

Legal Compliance & Risk Reduction

Avoiding Property Management Pitfalls

*“WHERE THERE IS
A WILL, THERE IS
A LAWSUIT.”*





Let me count the ways...

- Fair Housing
- Improper Screening
- Bad Lease Agreements
- Deficient Conditions (Habitability)
- Abandoned Property
- Security Deposits (Small Claims)
- Advertising/Fee Disclosures

Our Tenancy Roadmap

Fee Disclosures

Screening/Application

Lease Agreement

Move-In

Communication and Habitability

Move-Out/Security Deposits

Abandonment

Settlements



FEE DISCLOSURES

Mandatory Monthly Fees need to
be disclosed in your advertising.

FAIR HOUSING

- Race
 - Color
 - National Origin
 - Religion
 - Sex/Gender
 - Familial Status
 - **Disability (70% of FHA Complaints)**
 - Source of Income
 - Sexual Orientation
- (Exemptions – Owner Occupied with no more than 4 units)



RESIDENT SCREENING

- Thorough and COMPLETE Application.
- Verify ID: What is your policy? Rent to undocumented or don't?
- ITIN?
- Policy requiring SSN is NOT okay.
- Verify Income and Employment.
- Verify Prior Rental History.
- Thorough Criminal Background (Sex Offender?).
- Beware of Synthetic Fraud!
- AI



2 STEP PROCESS

1 VERIFY APPLICANT IS WHO
THEY SAY THEY ARE.

#2 VERIFY APPLICANT IS IN
THE COUNTRY LEGALLY

STEP ONE:

*DOES
DOCUMENT
ESTABLISH
IDENTITY?*

DOES THE DOCUMENT
HAVE A PHOTO?
IF NO, IT'S NO GOOD

IF YES...

GOV'T ISSUED? (Doesn't have to be U.S.)

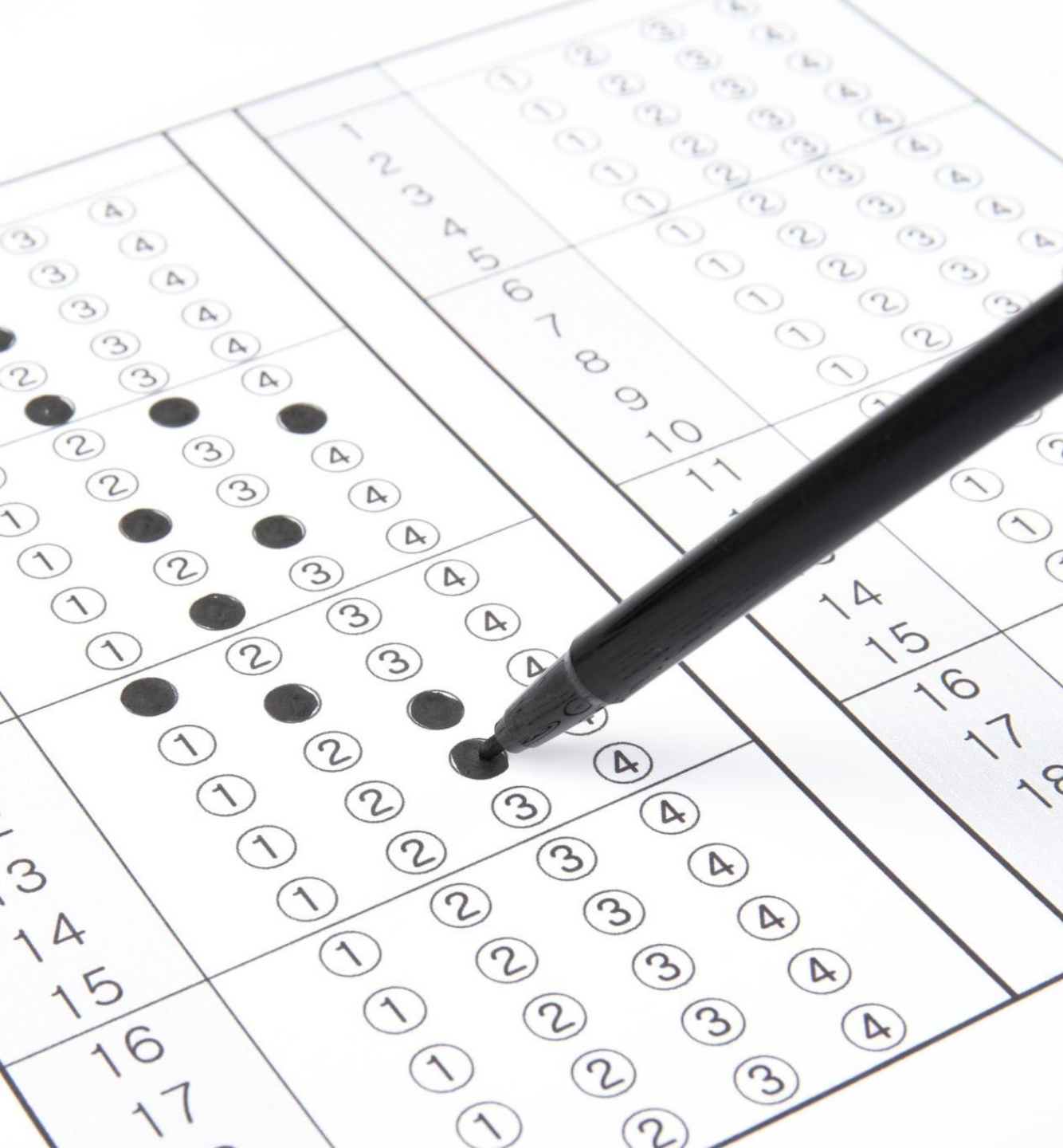
RECENT PHOTO? EXPIRED?

ONLINE APP:? VERIFY PERSON YOU
GIVE KEYS TO IS SAME PERSON ON ID

Lease Agreements

- Clear on fees
- Does unit match what was advertised?
- Contains liability waivers
- Signed by all parties
- Info on App matches info on Lease
- Double check and then check again
- Know the terms (Tenant and Landlord)





MOVE-IN CHECKLIST

Photos too...

COMMUNICATE!

Landlord:

Communicate about expectations. Respond to Work orders and complaints. Even if you don't think they are valid.

Tenant:

Communicate about issues. Don't ignore if repairs are needed. If late, communicate.

*HABITABILITY:
UTAH FIT
PREMISES ACT*

Deficient Condition vs.
Dangerous Condition

Deficient Conditions

UTAH CODE 57-22-3. Duties of owners and renters

Each owner ... shall maintain that unit in a condition fit for human habitation and in accordance with local ordinances and the rules of the board of health ... Each residential rental unit shall have electrical systems, heating, plumbing, and hot and cold water.



Deficient Condition - Notice

Is the resident current on rent? If not, the notice is not valid.

Is there a deficient condition? If not, no action necessary. But...communicate

If there is a deficient condition, fix it.

Need to take substantial action within 3 days if you get a notice.

If you choose not to fix it, the resident can vacate, and you return prepaid rent and deposit.

SECURITY DEPOSITS



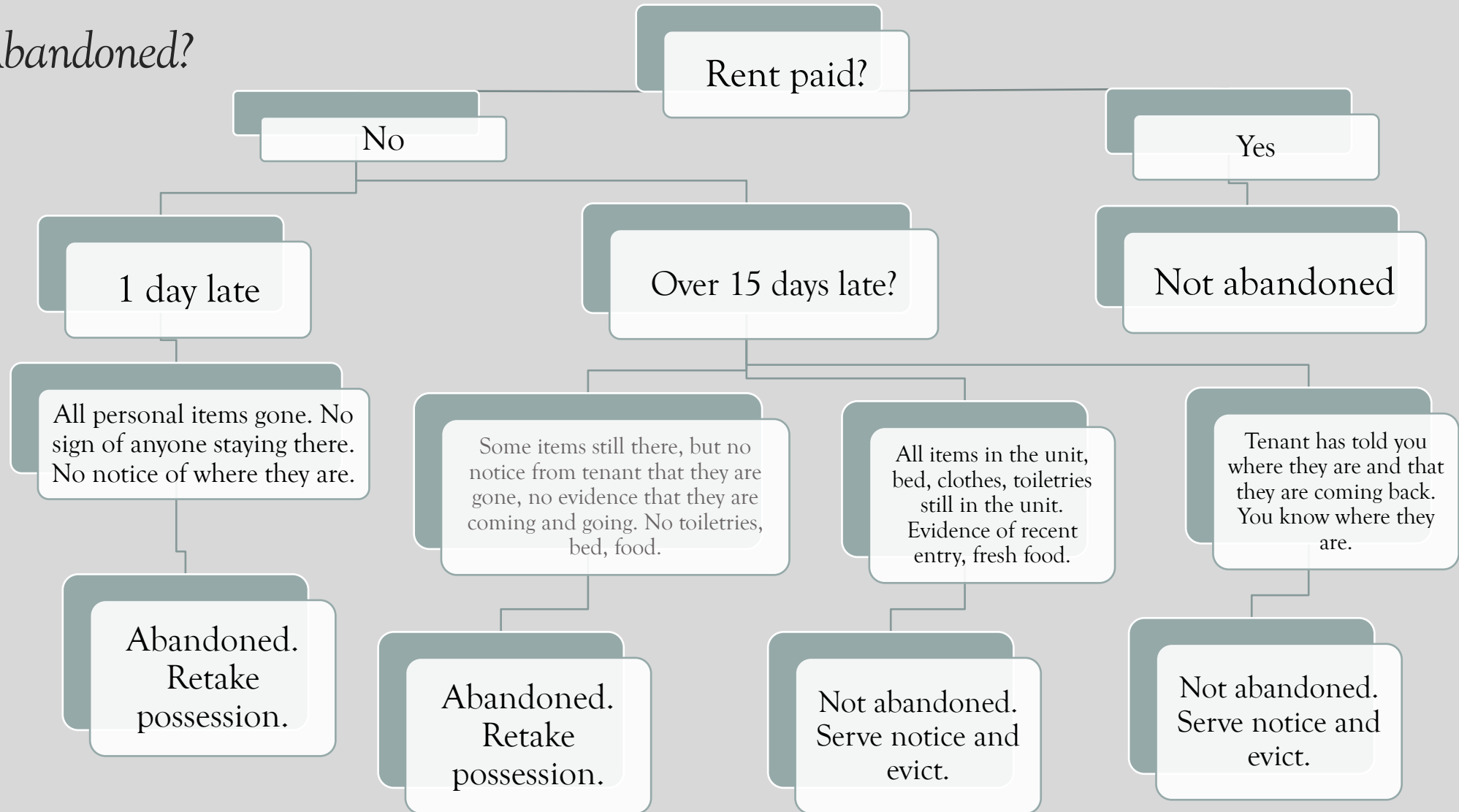
- Be thorough at move out (pictures, receipts, invoices, etc.).
- Document how the deposit is applied
- Use 3rd party vendors.
- **Be reasonable (normal wear and tear)**
- Provide a timely deposit disposition. 30 days.
- Respond timely to any notice from former tenant.



ABANDONMENT

- Inventory
- Notice of Abandonment properly mailed and posted
- Make reasonable efforts to call, email, text, emergency contacts, etc.
- Pictures/Video
- Hold property for at least 15 days from date of mailing and posting Notice of Abandonment
- Err on the side of giving more time not less

Is it Abandoned?





THANK YOU!

Questions?



TITAN
LEGAL