



In This Issue:

Landlord's Notice Regarding Non-Payment of Rent During Emergency Period

Special Announcement: Welcome Patrick Terry

Featured Articles:

How Tenant COVID-19 Behavior is a Predictor of the Future

Selling Rental Property: A Guide to Landlord Rights

How Tenant COVID-19 Behavior Is a Predictor of the Future

By **David Pickron** | October 22, 2020
rentalhousingjournal.com



Knowing how your applicant did in the COVID-19 times will be important information to protect yourself in the future.

As a newly married couple in our 20s, my wife and I went out and looked at new homes as we were trying to decide where to lay down our roots and start our little family. We walked through what seemed like a never-ending parade of homes to see what was on the market. When my wife walked in the last model home, which was decked out and highly upgraded, her jaw hit the floor and she looked at me, communicating non-verbally that this was the one; she had found her dream home.

Being new to the house-buying game and admittedly a little naïve to the process, we started our journey to purchasing our first home. Finding the home was the fun part, but qualifying, along with the accompanying mountains of paperwork, was another. After my wife picked out her upgraded white cabinets our first home cost \$114,000, and all I could think about was how am I ever going to qualify and afford the payment? But after looking at my wife and seeing that look in her eyes, I knew one thing for certain, I was buying that house.

continued on page 5

WEBINAR

**Tuesday, November 17th
3:00 p.m. - 5:00 p.m.**

Presented by: Tia Politi
Location: Online
Members Fee: \$30

For rental owners facing issues with their tenants right now, it's especially frustrating. Learn some tips on how to deal with these situations and how to navigate the ins and outs of HB 4213 and Executive Order 20-56.

Make a Contribution TODAY!



Who is the ROA?

Rental Owners Association of Southwestern Oregon is an organization that’s been around for over 30 years and consists of landlords who care about practical, legal and profitable land lording practices. Through the association, they share problems, solutions, and ideas with other landlords and find information that comes from similar organizations in Oregon and around the country.



Our Association is currently comprised of over 200 landlords!

Advertise Your Business in the ROA Newsletter!

The monthly newsletter reaches over 200 landlords who need your products/services to manage their rentals.

- Landscaping
- Contractors
- Electrical
- Security
- Flooring
- Pest Control
- Plumbing
- Insurance
- Painting
- Legal Aid
- Maintenance
- Carpet Cleaning
- Housekeeping
- Appliance Repair
- and much more...

Contact us at:

2707 Broadway Ave.
North Bend, OR 97459

info@roa-swo.com
(541) 756-0347

Book your spot today! Space is limited.

Half Page Ad

7.5 " W x 4.5" H = \$60
Outside Back Cover = \$100

Quarter Page Ad

3.5" W x 4.5" H = \$35

Full Page Ad

7.5" W x 10" H = \$100
(example not shown)

Business Card Ad

3.5" W x 2" H = \$20

Selling a Rental Property: A Guide to Landlord Rights

By **Darren Robertson** | Oct 26, 2020
rentecdirect.com



There may come a time when working as a landlord that you decide it is time to move on from some of your properties. Whether you're tired of managing that particular property or you feel that your investments are better placed elsewhere, selling rental property may soon be a priority on your to-do list.

Figuring out how to go about selling a rental property, with or without tenants involved, can be a bit confusing if you haven't handled this situation before. I'll share a few tips as a guide to landlord rights while selling rentals to help you make it through with ease.

#1: MARKETING AN OCCUPIED PROPERTY

Many landlords falsely believe that they have to wait until their tenants move out to start fully marketing a property, but that is not the case. When you are ready to start marketing, you simply need to make sure that you are always giving your tenants the appropriate notices.

First, you will want to let the tenant know that you are going to be putting the property on the market. Be sure to clarify if it is possible that they will get a new landlord or if you will only accept sale terms for after they move out.

Next, alert them about your plans for showing the property. State and local laws require that you give your tenant a certain amount of notice for all property showings, and this notice time should also be clarified in your lease terms. This notice is particularly important if you are renting to tenants via any low-income programs, as there are often special requirements for the notice.

Finally, make yourself available for all questions that your tenant has about the sale and the showings. Not giving them the space to ask questions could cause communication problems, and that is something that you want to avoid.

#2: SELLING AN OCCUPIED PROPERTY

Another commonly held misconception is that you cannot sell a rental property that has tenants living in it. Unless the terms of your lease forbid it, however, it is perfectly acceptable to list and sell an occupied rental property.

When selling a rental property with tenants, the tenants will either need to agree to move-out early on their own terms or you will need to sell to an owner that is willing to take over the active lease. The security deposit and lease terms will be transferred over to the new owner, and ideally, the tenant would agree to this transfer.

If you prefer to wait until the property is unoccupied so that you can stage it to attract higher offers, that is also okay. In the end, it's up to you.

#3: EARLY MOVE-OUT INCENTIVES

If you prefer to market an empty property or have not had any luck finding a buyer for an occupied rental, you may want to see if the tenant is willing to move out early. Many tenants will not be happy at the idea of leaving, but others can be offered incentives to close a move-out deal.

There are a few common offerings that landlords have used to compensate tenants for the inconvenience of moving out early:

- Cash for keys: offer a lump sum for the tenant to move out early
- Moving costs: cover the complete moving costs, which they would end up needing to pay if they wait out the lease
- Security deposit: help the tenant cover their new rental security deposit and first month's rent
- Offer any number you can afford

continued on page 8



**OREGON COAST
CARPET CLEANING**

- CARPET CLEANING
- UPHOLSTERY
- FLOOR CARE
- WINDOWS

CORY HORTON
541-297-5971
LICENSED/INSURED/BONDED/CERTIFIED

CHORTON@OREGONCOASTCARPETCLEANING.COM



E.L. Edwards Realty, Inc.
Your property management specialists.

Five locations to better serve you and your tenants.

- 120 Michigan Ave. Unit C Bandon, OR 97411
- 2707 Broadway Ave. North Bend, OR 97459
- 753 Fir Ave. Reedsport, OR 97467
- 161 Central Ave. Coos Bay, OR 97420
- 635 8th St. Unit A Myrtle Point, OR 97458

541.756.0347 info@eledwardsrealty.net




Sage Coleman
Broker
541.404.0431
f /TeamPacProSage
Se habla español

**View listings @ teampacpro.com
sage@pacificpropertyteam.com**

Webinar

HB 4213, Executive Order 20-56 & Tenant Noncompliance in the Age of COVID-19

Presented By: Tia Politi
Tuesday, Nov 17th 3:00-5:00pm
Members Fee: \$30

Addressing tenant violations of the rental agreement is challenging anytime, but for rental owners facing issues with their tenants right now, it's especially frustrating. Learn some tips on how to deal with these situations and how to navigate the ins and outs of HB 4213 and Executive Order 20-56 (eviction ban).

(541) 756-0347



How Tenant COVID-19 Behavior Is a Predictor of the Future

continued from page 1

The lengthy purchasing process began, and I was soon being asked for bank statements, canceled checks, and explanations on deposits and activity that were on my young credit report. I had to produce paycheck stubs and tax returns and other things I couldn't understand why they were possibly needed. I remember getting a request for an explanation on why First Mortgage had pulled my credit, especially because it was First Mortgage who was processing the loan. As many of you have been through this process, sometimes it's just better to write the letter than to fight the stupidity, as it seems the process becomes more about getting the file to a particular thickness to show all the things the underwriters did to approve the loan.

Those days were tough for a young 20-something, but I eventually got the home. I continued purchasing homes through 2007, with relative ease and minimal down payments. In fact, I even went the route of "stated income" and bought three homes at one time; no one even questioned me. Then came the 2007 housing crash and everything changed. No more easy qualifying, 25 percent down payments on investment homes, and maximum cap on the number of homes you could own as an investor, etc. Underwriters were now responsible if you defaulted on future mortgages, and that completely changed the game. What I thought was hard in my 20s became impossible in the late 2000s. The files went from an inch to five inches thick. Mortgage providers were paying the price, resulting from the laziness they created in prior years.

Tenant COVID-19 Behavior

Similarly, today we find some of our landlords effectively "bleeding out" because the rental game has changed. The major question plaguing landlords is, "How do I rent to someone when I know I might not be able to evict them for non-payment of rent?" Secondly, you must ask yourself how will you know in the future if your applicants had been financially responsible during this period affected by COVID-19? Like the underwriters post-2007, it's time to demand more information and make qualifying to rent a home a little harder in order to protect yourself in the future.

As a landlord, I want to know two things outside of the standard criminal, credit, and eviction search that I require for every applicant:

- First, do you have a solid job that will allow you to afford the rent? The importance of this is obvious, but often overlooked by anxious landlords who are just hoping to make next month's mortgage payment. Tenant covid-19 behavior is important.
- The second and equally important question is, "Did you get laid off during the shutdown, file for unemployment, and still pay your rent?" This is a critical factor in knowing how responsible this applicant is in handling his or her financial obligations.

I found the easiest way to get these answers are first, get the last two months' paycheck stubs and look at the year to date. If it is January, the December paycheck stub should show you how long they worked with their current employer by reviewing the year-to-date totals. If it is February, you might want to go back a few months, so you have more data than just the current year. Do not hesitate to ask for the same information from a prior employer paycheck stub if needed. Second, I want to see the last twelve months' rent payments, either by reviewing copies of their bank statements for that time period or seeing twelve canceled checks.

When applicants do not want to give you this information, let them walk. There is no reason to take a chance on someone that cannot produce the proof you need. It's much healthier for you to view this as avoiding a certain problem than losing a potential tenant. The right tenant who really wants your property will produce the information. Just like those late 2000s underwriters, it's time to tighten up our criteria and ask for more proof to make sure we protect ourselves and our investments during these high-risk years.

Form of the Month

Date: _____

and All Other Occupants

LANDLORD’S NOTICE REGARDING NON-PAYMENT OF RENT DURING EMERGENCY PERIOD

1

Dear _____ and All Other Occupants:

On April 1st, 2020, Governor Kate Brown issued *Executive Order 20-13*, placing a moratorium on all “no-cause” and “landlord-cause” termination notices and evictions, as well as termination notices and evictions for non-payment of rent. *Executive Order 20-13* was originally set to expire on June 30th, 2020. On June 26th, 2020, the Oregon Legislature passed *House Bill 4213*, which modified and extended the eviction moratorium on evictions through December 31st, 2020 (as extended by the Governor’s *EO 20-56*), and by doing so, also extended the emergency period through that date. The time period of this moratorium as extended, is referred to as the “*Emergency Period*.”

HB 4213 Notice

As your *Landlord* acting in accordance with *House Bill 4213*, this notice is to inform you of the following information regarding the end of the *Emergency Period* and the prohibition on evictions for non-payment of rent during the *Emergency Period*.

1. The *Emergency Period* is defined as the time between April 1st, 2020 through December 31st, 2020.

2. *Landlord* may not evict you before December 31st, 2020 for non-payment of rent, late charges, utility charges, service charges or any other charge or fee as described in the rental agreement or in *ORS 90.140, 90.302, 90.315, 90.392, 90.394, 90.560 to 90.584 or 90.630* that accrued during the *Emergency Period*.

3. You will not owe a late charge or other penalty for the *Non-Payment Balance* that accrued during the *Emergency Period*.

4. *Landlord* may terminate your tenancy if your rent or other charges or fees that come due after the *Emergency Period* are not timely paid.

5. Your “*Non-Payment Balance*” (which includes the net total amount due for all rents, utility charges, service charges or other charges described in the rental agreement or *ORS 90.140, 90.302, 90.315, 90.392, 90.394, 90.560 to 90.584 or 90.630* accrued and not paid during the *Emergency Period*) is \$ _____. This *Non-Payment Balance* remains due and owing and still must be paid.

6. You are entitled to a grace period to repay the *Non-Payment Balance* that accrued through the *Emergency Period*. This grace period ends on March 31st, 2021.

7. By _____, 2020 (“*Due Date*”), which is fourteen (14) days following the delivery of this notice (if not personally served, three days are added for first class mailing as required by Oregon law), you must either:

- (a) pay the *Non-Payment Balance*; or
- (b) notify *Landlord* that you intend to pay the *Non-Payment Balance* during the grace period that ends March 31st, 2021. You may notify *Landlord* by actual notice as described in *ORS 90.150* or by electronic means.

8. Your failure to either pay the *Non-Payment Balance* by the *Due Date*, or failure to timely notify *Landlord* that you intend to pay the *Non-Payment Balance* during the grace period that ends March 31st, 2021, gives *Landlord* the right to recover additional money damages from you after the grace period in an amount equal to fifty percent (50%) of one month’s rent.

9. All rent and other charges or fees that come due after the *Emergency Period* must be paid as usual or *Landlord* may terminate your tenancy under *ORS 90.392, 90.394 or 90.630*.

10. If your first year of occupancy ended during the *Emergency Period*, the end of your first year of occupancy is extended to 30 days after expiration of the *Emergency Period*.

Contact information for the county veteran’s service officer(s) / community action agency for the county where you live is: Veterans (and others) can call 2-1-1 for information and resources including veteran’s services and community action agencies.

**DOWNLOAD THIS FORM FOR FREE
at store.oregonrentalhousing.com**

Selling a Rental Property: A Guide to Landlord Rights

continued from page 3

Ultimately, it is up to you to decide what is reasonable to offer to the tenant as a bonus incentive to move out early. Remember, you cannot try to force or trick the tenant into leaving early, but there is nothing wrong with giving them beneficial offers that they can decide about themselves.

#4: CONSIDER EARLY TERMINATION CLAUSES

If you are starting a new lease for a property that you know you might like to sell in the future, you may want to consider adding an early termination clause to the lease. This clause can be used to coordinate an early move-out if you decide to sell, and it would let tenants know upfront that this offer is a possibility.

Typically, these early termination clauses include all of the following information:

- How much notice must be given to a tenant if the clause will be activated, typically between 30 and 90 days
- What kind of incentive the tenant will receive based on when the clause is used?
- If the tenant has the right to refuse the early termination clause or not

By adding this type of detailed information into the lease on potential sale properties, both you and your tenants will be in a better position for a future rental sale. The right lease terms can make a big difference in the sale process when you're handling the sale of occupied rentals.



Thinking of Selling?

List With Us!

Team Pacific Professionals Group
of Pacific Properties

541.404.0431

f /TeamPacProSage

sage@pacificpropertyteam.com



www.teampacpro.com

It's Here!

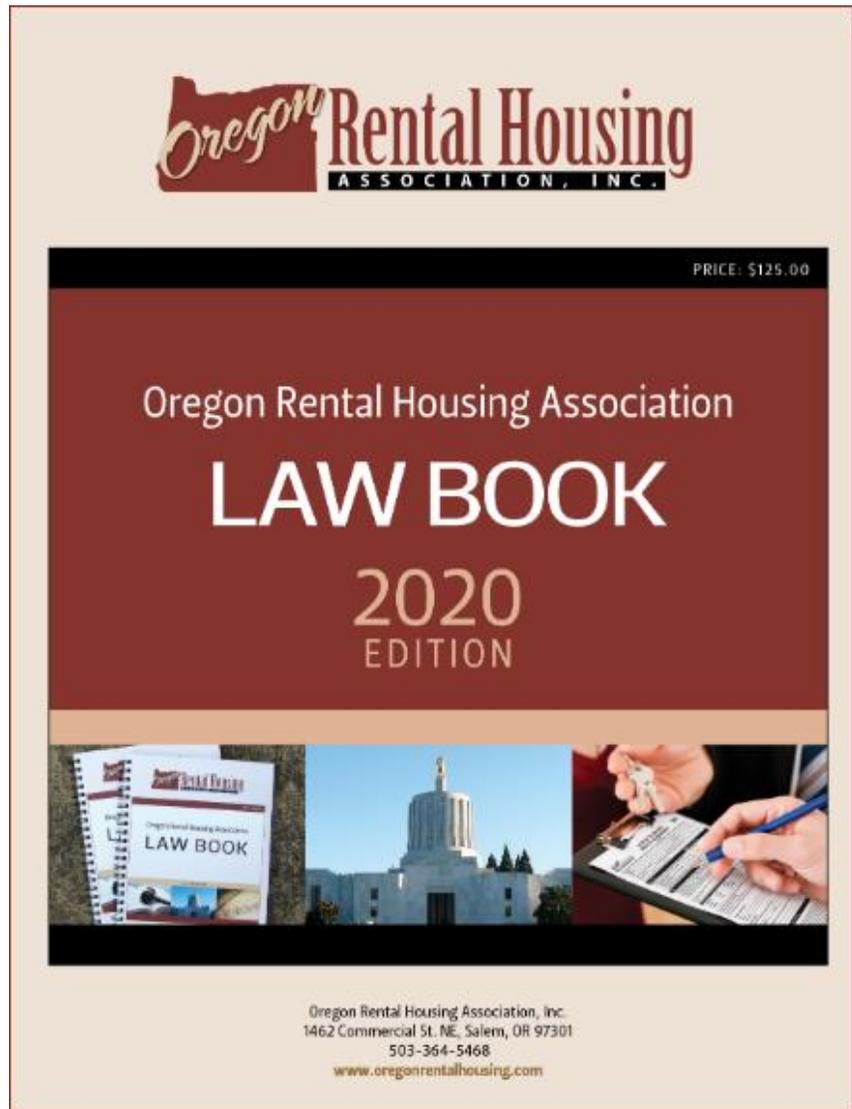
The 2020 Law Book
is our finest effort,
yet.

All statutes
completely updated!

Triple-attorney-
vetted commentary!

This is the BEST
guide available to
help you run a
successful business.

Remember,
ignorance of the law
is no excuse in court.



**Contact the Rental Owners Association of Southwestern
Oregon to order your Law Book today!**

**Know a fellow landlord who could benefit from using our helpline, taking some courses, networking with other landlords?
Refer them to your local ROA!**

Your ROA Board of Directors

President: Cindy Colter
coltercindy@gmail.com (541) 404-8609

Vice President: Jaime Thurman
jaime@eledwardsrealty.com (541) 756-0347

Secretary: Sage Coleman
sage@pacificproptiesteam.com

Treasurer: Kris Thurman
kris@eledwardsrealty.com (541) 756-0347

Position #1: Maria Menguita
malumeng@gmail.com

Position #2: Regina Gabbard
rgabbard15@yahoo.com

Position #3: Joan Mahaffy
mahaffyje12@yahoo.com (541) 269-6562

Position #4: Charlotte Dooley
charlotte@pacificproptiesteam.com

Position #5: Dennis Schad
dennisschad@gmail.com (541) 297-3609

Position #6: Reyna Hernandez
rhernandez@orcca.us (541) 435-7080

2021 Slate for Board Officers

President – Cindy Colter
Vice President – Jaime Thurman
Secretary – Reyna Hernandez
Treasurer – Kris Thurman

Ever wonder what goes on at ROA Board meetings? Have any suggestions to share? Interested in joining? Bring your thoughts and/or ideas. Or just listen in and see what we're all about.

The ROA Board of Directors meets every month. Meetings are always open to members. Contact us for more information.



roa-swo.com

Contact us at:

2707 Broadway Ave.
North Bend OR 97459

info@roa-swo.com
(541) 756-0347

This publication is designed to provide informative material to its readers. It is distributed with the understanding that it does not constitute legal, accounting, or other professional advice. Although the material is intended to be accurate, neither we nor any other party assume liability for loss or damage as a result of reliance on this material. Appropriate legal or accounting advice or other expert assistance should be sought from a professional.

Special Announcement: Welcome Patrick Terry



The Rental Owner's Association of Southwestern Oregon is so happy to announce that after Dave Tilton's retirement, we finally found a local attorney to represent our members. Please join us in welcoming Patrick Terry to the ROA family.

Mr. Terry has agreed to be our attorney on retainer and will be offering our members one hour of FREE consultation per year. In addition, he will be offering a 30% discount off his normal fee for representation.

Here's what you need to know about Mr. Patrick Terry:

He was born and raised in Coos Bay, Oregon. After graduating from Marshfield High School, Pat attended the United States Military Academy before attending the University of Oregon where he obtained a B.S. in Finance and a B.A. in History. Pat then attended law school at Case Western Reserve University in Cleveland, Ohio. Pat has been practicing law in Coos County since 2002, specializing in estate planning, real estate, business law, collections and landlord/tenant law. Pat has a unique perspective on the landlord/tenant relationship, having represented both landlords and tenants. He is a landlord himself, with 11 rental units. Pat is looking forward to meeting and working with ROA members.

When not working, Pat enjoys playing bass with his band, Gran Torino; playing keyboards with his son; hunting and fishing; and exploring the beach with his family.

- Circuit Judge Pro Tempore in Coos County Circuit Court 2013- 2017
- City Prosecutor, Reedsport Municipal Court 2017-present
- City of Coos Bay Budget Committee 2017 - present
- Eugene & Marlena Johnston Charitable Foundation Board Member 2018 - present



Need help? Call the Helpline!

FREE to all ROA members of the Southwestern Oregon Chapter.

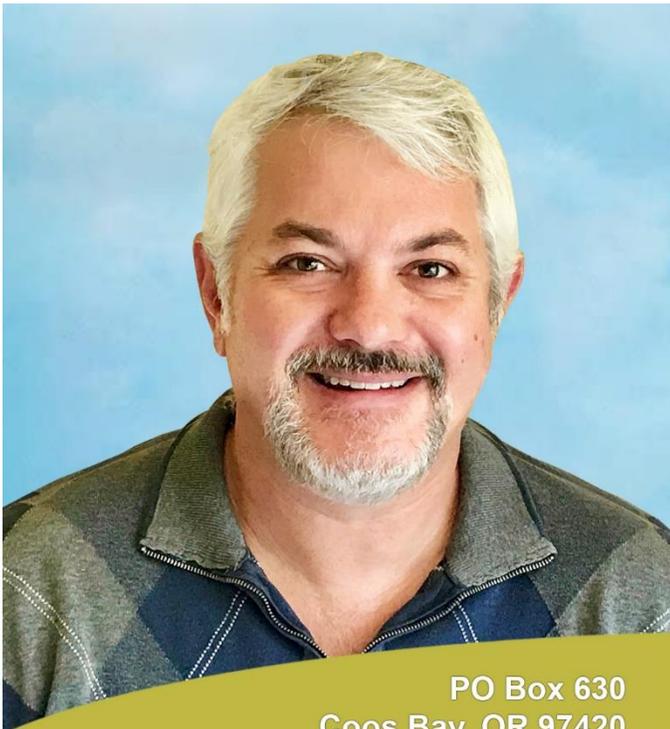


PLEASE NOTE: The ROA Helpline is still available for daily questions. Please feel free to call as often as you'd like and take advantage of this great membership benefit.



**RENTAL OWNERS
ASSOCIATION OF
SOUTHWESTERN
OREGON**

**2707 Broadway Ave.
North Bend, OR 97459**



Patrick M. Terry Attorney at Law

**Representing Landlords on the
Southern Oregon Coast since 2002**

As a business manager and landlord of 11 rental units, Patrick understands the needs of his clients and is eager to help you at any stage in your life.

He specializes in:

- Landlord/Tenant Law
- Real Estate
- Collections
- Estate Planning
- Business
- Probate

**PO Box 630
Coos Bay, OR 97420
Phone: (541)756-2056
assistant@pmtlaw.net**



ROA SWO's attorney on retainer.
Members receive a FREE one hour
consultation every year, plus
discounted rates for representation.