

The Backus Bulletin

"Your Management, Your Way"

HAPPY FEBRUARY!

February 2020

First—a reminder: All of you should have received your 1099s from us. If you had HUD tenants, the 1099s will be received by the end of February. If you have not received your 1099, please call your property manager.

All of our attention has been focused on AB 1482 (rent control and just cause evictions.) There were a few other laws passed last year that affect rental properties or owners so here is a recap:

AB2343: Three day notices for non-payment of rent or other purposes have always been counted as calendar days. They will now be counted as weekdays, with weekends and holidays excluded. Fortunately, we do not have to do too many such notices but you should be aware of the law.

SB 234: Family Day Care: expands the protection of at home day care providers from state and local laws.

SB 329: Source of income: For some time we have not accepted HUD section 8 applications. This law prohibits us from excluding the money paid by HUD as a source of income for an applicant, although it does not require us to change our requirements, all applicants will still need to meet all qualifying criteria.

SB644: Our normal deposit is 150% of the rental amount. The

law caps the amount that can be charged to a service member to 100% of rent.

SB721: All wooden decks, balconies, stairways and walkways must be inspected by January 1, 2025. We are still working on the most cost effective way to do this.

AB1110: Rent increase over 10% must have 90 days' notice. Prior to this it has been 60 days. Not too many rents are increased over 10%, but this is a really good reason to keep your rents near market and do small increases every year rather than wait for a big increase.

SB222: Veterans and Military have been added as a protected class. This means we cannot refuse to rent to them or have other special terms because of their status. This is not a problem because we have never discriminated against them in the first place.

Service Animals/Emotional support animals: This is getting really murky. We use an outside firm to screen animals (paid by prospective tenants) and they assure us they are on top of the allowable questions. We are still allowed to ask what the disability is that the animal has been trained to assist, but not ask for a demonstration of that assistance. We cannot require verification of a disability. We are still allowed to ask such questions of a person with an emotional support animal. My guess is that this issue will play itself out in court and we will keep you up to date.

Criminal History/Criminal acts: I won't bore you with the specifics, but this could become a real issue in properties that come under the new AB 1482 laws. We cannot evict a tenant for illegal activities on a property unless they have been convicted. As you know, such cases can extend into months and years, which could possibly become a big issue with bad tenants on a property. All the more reason to be very careful who we rent to, even if it is vacant for a while.

(Continued on pg. 2)



Backus Properties

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Office Hours: Mon-Fri 9am-4:30pm
Saturday - by appointment
Sundays & Holidays - closed

Announcements & Services

WHAT CAN WE DO TO MAKE OWNING A RENTAL PROPERTY EASIER FOR YOU?

We won't know unless you tell us! Don't forget we have an "Eviction Protection" plan for \$20.00 per month that covers the \$1,000-\$1500 attorney fees if you have to evict a tenant. We also have "Rent Protection" at 2% additional management fee that means we will pay the rent if the tenant does not pay on time or not at all. Call or email our office: info@backuspm.com or 831-455-2052.

THINKING OF BUYING OR SELLING?

If you are thinking of buying or selling, we can assist you. We specialize in residential and multi-residential units and are experienced in conventional sales, purchases as well as short sales. Just call and ask for Bill and we will help you with your Real Estate needs. There is no obligation. Check out your property value today!

ON-LINE STATEMENTS

Contact our office or e-mail our office at info@backuspm.com to sign up or for further information.

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Finally: The definition of adverse action now requires us to add a spouse or adult family member to a lease. In the past, we have required an application from anyone to be added to the lease and can accept or decline, although in most cases it results in an acceptance. Notice boyfriend or girlfriend is not included, which is good.

Now, I have a **question** for you owners who come under the new Rent Control and Just Cause Eviction laws: Currently our leases are written for one year and then go to a month to month basis after that. With the new laws, there may be motivation to require tenants to renew their leases for another year or vacate. The reason for the month to month transition in the past was to give the owners freedom to do as they please after one year. Now that we are limited to for cause evictions after that, would you prefer tenants be required to stay as well? It could perhaps create an unneeded vacancy but it also may work to stabilize the tenancies and give you compensation if they vacated before the end of the lease. Anyone with any thoughts—please send them along to me or your Property Manager.

As an addendum: do you have any family or friends that manage their own property? If so, ask them if they would like to be added to our **monthly newsletter** mailing list. No obligation and it would keep them up on the new laws.