of the potential consequences to them, and their option to contact a lawyer, legal aid, or a housing counselor about their rights. Tenants living in foreclosed property must be given 60 days' written notice by the new owner before tenants are removed from the property per Washington State Laws.

This new change to 60 days is only good for tenants occupying a home that was sold during foreclosure. If a homeowner is occupying the foreclosed property, they will have to vacate in 20 days under federal law.

It would be wise for any tenant to do a check on the landlord while the landlord does a check on them!

Enforcement

The district or superior courts may exercise jurisdiction with respect to a claim against a landlord or a tenant. The defendant must be served with notice. There are alternate means if service cannot be done in person. The summons and complaint shall be posted on the premises not less than 9 days from the return date in the summons. Copies of the summons and complaint shall be sent by both regular and certified mail to defendant's last known address.

Settling of disputes

Sources of help for settling disputes between landlords and tenants include:

1. Legal services. Low-income people may contact the nearest community action committee.
2. Small Claims Court. Disputes are heard without attorneys regarding retrieval of deposits, back rent and damages less than \$5000.
3. Arbitration. A neutral third party is chosen by landlord and tenant and can arbitrate any disputes except those requiring immediate relief or disputes already subject to litigation.

Fair Housing Laws

The birth of Fair Housing in this country was in 1968 when shortly after Martin Luther King was assassinated, the Fair Housing Act of 1968 was signed banning discrimination on the basis of race, color, religion and national origin in most types of housing transactions. In 1974, it was expanded to include prohibition of gender discrimination. In 1988, the Fair Housing Amendments were added to the Act to expand the coverage to families with children and handicapped persons and to enhance enforcement of the Act.

Federal Fair Housing Laws

Today, the Fair Housing Act prohibits discrimination against a person who is considered to be in one of the protected classes or meets these criteria. They may or may not be a minority.

1. Race
2. Color
3. Religion
4. Sex including LGBTQ
5. National Origin
6. Handicap
7. Familial Status

Prohibitions against Discrimination because of Familial Status

Familial Status as a protected class prohibits discrimination against a person because they have children. Parents, legal guardians, and those in the process of obtaining custody of children under the age of 18. This group also includes pregnant women. "Adults only" complexes are forbidden unless they qualify as housing for older persons. According to regulations, property owners may **not** establish dual-purpose facilities where certain sections of a housing complex are reserved for adults only and other sections for families with children.

The Federal law specifically authorizes the exclusion of children from housing for older persons. This exemption includes:

1. Housing provided pursuant to a state or federal program designed to accommodate the needs of senior citizens.
2. Housing occupied solely by persons sixty-two years or older or...
3. Housing where 80% of the units are (at all times) occupied by at least one person fifty-five years or older per unit, and the development is intended for, and marketed as, housing for older persons and it provides significant facilities and services specifically designed to meet physical or social needs of older persons.

SITUATION: John will rent his apartments on the first floor to families, but the apartments on the second floor he'll only rent to adults because he fears the children might fall off the balcony.

Prohibitions against Discrimination because of Handicap

The Fair Housing Amendments Act of 1988 extends Title VIII to the physically and mentally disabled. The Fair Housing Act provides that it is unlawful to discriminate in the sale or rental of a dwelling, or to otherwise make unavailable or deny a dwelling, to any buyer or renter because of a handicap of:

- (1) That buyer or renter.
- (2) A person residing in or intending to reside in that dwelling after it is so sold, rented, or made available.
- (3) Any person associated with that buyer or renter.

Handicap covers persons that have a physical disability or mental impairment that substantially limits one or more major life activities. The Act also prohibits discrimination against any person in the terms, conditions, or privileges of the sale or rental of a dwelling, or in the provision of services or facilities in connection with such dwelling, because of such handicap. The disabilities covered include hearing, mobility and visual impairments, chronic alcoholism, chronic mental illness, AIDS and AIDS related illness, and mental retardation. It does not cover those that are a danger to others or those using illegal drugs.

SITUATION: Mary has a listing whereby the husband has died because of complications due to AIDS. The buyers ask Mary why the husband died.

Handicap/ Disability

A tenant can make reasonable accommodations to a property, for example a ramp to the front door, if they remove it at the time of vacancy.

Occupancy Limitations

HUD has not resolved the whole issue of occupancy limits. There are no firm occupancy limits from HUD or local jurisdictions. Any occupancy restriction that could be interpreted as limiting families could be construed as discriminatory.

In Bellingham, a landlord was found liable by the courts to the tune of over \$30,00 for refusing to rent a 3 bedroom home, because of its size, to a family of 2 adults and 3 children.

HUD will consider an “occupancy limit” of LESS than two persons per bedroom as too restrictive and limiting families.

Summary of Prohibited Acts under the Federal Fair Housing Act

1. Any refusal to sell or rent, or otherwise make unavailable, a dwelling after receiving a bona fide offer, or refuse to negotiate for the sale or rental of a dwelling, because of race, color, religion, sex, familial status, or national origin, or to discriminate in the sale or rental of a dwelling because of handicap.
2. Discriminating in the “terms, conditions, privileges, or services of the sale or rental of a dwelling because of race, color, religion, sex, handicap, familial status, or national origin.
3. Engaging in any conduct relating to the provision of housing which otherwise makes unavailable or denies dwellings to persons because of race, color, religion, sex, handicap, familial status, or national origin.
4. Make, print, or publish, or cause to be made, printed or published, any notice, statement or advertisement with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination because of race, color, religion, sex, handicap, familial status, or national origin, or an intention to make any such preference, limitation, or discrimination. This advertising prohibition applies to private owners who may otherwise be exempt from the Act.
5. Represent to any person because of race, color, religion, sex, handicap, familial status, or national origin that a dwelling is not available for inspection, sale, or rental when such dwelling is in fact so available.
6. Engaging in blockbusting practices in connection with the sale or rental of dwellings because of race, color, religion, sex, handicap, familial status, or national origin.
7. Denying access to, or participation in a multiple listing service, brokers association or other organization to the business of selling or renting a dwelling because of race, color, religion, sex, handicap, familial status, or national origin. This also includes creating terms or conditions on membership based on prohibited criteria.
8. For persons whose business includes engaging in the business of residential real estate related transaction, to discriminate in making available, or in the terms or conditions of, any residential real estate related transaction because of race, color, religion, sex, handicap, familial status or national origin
9. “Coerce, intimidate, threaten, or interfere with” any person exercising a fair housing right or on account of a person having assisted others in exercising such rights.

Discriminatory Representations on the Availability of Dwellings

Under the Fair Housing Act, it is unlawful, because of race, color, religion, sex, handicap, familial status, or national origin, to provide inaccurate or untrue information about the availability of dwellings for sale or rental. HUD's regulations specifically list the five following prohibited actions, if such actions are done because of race, color, religion, sex, handicap, familial status, or national origin. These five items are only examples and the Act also prohibits other activities not necessarily listed below:

- (1) Indicating through words or conduct that a dwelling, which is available for inspection, sale, or rental, has been sold or rented.
- (2) Representing that instruments such as deeds, trusts, CC&R's, or leases, which purport to restrict the sale or rental of dwellings because of a protected class, preclude the sale or rental of a dwelling to any person of a protected class.
- (3) Enforcing covenants or other deed, trust, or lease provisions, which preclude the sale or rental of a dwelling to any person because of a protected class.
- (4) Limiting information, by word or conduct, regarding suitably priced dwellings available for inspection, sale or rental.
- (5) Providing false or inaccurate information on the availability of a dwelling for sale or rental to any person, including testers, regardless of whether they are actually seeking housing.

SITUATION: An Asian woman wants to rent an apartment near her office. The Agent knowing that the racial makeup of the neighborhood near her office is different, says that there isn't anything available in her price range in that area. Is this a violation?

Blockbusting

The Fair Housing Act provides that it is unlawful for a person to engage in "blockbusting." This occurs when a person, such as a real estate broker, for profit, induces or attempts to induce a person to sell or rent a dwelling by making representations regarding the entry (or prospective entry) into the neighborhood of persons of a particular race, color, religion, sex, handicap, familial status, or national origin. Most blockbusting cases involve a real estate broker's uninvited solicitation of homeowners to sell or rent their homes. It is sometimes referred to as "panic selling." According to HUD's regulations, blockbusting occurs in the following two examples (but, of course, is not limited to these two examples):

- (1) Engaging, for profit or the availability of a profit, in conduct (including uninvited solicitations for listings) which conveys to a person that a neighborhood is undergoing a change, or is about to undergo a change, in the race, color, religion, sex, handicap, familial status, or national origin of persons residing in it, in order to encourage the person to offer a dwelling for sale or rental.
- (2) Encouraging, for profit, any person to sell or rent a dwelling through assertions that the entry (or prospective entry) of persons of a particular race, color, religion, sex, familial status, or national origin, or with handicaps, can or will result in undesirable consequences for the project, neighborhood or community, such as a lowering of property values, an increase in criminal or antisocial behavior, or a decline in the quality of schools or other services or facilities.

Steering

Steering is a practice whereby a real estate agent influences a person's housing choice based on prohibited criteria. The classic example is that of directing minority clients to a minority neighborhoods.

SITUATION: Steve assumes his clients would "feel more comfortable" in certain areas because others of their background live there. Maybe his clients are Jewish and he directs them to neighborhoods near the synagogue where other Jewish people are living. Is this steering?

SITUATION: Aleta has three small children. The landlord of an apartment building directs them ONLY to units that are near the playground at the north end of the complex and will not let them consider a unit near the bus stop at the east end. Can the landlord steer them that direction?

Local Discrimination laws

The Federal Fair Housing Act is a federal law. Each jurisdiction has separate laws and in many cases other protected classes.

Washington State Law Against Discrimination

The Washington State Law Against Discrimination can be found in R.C.W. 49.60. The Washington State Human Rights Commission administers it. Unlike the Federal law, there are no exemptions. The Washington Law establishes the following protected classes:

1. Sex
 2. Marital status
 3. Race and traits associated with race for example hair styles
 4. Creed
 5. Color
 6. National origin,
 7. Families with children status
 8. Disability whether sensory, mental or physical including HIV and perceived HIV
 9. Disabled person using a trained guide or service dog
 10. Sexual Orientation Note: This class was recently added to the Washington Law.
- The State of Washington now recognizes same sex marriage.

Section 8 is protected is protected in all of Washington

City of Seattle and King County

The City of Seattle has other protected classes. Fair housing is administered by the Seattle offices for Civil Rights. The protected classes in Seattle include participating with Section 8, Sexual Orientation, Political Ideology, and Marital Status. King County is administered by the King County Office of Civil Rights.

Other Discrimination Laws

Local jurisdictions may have created laws against discrimination. For example, the city of Seattle includes sexual orientation, political ideology and Section 8 housing subsidy tenants as additional protected classes. Other protected classes in other cities and states can include:

Source of income	Sexual Orientation
Matriculation	Marital Status
Dishonorable military discharge	Military Discharge
Personal Appearance	Political Ideology

Washington State Law on Agency

The Washington State Law of Agency extends to all agents working in the area of property management.

The definitions in Section 1 of the law states:

“Buyer” means an actual or prospective purchaser in a real estate transaction, or an actual or prospective tenant in a real estate rental or lease transaction, as applicable. “Seller” means an actual or prospective seller in a real estate transaction, or an actual or prospective landlord in a real estate rental or lease transaction, as applicable. It is important to remember that the text of the law also applies to all property management transactions.

To provide real estate brokerage services in WA a broker must be licensed with a real estate firm. The firm’s designated broker technically “appoints” the agent to represent the principal. A written services agreement between the principals and the agent representing them must be signed and documented as “soon as reasonably practicable.” It details the term of the agreement, the agency relationship, a dual agency clause, the terms of compensation, and any other agreement between the parties. The duration of the agency relationship continues until the earliest of the following:

- Completion of performance, expiration of the term
- Termination of the relationship by mutual agreement of the parties
- Termination of the relationship by notice from either party to the other.

Termination of the agency relationship does not affect the contractual rights of either party.

The Law spells out the duties of licensees to all parties,

- a. To exercise reasonable skill and care;
- b. To deal honestly and in good faith’
- c. To timely present all written offers, written notices and other written communications to and from either party.
- d. To disclose all existing material facts known by the broker and not apparent or readily ascertainable to a party. A material fact includes information that substantially adversely affects the value of the property or a party’s ability to perform its obligation in a transaction or operates to materially impair or defeat the purpose of the transaction. However, a broker does not have any duty to investigate matters that the broker has not agreed to investigate.;
- e. To account in a timely manner for all money and property received from or on behalf of either party;
- f. To provide the pamphlet on the law of agency to all parties
- g. To disclose in writing who the broker represents
- h. To disclose in writing any terms of compensation.

The Law defines material fact as information that

- 1. Substantially adversely affects the value of the property
- 2. Adversely affects the party’s ability to perform its obligations, or
- 3. Operates to materially impair or defeat the purpose of the transaction.

The agency relationship must be disclosed in writing in a brokerage services agreement as soon as practicable.

Limited Dual Agency can occur in 2 situations.

- a. When the same broker represents the buyer (tenant) and the seller (landlord). In this case the broker’s designated broker and any managing broker responsible for the supervision of that broker, are limited dual agents.

If you sell your own listing, you must have it in writing with both parties in separate brokerage service agreements that you are representing them as a limited dual agent. If there is a dispute, you and your designated broker and a supervising managing broker (if there is one) are all limited dual agents and cannot take “sides.”

b. When the buyer and the seller are represented by different brokers in the same firm. In this case, each of the brokers solely represent their principal that they were appointed to represent by the designated broker. The designated broker and managing broker responsible for the supervision of these brokers is a limited dual agent.

In this case, the brokers would represent their clients. The brokers are technically “appointed” to represent clients by the designated broker as it states in the law. The designated broker and any supervising managing broker are the limited dual agents. If there is a dispute, for example, the broker would be able to represent their client and “take sides.”

The agency relationship terminates when:

1. There is completion of the performance by the licensee
2. Expiration of the term agreed upon
3. Termination of the agreement by mutual agreement of the parties, or
4. By giving notice to the other party.

DISCLOSURE

Make sure you are very clear about who you represent and have that in writing. If you are working to find a tenant a property, you may want to consider an agency agreement.

Compensation

The Law of Agency deals with the payment of compensation. A firm’s compensation may be paid by either party or by sharing the compensation between firms. To receive compensation from any party, a firm must have a written brokerage services agreement with the party the firm represents. The written services agreement must contain the following regarding compensation.

1. The amount the principal agrees to compensate the firm for broker’s services as an agent or limited dual agent;
2. The principal’s consent, if any, and any terms of such consent, to compensation sharing between firms and parties; and
3. The principal’s consent, if any, and any terms of such consent, to compensation of the firm by more than one party.

In certain commercial real estate transactions, the buyer is to receive a “Compensation Disclosure.”

Does the Lease/Rental agreement that you use have the required disclosures of the agency relationship, dual agency and acknowledgement of a copy of the Law of Agency?

If you are a property manager representing a number of owners, do you represent the tenants, are you a dual agent, or do you have a single agency relationship with the owners?

When you are representing a tenant in search of a property, do you sign an agency agreement prior to showing that discloses agency and possible dual agency?

Lead Paint Disclosure

Lead poisoning is a top environmental hazard for young children. More than 80% of homes built before 1978 contain lead paint. Warning signs of lead based paint can include peeling paint, chipped paint, chalking paint, damaged paint/drywall/plaster, construction dust, and bare dirt around the foundation. The paint and the dust from the lead paint can accumulate in the carpets and in the surrounding soil. It can be hazardous to health. Even at low levels, lead poisoning in children can cause IQ deficiencies, reading and learning disabilities, impaired hearing, reduced attention spans, hyperactivity and other behavior problems. Pregnant women poisoned by lead can transfer lead to a developing fetus, resulting in adverse developmental effects.

This is NOT an MLS rule or a state law. Title X is a federal law. Because it is such a threat Title X provides protection by requiring disclosure to RENTERS and homebuyers for properties built before 1978. They must receive a copy of the EPA publication “Protect Your Family from Lead in your Home” and sign a lead paint disclosure form. In addition, the buyer has 10 days to have a lead inspection or a remedial assessment. The buyer cannot sign a contract until given this opportunity. The Lead Paint Disclosure form must be signed by buyer/seller or Landlord/Tenant for all properties built prior to 1978. The 10 day does not apply to tenants.

The intent of the disclosure rule is to help prevent exposure to lead based paint. Once a violation has been established with credible evidence to support a case, a determination must be made by the agency concerning which of the enforceable actions may be taken; a notice of non compliance, a civil administrative complaint, a criminal referral, injunctive relief, or some combination of these actions. For more information see:

<http://www.epa.gov/compliance/resources/policies/civil/tsca/lead.pdf>

Mold Disclosure

During the 2005 legislative session, the Washington State legislature approved Engrossed Senate Bill [\(ESB\) 5049](#) (Effective 7-24-2005), that requires landlords to notify their tenants about mold. Senate bill 5049 **requires** landlords to notify tenants about mold. Specifically, landlords must supply information to tenants about:

- The health hazards associated with exposure to indoor mold
- Steps to take to control mold growth in their dwelling units

Landlords must notify tenants effective 2006.

Posting of this information in a visible, public location at the dwelling unit property is allowed.

The information can be obtained from the Washington State Department of Health (DOH) either electronically or in printed form...

http://www.doh.wa.gov/ehp/ts/IAQ/Got_Mold.html

Carbon Monoxide Alarms

According to Washington State Law, all rental units must have carbon monoxide alarms installed according to state building codes.

Property Management Administration

Rental Market Analysis

An understanding of the economic conditions in the immediate area and market surveys of comparable residential properties are essential to determine the viability of a property as a profitable investment and in establishing a reasonable rental schedule for the subject property.

- Market surveys should analyze the rental values of comparable properties in the area.
- Employment and income data are a factor in setting the rent schedule for the property.
- Vacancy rates in the area are a standard indicator of the supply and demand relationship.
- Census Bureau data can show a general idea of the population density and other statistics.

Financial Budgeting and Forecasts

A property manager must get a clear idea from an owner or investor as to which direction they are interested in going with the property. After general goals are established, important information about the property such as annual property taxes, special assessments, cost of debt service, insurance premiums, rental income history and expenses must be collected to give an accurate picture of the state of the property.

] The operating budget should include an itemized projection of income, expenses, net operating income and cash flow. A sample operating budget would include:

INCOME

Monthly rent times 12

LESS Vacancy and collection losses

Income from other sources (laundry, etc.)

EFFECTIVE GROSS INCOME

EXPENSES

Property taxes

Wages

Utilities

Supplies

Maintenance and repairs

Insurance

Administration

Management fee

Reserves

TOTAL EXPENSES

TOTAL NET OPERATING INCOME (before debt service)

LESS DEBT SERVICE

TOTAL CASH FLOW

Setting Rental Standards

Standards should be written that help set guidelines when evaluating the applications. These standards should apply to everyone who wants to rent the property.

These standards can include:

- a) Ratios for debt and income that is in line with the rent.
- b) Credit report that is positive.
- c) No prior evictions.
- d) No felony convictions.
- e) No pets. (unless service animal with a letter from a health care provider.)
- f) All the information on the application can be verified.

Advertising for Tenants

Effective advertising can vary depending on the type of property and the market. Advertising can include signs, classified newspaper ads, flyers, listing with real estate agents or property managers and online advertising.

It is critical to be conscious of the Fair Housing Laws when advertising. There are protected classes in the Federal Fair Housing laws. They include race, color, religion, sex, national heritage, handicap, and familiar status.

But, these are not the only protected classes. In different jurisdictions there are different laws. For example, in Seattle the protected classes include age, political ideology, section 8 and sexual orientation. Open the newspaper and almost in every case you will find ads that violate the Fair Housing Laws. It is important that you make sure that one of those ads is not yours. The laws say that a violation may occur if the prospect believes there is a limitation or a preference in the advertising. So, it is not the intent of the advertiser but the perception of the reader.

This list from the Seattle Times is not all-inclusive. A list that includes words that could be construed as showing a limitation or preference is included here. But, even this list could not include all the possible combinations of words that could be used. Some people feel that when advertising a target market approach should be used. But, by eliminating words that limit or target a tenant, the advertiser could be opening the door to many other prospective tenants. This gives owners and managers an opportunity to be more creative about the features of the property.

AVOID THESE WORDS IN ALL ADVERTISEMENTS AND APPLICATIONS

<i>active</i>	<i>empty nesters</i>	<i>mature</i>	<i>singles</i>
<i>adult</i>	<i>exclusive</i>	<i>membership approval</i>	<i>smoker</i>
<i>adult only/living</i>	<i>executive</i>	<i>newly-weds</i>	<i>stable</i>
<i>Asian</i>	<i>handicapped</i>	<i>non-smokers</i>	<i>secure</i>
<i>bachelor</i>	<i>healthy</i>	<i>non-drinkers</i>	<i>seniors</i>
<i>board approval required</i>	<i>Hispanic</i>	<i>older persons</i>	<i>students</i>
<i>children</i>	<i>impaired</i>	<i>one person</i>	<i>traditional</i>
<i>church</i>	<i>integrated</i>	<i>private</i>	<i>two people</i>
<i>Christian</i>	<i>Irish</i>	<i>physically fit</i>	<i>unemployed</i>
<i>couple</i>	<i>Jewish</i>	<i>race</i>	<i>white</i>
<i>deaf</i>	<i>kids</i>	<i>restricted</i>	<i>woman</i>
<i>employed</i>	<i>male</i>	<i>retired</i>	<i>walking distance to</i>

Pre-qualifying the Prospective Tenant

The phone will ring after placing ads to rent. It is important to watch the way these prospective tenants are handled on the phone. Each caller needs to be treated equally. Watch for possible violations of the Fair Housing Laws. Give the prospect basic information over the phone but do not attempt to eliminate them. Make sure that the prospect is given information on showing and application procedures.

When asked questions like:

Do you accept applicants on Section 8?

Will you accept children?

Will you accept pets?

The answer is “yes” with the exception of the last question. (A pet is not a protected class except if it is a pet used as a service animal.)

The tenant may NOT be a qualified tenant because of other reasons, but do not eliminate them over the phone. Encourage an application. Section 8 housing subsidy is not protected in all areas. Participation is protected in Seattle, Bellevue, Kirkland and unincorporated King County.

Qualifying Tenants

When qualifying prospective tenants it is important to evaluate their applications. This is an example of qualifying information from a property manager.

- Earning Power. Often property managers look at guidelines regarding a prospective tenant’s income to their debts.
- Debt service ratio. The applicant’s total monthly gross income should be at least two and one half times their total monthly payments for all their debts.
- Rent service Ratio. The applicant’s total monthly gross income should be at least three time the rent payment.
- Credit History. It is imperative that you run a credit check on the tenants. A tenant screening process can do this. There are a number of companies that specialize in obtaining this information. The cost can be \$25.00 to \$40.00 or more. The cost is usually passed on to the tenant. If the applicant wants a copy it is not legal to provide one. The applicant can order a copy from the credit bureau listed on the application.
- Housing stability. It is important to check references. Many screening companies will check references but if not, it is important to call and check.

Application for tenancy

Make sure an application is available to ALL prospective tenants whether or not you believe that they are qualified. Though your “gut” may tell you that the tenant will not qualify, the tenant should have the same opportunity to apply. If their application is denied they can contact the credit bureau to get a copy of their credit report.

Save copies of all application for at least three years. Make a note on the back the reason for rejecting their application.

The following are examples of legal reasons for rejecting a potential tenant’s application.

1. Poor credit history.
2. Income is not within the ratios.
3. References detail history of property destruction or disturbing the neighbors.
4. Has a prior eviction.
5. Has pets and your policy prohibits them. (Except for service animals.)
6. Falsifies information on the application.

Tenant Screening

It is imperative that the tenant screening process is as professional as possible. Watch for casual comments you or the tenant might make and get into conversation that could catch you in a discriminatory situation

You must have an application and screening process and requirements. If the tenant does not match the requirements in your screening, there are times that you may have to consider *alternative* requirements.

Here is an example from the Rental Housing Association.

Two college students with student visas from Korea apply for your unit. Your application and screening require a valid social security number and a positive credit history. They have neither. If you deny all foreign nationals because they lack a social security number and an American credit history, you are at risk of a Fair Housing complaint based on “National Origin.” It is suggested that you use alternative identification which could include their visas and confirmation of student status at the college.

Rental Contracts and Agreements

Application for Tenancy

The rental application that property managers use is not a standardized form. This is the most important tool the property manager or landlord have to evaluate the prospect's history and qualifications as a tenant.

Review carefully the information requested on the forms that you use. There are application forms on the market, today, that do not include any questions about current employment or employment reference. There are forms that ask questions that include age or birthdate. Make sure the form has room for a co-tenant or spouse to fill in the questions.

Lease or Rental Agreement/Contracts

Elements of a Valid Contract

In order to be a legally enforceable, a lease must meet the general requirements for a valid contract. Both parties to the lease must have the legal capacity to enter into the agreement and must reach a mutual accord. As with any contract, the objective of the lease must be legal in nature. The document must be dated and must provide for valid consideration to be paid. There must be acknowledgement (be notarized) for leases for more than one year.

The basic elements of a lease include:

1. Complete and legal name of both parties
2. Capacity to contract
3. Description of property (if the term is for more than a year a full legal description)
4. Term of lease
5. Consideration or amount of rent
6. Use of premises
7. Legal objectives
8. Rights and obligations of each party

Term

Month to month rental agreements are considered a periodic tenancy. The agreement is for one-month periods and renews each month. The agreement can be terminated by either party giving 20 days written notice.

A lease agreement is for a specific term or a fixed period of time. It can continue after the end of the term on a month to month basis. If a tenant stays and pays rent after the term expires the agreement continues automatically on a month to month basis.

Late Charges

It is important that any late charges are clearly spelled out in the agreement. It is important to include a grace period. Usually it is 3 to 5 days. When the rent is not paid a charge accrues that is retroactive back to the first day the rent was due. Often that amount is from \$5.00 to \$15.00 per day.

It is wise to put in your agreement a NSF (non-sufficient funds) check clause charging the tenant a fee for checks that are returned.

Security Deposit/Damage Deposit/Cleaning fee

It is important for landlords to include a deposit to cover some or all of the costs they may incur for damage that tenant may cause upon the property.

Any money deducted from the deposits by the landlord must be detailed and given to the tenant within 21 days from the end of the term.

Any non-refundable monies must be clearly stated as so and be called a “fee.”

Maintaining the Property

The rental agreement should contain information on the use and maintenance of the property. If the property is rented exclusively for residential use, then it should be clear to the tenant. Include clauses that cover maintenance of the landscaping and grounds.

The property must be habitable. The landlord is obligated to maintain and rent property that meets minimum standards and these obligations cannot be waived.

Utilities

The decision as to whether the tenant or the landlord is responsible for the utilities is up to the landlord. Typically, the power bills in a residential home are paid by and in the tenant’s name. The water bills are typically in the owner’s name because if they do not get paid they can become a lien on the property. In multi family properties it will depend on the history and the method of payment by the owner.

Rules and Regulations

As an addition to the lease agreement, a copy of the rules and regulations should be attached.

Be aware of rules that may limit the use by the tenants that could include fair housing violations.

Why would these rules violate the Fair housing laws?

- a) Children cannot play in the parking lot.*
- b) No one under 18 allowed in the pool without an adult.*

Pet Agreement

If the property is to be rented to a tenant with a pet(s) then it is wise to have an agreement that covers issues surrounding the pet. Include the type of pet. “No Pets” clauses cannot be used to turn down a tenant with a service or guide dog, for example. Petscreening.com found that 18% of the accommodation requests for pets had insufficient documentation, unresponsive third party verifiers, or found to be fraudulent.

Lead Based Paint

If the property was built before 1978, the tenants must sign a disclosure and provide them with the required pamphlet.

Smoke Alarm

The landlord is required to provide a working smoke alarm. The tenant is required to maintain working batteries.

Carbon Monoxide Alarm

New legislation has passed in Washington State that requires the landlord to install Carbon Monoxide detectors in non owner occupied properties.

Other Agreements

The following are additional agreements or clauses that may or may not be included in the lease or rental agreement.

1. Appliances
2. Improvements
3. First right of refusal option
4. Smoking (advertise that there is no smoking in the property rather than say “no smokers”)
5. Insurance
6. Parking and Storage
7. Pests
8. Signs
9. Common areas
10. Disposal of garbage

Have you added any other agreements or clauses to the rental agreements you have used?

Eviction Reasons and Process

It is likely that every property manager will deal with a tenant's default on their contract and have to start eviction procedures. It is important that the landlord has been very careful to follow the letter of the law during the tenancy and in the process of an eviction.

It is important that the tenant never be accommodated at the expense of the owner. The manager must first serve the interests of his or her principal by setting up a viable system for collecting rent and dealing with uncooperative tenants.

In addition to non-payment of rent, there are other permissible grounds for eviction. They may include certain breaches in the terms of the lease agreement. The eviction process is the only legal way to remove a tenant from the property. A review of the Landlord Tenant Act will point to the duties of a landlord and what a landlord is not allowed to do. For example, a landlord cannot turn off the heat or the power to force a tenant to move. In addition, a landlord cannot enter the premises illegally or lock the tenants out of the premises. Landlords have even turned off utilities or caused damage to the property using the cover that it was to complete repairs.

The process of evicting a tenant is a lawsuit called an unlawful detainer action. There are no shortcuts to the notice deadlines or the court hearings. It must proceed as per the guidelines of the law. The process can take as little as 30 days but it can also take considerably longer depending on the circumstances.

A landlord or property manager can choose to hire a private company that specializes in evictions or hire an attorney.

Giving Notice

The first step in the eviction process is to give the tenant notice if they have failed to pay the rent or if they have only paid part of the rent due. This notice should be served upon the tenant and/or posted at the premises and mailed by U.S. Mail. After the third day, the landlord can refuse to accept any payment and can continue the eviction.

Eviction Summons and Complaint

This is the next process. A legal summons and complaint must be filed in the local courthouse. It has to be legally served upon the tenant. The tenant has the opportunity to respond.

A tenant can ignore the summons and the landlord will win. The court will issue a default judgement. But, often the tenant will respond with allegations against the landlord and the court will hear testimony from both sides.

Writ of Restitution

If the tenant ignores the summons, does not show at the hearing or loses in court the landlord will be issued a Writ of Restitution. The landlord is awarded the property and often a judgement against the tenant for costs. The Writ is an order directing the county sheriff to appear at the property. The landlord appears at the property and is legally allowed to remove the belongings of the tenant and put them in the right of way or move them to storage under the protection of the county sheriff.

Washington State Landlord Tenant Revised Laws in 2021

Late rent Pay or Vacate notice

Twenty six states have longer than WA State's 3 day pay or vacate notices prior to eviction. In July 2019, this was increased to 14 days.

- The Landlord must **wait 2 weeks** to start the eviction process.
- There is now a **uniform eviction notice** available to landlords written in plain language including information on civil legal aid resources available. It is a mandatory form required that is in **multiple languages** and must be in plain language.
- Change in rent notice extended **from 30 to 60 days**.
- Any tenant payment **must apply to rent** prior to any other charges.
- Landlord must provide **documentation for any damages**.
- Additional reforms to the eviction process in the bill include the use of judicial discretion in non-payment of rent cases, requiring consideration of factors beyond the tenants' control.
- In certain cases, landlords will be able to access the Dept of Commerce's mitigation fund for reimbursement of any shortfall in rent.

SB 5600 Effective July 2019

Increasing rent

The timeline to raise rent has been **extended to 60 days no matter how small or large the increase**. This includes increases to base rent and other reoccurring fees not defined as rent. The increase cannot become effective prior to the completion of the term of the rental agreement. HB 1440 Effective July 2019

Notice when Converting Use of Rental

Requires Landlords to provide a minimum 120-days written notice for a termination of tenancy when converting use, demolishing the property or doing substantial rehabilitation, or changing the use of the premises. If Landlord fails to provide this notice, they could be liable for up to three times (3x) the monthly rent to the tenant. HB 1462 Effective July 2019

Military Rental Termination

The military clause clarifies the condition where service members can terminate rental agreements early or with less notice. The notice changes to 20 days after receiving orders. The tenant must provide a copy of the military orders. HB 1138

Right to Counsel for Indigent Defendants

Subject to funding, indigent tenants in filed eviction cases can ask the court to appoint a lawyer to help them. A person is "indigent" if they receive public assistance or their annual income, after taxes, is at or less than 200% of the federal poverty guidelines.

Standards for Initial Payment Plans Landlords must offer Tenants

Landlords, upon receipt of a tenant's written request, must permit the tenant to pay deposits, nonrefundable fees, and last month's rent in installments.

- Rental period of 3 months or long, the tenant may elect to pay in 3 equal installments
- In all other cases, tenant may elect to pay in two equal installments.

A landlord is not required to permit a tenant to pay in installments if all the deposits and fees do not exceed 25% or the first full months rent and payment of the last months rent is not required.

A landlord who refuses monthly installments is subject to a penalty of one months rent plus attorney fees.

If the tenant defaulted, the court must determine if they are low income or experiencing hardship to see if the landlord is eligible for Landlord Mitigation Program.

HB 1694 Effective June 2020

Grace Period Prior to Assessing Late Fees

The landlord may not charge late fees for rent that is paid within 5 days following its due date. The tenant may propose that the due date for rent be altered to a different date if the tenant is able to show primary income is not received until after the date rent is due. HB 2535 Effective June 2020

Tenant Protection during public health emergencies, Legal representation in Eviction, and landlord access to state rental assistance programs.

For any rent fees or other charges assessed to a tenant that became due between March 2020 and December 31, 2021 the following rules apply:

Landlord prohibited from imposing late fees on debt, reporting the delinquency or an unlawful detainer based upon the debt to a prospective landlord, Landlord is prohibited from inquiring about or considering disclosure of a prospective tenant medical records unless to evaluate a reasonable accommodation or modification.

A prospective landlord is prohibited from:

Taking adverse for prospective Tenant's nonpayment, denying discouraging application or make unavailable a rental based on prospective tenant's medical history including prior or current exposure or infection to Covid 19. Inquiring about or requiring disclosure of a prospective tenant's medical records unless necessary to evaluate a reasonable accommodation.

Landlords must give "Just Cause" for Eviction

This is a law that affects almost all tenancy. It makes it much more difficult and extends timelines for landlords to evict tenants. Landlords cannot just evict a tenant for no reason and start an unlawful restraining order. The moratoriums are ending, and this extends time limits and creates requirements to protect tenants. See Below for a more detailed explanation of the law.

It is very important that if a landlord is considering eviction, that the landlord read the entire text of the law.

In this new law, landlords must give tenants one of 16 good reasons for ending rental agreements and evicting tenants. Among other things, this means there are no more 20-day notices to vacate for no reason. Before, landlords could refuse to renew month-to-month agreements for no reason, except in a few Washington cities.

These causes include failure to pay rent, landlord seeks possession (90 day notice), committing waste or unlawful activity, owner sells (90 day notice), Property demolished (120 day notice), property condemned, owner elects to stop renting premises (120 day notice), rental agreement expired and tenant doesn't renew, breach of subsidized housing requirement, required to register as sex offender during tenancy (60 day notice) and more.

If a tenant fails to pay rent, then there is a process that begins with notice, offering a repayment plan and then the Resolution Pilot Program prior to any efforts to evict a tenant. If the landlord and tenant fail then, the landlord file an unlawful detainer action. This process takes many months. The text of the law is very lengthy... It is difficult to follow. If a client gets into this situation, make sure that you refer them to an attorney who specializes in this line of work.

The new Just Cause Landlord Tenant law can be found at:

RCW 59.18.650 Eviction of tenant, refusal to continue tenancy, end of periodic tenancy—Cause—Notice—Penalties. HB 1236 Effective April 2021

Eviction Resolution Pilot Program ERP

The Eviction Resolution Pilot Program (ERP) was mandated and applies to all counties in the state.

The objective of the ERP is to bring all parties to the table with trained eviction specialists, explore the amount of rent in arrears and circumstances, and discover a range of other terms that might move to resolve the matter.

Prior to filing an unlawful detainer action for non payment of rent, landlord must provide notice to the tenant informing them of the ERP along with a 14 day termination notice for nonpayment.

The ERP notice must include the following:

- Contact information for dispute resolution center, counting housing justice project or housing advocacy services.
- Notice that the information on multiple languages and tenant information on finding a lawyer is available.
- The contact info or the landlord or the landlord's attorney.
- The statement "failure to respond to this notice within 14 days may result in the filing of a summons and complaint for an unlawful detainer action with the court."

Landlord Mitigation for Unpaid Rent

If tenant defaults on debt owed under repayment plan, the landlord may apply for reimbursement from the landlord mitigation program or file an unlawful detainer action subject to ERPP.

SB 5160 Effective April 2021

WA Landlords must give “Just Cause” for Eviction Effective 2021

This is a law that affects almost all tenancy. It makes it more difficult and extends timelines for landlords to evict tenants. Landlords cannot just evict a tenant for no reason and start an unlawful restraining order. The moratoriums are ending. This law extends time lines and creates requirements to protect tenants.

It is very important that if a landlord read the entire text of the law if considering eviction of a tenant.

In this law, landlords must give tenants one of 16 good reasons for ending rental agreements and evicting tenants. Among other things, this means there are no more 20-day notices to vacate for no reason. Before, landlords could refuse to renew month-to-month agreements for no reason, except in a few WA cities. These causes include failure to pay rent, landlord seeks possession (90 day notice), committing waste or unlawful activity, owner sells (90 day notice), Property demolished (120 day notice), property condemned, owner elects to stop renting premises (120 day notice), rental agreement expired and tenant doesn't renew, breach of subsidized housing requirement, required to register as sex offender during tenancy (60 day notice) and more.

If a tenant fails to pay rent, then there is a process that begins with notice, offering a repayment plan and then the Resolution Pilot Program prior to any efforts to evict a tenant. If the landlord and tenant fail then, the landlord can file an unlawful detainer action. This process takes many months. The text of the law is very lengthy... It is difficult to follow. If a client gets into this situation, make sure that you refer them to an attorney who specializes in this line of work.

The new Just Cause Landlord Tenant law can be found at:

RCW 59.18.650 Eviction of tenant, refusal to continue tenancy, end of periodic tenancy—Cause—Notice—Penalties. HB 1236 Effective April 2021

Ending a Tenancy Without Cause Only....

However, a landlord may end such a tenancy at the end of the initial period of the rental agreement **without** cause only if:

- (i) At the inception of the tenancy, the landlord and tenant entered into a rental agreement between six and 12 months; **and**
- (ii) The landlord has provided the tenant before the end of the initial lease period at least 60 days' advance written notice ending the tenancy, served in a manner consistent with the law for service.

If a landlord and tenant enter into a rental agreement for a specified period in which the tenancy by the terms of the rental agreement does not continue for an indefinite period on a month-to-month or periodic basis after the end of the specified period, the landlord may end such a tenancy without cause upon expiration of the specified period only if:

- (i) At the inception of the tenancy, the landlord and tenant entered into a rental agreement of 12 months or more for a specified period, or the landlord and tenant have continuously and without interruption entered into successive rental agreements of six months or more for a specified period since the inception of the tenancy;
- (ii) The landlord has provided the tenant before the end of the specified period at least 60 days' advance written notice that the tenancy will be deemed expired at the end of such specified period, served in a manner consistent with the proof of service laws.
- (iii) The tenancy has not been for an indefinite period on a month-to-month or periodic basis at any point since the inception of the tenancy. However, for any tenancy of an indefinite period in existence as of May 10, 2021, if the landlord and tenant enter into a rental agreement between May 10, 2021, and three months following the expiration of the governor's proclamation 20-19.6 or any extensions thereof, the landlord may exercise rights under this subsection (1)(c) as if the rental agreement was entered into at the inception of the tenancy provided that the rental agreement is otherwise in accordance with this subsection (1)(c).

For all other tenancies of a specified period not covered subsection, and for tenancies of an indefinite period on a month-to-month or periodic basis, a landlord may not end the tenancy except for the causes enumerated below. Upon the end date of the tenancy of a specified period, the tenancy becomes a month-to-month tenancy.

Nothing prohibits a landlord and tenant from entering into subsequent lease agreements that are in compliance with the requirements in listed below of this section.

A tenant may end a tenancy for a specified time by providing notice in writing not less than 20 days prior to the ending date of the specified time.

The landlord and the tenant can mutually consent, in writing, to ending the tenancy early and the tenant is afforded at least 60 days to vacate.

A landlord who removes a tenant or causes a tenant to be removed from a dwelling in violation of this law is liable to the tenant for wrongful eviction. The tenant prevailing in such an action is entitled to the greater of their economic and noneconomic damages or three times the monthly rent of the dwelling at issue, and reasonable attorneys' fees and court costs.

If there are remaining occupants who had lived with the tenant at least six months prior to and up to the time the tenant permanently vacated the landlord can require the occupants to either apply to rental or vacate within 30 days of service of such notice. An application from a remaining occupant must be able to meet the same screening, background, and financial criteria as would any other prospective tenant. If the occupant fails to apply within 30 days of receipt of the notice or the application is denied for failure to meet the criteria, the landlord may commence an unlawful detainer action. If an occupant becomes a party to the tenancy, a landlord may not end the tenancy except for reasons under the law.

A Landlord may NOT evict a Tenant Except for these Causes...

If a landlord and tenant enter into a rental agreement that provides for the tenancy to continue for an indefinite period on a month-to-month or periodic basis after the agreement expires, the landlord may not end the tenancy except for the 16 causes listed. This MAY include "indefinite period or periodic tenancy" which would include a seller or buyer occupying a property prior to or after closing. The time frames must be adhered to including any rent adjustment even if there was a "free" rent option for a few days.

A landlord may NOT evict a tenant, refuse to continue a tenancy, or end a periodic tenancy EXCEPT for the causes as listed.

The landlord must give one of the following reasons for ending a rental agreement and follow the process as detailed.

If the Tenant Remains in possession of the property and....

(a) **In default in payment.** The tenant continues in possession in person or by subtenant after a default in the payment of rent, and after written notice requiring, in the alternative, the payment of the rent or the surrender of the detained premises has remained uncomplied with for the period set forth in RCW [59.12.030](#)(3) for tenants subject to this chapter. The written notice may be served at any time after the rent becomes due;

(b) **After breach after notice.** The tenant continues in possession after substantial breach of a material program requirement of subsidized housing, material term subscribed to by the tenant within the lease or rental agreement, or a tenant obligation imposed by law, other than one for monetary damages, and after the landlord has served written notice specifying the acts or omissions constituting the breach and requiring, in the alternative, that the breach be remedied or the rental agreement will end, and the breach has not been adequately remedied by the date specified in the notice, which date must be at least 10 days after service of the notice;

- (c) **After notice of unlawful activity or nuisance.** The tenant continues in possession after having received at least three days' advance written notice to quit after he or she commits or permits waste or nuisance upon the premises, unlawful activity that affects the use and enjoyment of the premises, or other substantial or repeated and unreasonable interference with the use and enjoyment of the premises by the landlord or neighbors of the tenant;
- (d) **After owner gives notice to occupy.** The tenant continues in possession after the landlord of a dwelling unit in good faith seeks possession so that the owner or his or her immediate family may occupy the unit as that person's principal residence and no substantially equivalent unit is vacant and available to house the owner or his or her immediate family in the same building, and the owner has provided at least 90 days' advance written notice of the date the tenant's possession is to end. There is a rebuttable presumption that the owner did not act in good faith if the owner or immediate family fails to occupy the unit as a principal residence for at least 60 consecutive days during the 90 days immediately after the tenant vacated the unit pursuant to a notice to vacate using this subsection (2)(d) as the cause for the lease ending;
- (e) **After owner gives notice to sell.** The tenant continues in possession after the owner elects to sell a single-family residence and the landlord has provided at least 90 days' advance written notice of the date the tenant's possession is to end. For the purposes of this subsection (2)(e), an owner "elects to sell" when the owner makes reasonable attempts to sell the dwelling within 30 days after the tenant has vacated, including, at a minimum, listing it for sale at a reasonable price with a realty agency or advertising it for sale at a reasonable price by listing it on the real estate multiple listing service. There shall be a rebuttable presumption that the owner did not intend to sell the unit if:
- (i) Within 30 days after the tenant has vacated, the owner does not list the single-family dwelling unit for sale at a reasonable price with a realty agency or advertise it for sale at a reasonable price by listing it on the real estate multiple listing service; or
 - (ii) Within 90 days after the date the tenant vacated or the date the property was listed for sale, whichever is later, the owner withdraws the rental unit from the market, the landlord rents the unit to someone other than the former tenant, or the landlord otherwise indicates that the owner does not intend to sell the unit;
- (f) **After owner gives notice to demolish or rehab.** The tenant continues in possession of the premises after the landlord serves the tenant with advance written notice pursuant to RCW [59.18.200](#)(2)(c);
- (g) **After owner gives notice for conversion.** The tenant continues in possession after the owner elects to withdraw the premises to pursue a conversion pursuant to RCW [64.34.440](#) or [64.90.655](#);
- (h) **After the property condemned.** The tenant continues in possession, after the landlord has provided at least 30 days' advance written notice to vacate that:
- (i) The premises has been certified or condemned as uninhabitable by a local agency charged with the authority to issue such an order; and (ii) continued habitation of the premises would subject the landlord to civil or criminal penalties. However, if the terms of the local agency's order do not allow the landlord to provide at least 30 days' advance written notice, the landlord must provide as much advance written notice as is possible and still comply with the order;
- (i) **After notice to vacate in a shared dwelling unit.** The tenant continues in possession after an owner or lessor, with whom the tenant shares the dwelling unit or access to a common kitchen or bathroom area, has served at least 20 days' advance written notice to vacate prior to the end of the rental term or, if a periodic tenancy, the end of the rental period;
- (j) **After notice when in transitional housing program.** The tenant continues in possession of a dwelling unit in transitional housing after having received at least 30 days' advance written notice to vacate in advance of the expiration of the transitional housing program, the tenant has aged out of the transitional housing program, or the tenant has completed an educational or training or service program and is no longer eligible to participate in the transitional housing program. Nothing in this subsection (2)(j) prohibits the ending of a tenancy in transitional housing for any of the other causes specified in this subsection;
- (k) **After expiration of rental agreement without new one.** The tenant continues in possession of a dwelling unit after the expiration of a rental agreement without signing a proposed new rental agreement proffered by the landlord; provided, that the landlord proffered the proposed new rental

agreement at least 30 days prior to the expiration of the current rental agreement and that any new terms and conditions of the proposed new rental agreement are reasonable. This subsection (2)(k) does not apply to tenants whose tenancies are or have become periodic;

(l) **When application found to have misrepresentations.** The tenant continues in possession after having received at least 30 days' advance written notice to vacate due to intentional, knowing, and material misrepresentations or omissions made on the tenant's application at the inception of the tenancy that, had these misrepresentations or omissions not been made, would have resulted in the landlord requesting additional information or taking an adverse action;

(m) **After notice for legitimate economic or business reason.** The tenant continues in possession after having received at least 60 days' advance written notice to vacate for other good cause prior to the end of the period or rental agreement and such cause constitutes a legitimate economic or business reason not covered or related to a basis for ending the lease as enumerated under this subsection (2). When the landlord relies on this basis for ending the tenancy, the court may stay any writ of restitution for up to 60 additional days for good cause shown, including difficulty procuring alternative housing. The court must condition such a stay upon the tenant's continued payment of rent during the stay period. Upon granting such a stay, the court must award court costs and fees as allowed under this chapter;

(n) **Tenant committed more violations.** The tenant continues in possession after having received at least 60 days' written notice to vacate prior to the end of the period or rental agreement and the tenant has committed four or more of the following violations, other than ones for monetary damages, within the preceding 12-month period, the tenant has remedied or cured the violation, and the landlord has provided the tenant a written warning notice at the time of each violation: A substantial breach of a material program requirement of subsidized housing, a substantial breach of a material term subscribed to by the tenant within the lease or rental agreement, or a substantial breach of a tenant obligation imposed by law; More details in the law.

(o) **Not disclosed or registered as sex offender.** The tenant continues in possession after having received at least 60 days' advance written notice to vacate prior to the end of the rental period or rental agreement if the tenant is required to register as a sex offender during the tenancy, or failed to disclose a requirement to register as a sex offender when required in the rental application or otherwise known to the property owner at the beginning of the tenancy;

(p) **Tenant sexually harassed owner or employee.** The tenant continues in possession after having received at least 20 days' advance written notice to vacate prior to the end of the rental period or rental agreement if the tenant has made unwanted sexual advances or other acts of sexual harassment directed at the property owner, property manager, property employee, or another tenant based on the person's race, gender, or other protected status in violation of any covenant or term in the lease.

It is important to note that this is an indepth law that affects all residential tenancies, landlords and owners. If there are any questions, consult an attorney.

Residential Rental Reality

Quiz Use Answer Sheet

Professional Associations

1. T / F ___ IREM is a subsidiary of the National Association of REALTORS.

2. T / F ___ All property managers Must belong to IREM.

Landlord Tenant Act

3. T / F ___ The Landlord Tenant Act is a Washington State law.

4. T / F ___ Property used for commercial purposes is exempt from the law.

5. T / F ___ A Landlord must provide working smoke detection devices at move in.

6. T / F ___ The tenant is not responsible to eliminate infestation caused by the tenant.

7. T / F ___ An oral or written agreement may establish a month to month tenancy.

8. T / F ___ A month to month tenancy can continue indefinitely until one party terminates.

9. T / F ___ Collection for a fee for a waiting list is illegal.

10. T / F ___ The landlord must have a written checklist signed by tenant of the condition in order to collect a damage deposit.

11. T / F ___ Any non refundable money paid to landlord must be called a fee..

12. T / F ___ The landlord must commence repairs to heat or water or hazardous conditions within 24 hours.

13. T / F ___ The tenant can withhold consent to the landlord to enter the unit if the tenant desires regardless of any notice given by landlord orally or in writing.

14. T / F ___ Property left by tenant after vacating automatically becomes the landlord.

15. T / F ___ A landlord must give written notice 20 days prior to end of rental period to terminate a month to month tenancy.

Fair Housing

16. T / F ___ Rental agreements for month to month tenancy are NOT subject to the federal, state and local fair housing laws.

17. T / F ___ A landlord cannot discriminate against families.

18. T / F ___ Senior housing must meet HUD guidelines to be “housing for older persons.”

19. T / F ___ A tenant can make changes to the unit to accommodate a disability, for example, a ramp to the front door. But, the tenant must put the property back in its original condition upon termination of tenancy.
20. T / F ___ An occupancy limit of less than 2 persons per bedroom may be considered too restrictive and appear to discriminate against families with children.
21. T / F ___ A landlord has the right to discriminate when renting out units in a building in which he lives himself.
22. T / F ___ In Seattle it is a violation to discriminate against someone because of their political ideology or Section 8 Housing.

Agency Law

23. T / F ___ Washington State Agency Law does not apply to property management.
24. T / F ___ A Landlord has to disclose all material defects to the property.
25. T / F ___ A property manager must provide prospective tenants a copy of the agency law.
26. T / F ___ An agency relationship with the tenant commences at the time the agent performs brokerage services.
27. T / F ___ The lease/rental agreement must disclose agency.

Lead Paint

28. T / F ___ The tenant must receive a lead paint disclosure form signed by the owner for properties built before 1978.
29. T / F ___ Lead paint disclosure does NOT apply to month to month tenancies.
30. T / F ___ The owner of a property must have paint tested for lead.
31. T / F ___ The lead paint disclosure is a multiple listing rule.
32. T / F ___ Lead paint can lead to lead poisoning.

Administration

33. T / F ___ Property management for a client could include a rental market analysis to establish a reasonable rental schedule for a subject property.
34. T / F ___ Rental standards can include a NO pets policy even for a seeing eye dog.
35. T / F ___ A rental policy can include no felony convictions.
36. T / F ___ Avoid words that may discriminate in ads as a property manager.

37. T / F ___ Avoid prequalifying a prospective tenant on the phone in such a way that you might discriminate against them.
38. T / F ___ A landlord must accept a tenant with poor credit if the tenant has a disability.
39. T / F ___ A tenant's housing stability can be considered in qualifying prospective tenants.
40. T / F ___ A landlord is required to check for references.
41. T / F ___ A property manager can only consider prospective tenants without children.
42. T / F ___ The property manager with permission can obtain a prospective tenants credit. The property manager must refer the tenant to the credit bureau if there is a reason for rejection.

Rental Contracts and agreements

43. T / F ___ A valid contract must have the complete and legal name of all parties.
44. T / F ___ The term of the lease does not have to be on the contract.
45. T / F ___ A minor can sign a rental agreement.
46. T / F ___ If the term of the contract is for more than a year then a full legal description must be on the contract.
47. T / F ___ A "rental agreement" is for a periodic tenancy.
48. T / F ___ A "lease agreement" is for a specific term or fixed period of time.
49. T / F ___ Late charges do NOT have to be spelled out on the agreement.
50. T / F ___ Any non refundable money must be called a "fee."
51. T / F ___ A copy of the rules and regulations should be attached.
52. T / F ___ The landlord is NOT required to provide a working smoke alarm.

Handling Eviction

53. T / F ___ There are only 16 just cause reasons for eviction under the new WA state law.
54. T / F ___ A landlord can end a tenancy if they have had an agreement for 6-12 months and the landlord gives 60 days notice.
55. T / F ___ A landlord cannot evict a tenant if the rental agreement expired and they cannot agree on a new one that has "reasonable terms."

56. T / F ____ The landlord and tenant can mutually agree to end a tenancy early in writing.

Summary

57. T / F ____ A person must have a real estate license to perform property management functions for the owner of rental property.

58. T / F ____ Property managers must not violate fair housing, agency and lead paint laws.

59. T / F ____ Property managers can keep deposits and rent in personal checking accounts.

60. T / F ____ A non refundable deposit does not have to be disclosed until the tenant vacates.

61. T / F ____ A tenant must be given 90 days notice of an impending foreclosure according to a new law passed in Washington State effective July 2009.

Answer Sheet... Residential Rental Reality

1		35	
2		36	
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I attest that I have read the materials and have answered the questions.

Date Course Started _____ **Date Course Completed** _____

Print Name _____ **Company** _____ **Signature** _____

Email: clockhours@gmail.com



Mandatory Evaluation for Residential Rental Reality

Did you read the material in the booklet on this date? YES / NO
Did you complete the quiz and attach answer sheet? YES / NO
Did you pay Tuition YES / NO
Did you fill out and sign this form? YES / NO
Why did you choose to take this course? Topic? Time? Cost? Ease? Other?
A "clock hour" is 50 minutes. This 5 hour class should take about 4 hrs 10 min.
How long did it take you to complete the course? _____

Will the material you learned improve your performance?	
Were the course materials easy to follow?	
Were the course materials relevant to your profession?	
Were your objectives met by attending the class?	
Was the course material interesting?	

What are 3 things that you learned from the course?

- 1.
- 2.
- 3.

Would you take another correspondence course from Professional Direction? Yes/ No

Residential Rental Reality	
Print Name CLEARLY	Signature
Company	Address
City Zip Code	Email
License Renewal Date	Date(s) Class taken

Thanks for taking this class! I really appreciate the brokers that take clockhours from my school! Natalie

Professional Direction

email: clockhours@gmail.com

www.clockhours.com