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Next Meeting

**Tuesday, January 20, 2009**  
5:30 p.m. Granny Schaffer's Restaurant  
**Area Electrical Inspectors**

Our next meeting will be this coming Tuesday, January 20, 2009. We will have our buffet at 5:30 p.m. with our program to start at approximately 6:15 p.m. Cost of the meal is \$10 per person. Reservations are not required and guests are always welcome.

Speakers this month will be area electrical inspectors to speak on the changing code requirements and how they will affect our properties.

## Deducting Your Dues

The official percentage of NAA dues that is non-deductible for income tax purposes in 2009 should be disclosed to your members on your applications and/or dues renewal statements. According to the lobbying deduction provisions of the Omnibus Budget Reconciliation Act of 1993, associations must estimate the percentage of nondeductible dues payments.

**The 2009 percentage of NAA dues that will be non-deductible for income tax purposes is 12.32 %.**

This percentage is calculated using the total amount of dues NAA receives from members and the total amount that is expended on lobbying. The amount that NAA expends on lobbying includes the partnership contribution for NMHC, and how that money is expended by NMHC.

## Tax Calendar for Small Businesses on [IRS.gov](http://IRS.gov)

Are you running a small business? Would you like a calendar packed with valuable business tax information? The IRS is offering a free calendar to help you keep track of tax deadlines and important dates throughout the year.

You might be surprised to learn that the IRS publishes a calendar, like our popular Web site, [IRS.gov](http://IRS.gov), the calendar is part of our many services to help owners and operators of small businesses.

The Tax Calendar for Small Businesses and Self-Employed Individuals from the Internal Revenue Service is a 12-month calendar filled with deadline reminders, important information such as changes in deductible mileage rates and business tips such as how to organize business and travel expenses.

This widely-used special business tax calendar provides the small business owner with a ready resource for meeting his or her tax obligations. Each page of the calendar highlights different tax issues and tips such as business planning, accounting methods, tracking your records, and protecting your information that are especially relevant to small-business owners. The calendar has room each month to add notes, state tax dates or business appointments.

Topics include information on general business taxes, IRS and Social Security Administration customer assistance, electronic filing and paying options, retirement plans, business publications and forms, common tax filing dates, federal holidays and much more.

The 2008 IRS Tax Calendar for Small Businesses and Self-Employed, Publication 1518, is now available in both English and Spanish versions. For an online version of the calendar, visit the Small Business Self-Employed pages on the IRS Web site at [IRS.gov](http://IRS.gov). On [IRS.gov](http://IRS.gov) you can download the tax calendar due dates and actions, and import them into Outlook or iCal. Printed copies of the tax calendar can also be ordered online or by calling 800-TAX-FORM (800-829-3676). Remember that for the genuine IRS Web site be sure to use [.gov](http://.gov). Don't be confused by internet sites that end in [.com](http://.com), [.net](http://.net), [.org](http://.org) or other designations instead of [.gov](http://.gov). The address of the official IRS governmental Web site is [www.irs.gov](http://www.irs.gov).



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### Rental Times

Rental Times is printed monthly. This publication supports the activities and events of the SWMRHA. Our main focus is to increase awareness of law changes and educating the Apartment Industry. Please take advantage of the great

## Handy Web Sites for Helping to Screen Prospective Tenants

### Court Records

<http://www.courts.mo.gov/casenet/base/welcome.do>

### Nat'l Sex Offender Public Records

<http://nsopr.gov>

### Newton County Sex Offender List

<http://www.sexcriminals.com/registration-notification/us/Missouri/newton-county>

### Missouri Highway Patrol Sex Offender List

<http://mshp.dps.mo.gov/MSHPWeb/PatrolDivisions/CRID/SOR/SORPage.html>

## The Affordable Housing Cramdown

*By Robert L. Cain, Copyright 2009 Cain Publications, Inc. used with permission*

Be afraid, be very afraid. The latest mantra of those who would abrogate our property rights and interfere with our rental property businesses is "affordable housing." It always sounds so appropriate and worthwhile, no matter what the latest mantra. They plan it that way. Who can be against "affordable housing"? Well, nobody, and that's the problem.

Affordable housing means "decent, safe and sanitary" housing that is purchasable or rentable by people whose incomes are no more than 80 percent of the area's median. It includes Section 8 housing, which is available to those whose incomes are no more than 50 percent of the area's median.

The problem is that when drives for affordable housing hit roadblocks, those who are in the business of protecting the welfare of people who would rent or buy below-market housing take further action to make sure their goals are accomplished. People in communities with little or no "affordable housing" live there because they expect a lifestyle that reflects their capability of living in upscale communities. "Affordable housing" advocates say, "No fair. What gives you the right to live in upscale neighborhoods when all those other people can't afford to live there?" So they conjure up reasons why more successful people should have to share their enclaves of prosperity with those who can't afford to.

The State of New Jersey is a vanguard example. Encouraging building affordable housing didn't work; those pesky wealthy people just didn't want slums imported into their cities and towns, so the legislature established "affordable housing" quotas that cities and towns had to meet. For a while local governments got to barter off their quotas to other cities and towns; but once again those pesky wealthy people still got to live in communities without having to live near people they didn't want to tolerate. Last summer all that went away and now every city and town (at least those with too many wealthy people in it) has to have an affordable housing plan that fulfills the quota.

Why we should be afraid, very afraid, is that ideas such as New Jersey's are tested in one place to work the kinks out (or not), then foisted off on the rest of the country, often by our elected representatives in Congress. The result of this particular event is lower property values. Here's why.

Investment property is usually valued using cap rates. Cap rates are a function

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Any advice you may receive from any Director or Officer of the Association is simply our experience or willingness to help and is not to be construed as legal advice. Our intent is to network and to share our experiences with other members. We are not responsible for the legal content of any forms we provide our membership.

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## Affordable Housing Cramdown

of Net Operating Income, which is rental and other income, less a vacancy rate and operating expenses. The lower the Net Operating Income, the lower the value of property. That means if your Net Operating Income drops because you had to provide housing for people whose incomes are no more than 80 percent of median, or a low-rent complex gets built next door lowering rents in the area, you have lost some of the value of your investment.

For example, if your rents had averaged \$1500 a unit and the cap rate was 6 percent, the value of each unit would be \$300,000 (\$1500 x 12 divided by 6 percent). Suppose then, that you had make one quarter of your units "affordable" and that lowered your average rent per unit to \$1400? That would lower your value by \$20,000 a unit. Even worse, suppose the average went down to \$1250 a unit? You just lost \$50,000 a unit.

That doesn't even include the increased wear and tear you can count on with lower-income tenants.

Be afraid, be very afraid. Our property rights and our profits are an inconvenience that can be taken away by those with people with agendas. Join and/or participate in your local apartment, landlord or rental owners associations' political committees to protect your profits and property rights.

"Robert Cain is a nationally-recognized speaker and writer on property management and real estate issues. For a free sample copy of the Rental Property Reporter or Northwest Landlord call 800-654-5456 or visit the web site [www.rentalprop.com](http://www.rentalprop.com).

### Association Coverage Area

According to MAA, our Association covers a large area of southwest Missouri, southeast Kansas, northeast Oklahoma and northwest Arkansas. These are the counties which are in our Association's area:

Missouri: Barton, Jasper, Newton, McDonald  
 Kansas: Linn, Bourbon, Crawford, Cherokee  
 Oklahoma: Craig, Mayes, Cherokee, Ottawa, Delaware, Adair  
 Arkansas: Benton, Carroll

If you know someone who is a rental owner or manager or who is considering becoming an owner/manager, tell them about us and all we can do for them!

### RentLinx

List your properties  
 Here for on-line  
 Search of available  
 Housing units

[Www.RentLinx.com](http://Www.RentLinx.com)

### Associate/Preferred Vendor List

RentGrow—Tenant Screening  
 800-736-8476

First American Title Co.  
 417-623-1553

Apartment Finder of Springfield

**SOUTHWEST  
MISSOURI RENTAL  
HOUNG  
ASSOCIATION**

P O Box 1801  
Joplin, MO 64802-1801

Phone: 417-781-3337  
E-mail: info@swmorental.com



**'NO CALL' LIST**

You may sign up for the Missouri Attorney General's "No Call" List. Call toll-free 1-866-NOCALL1 or log on to:

[www.moago.org](http://www.moago.org).

**116109**  
**Current Membership**  
**Count:**  
**48 Members Managing**  
**837 Properties**  
**3 Associate Members**

**Each member of this Association shall:**

- Strive continually to promote the education and fraternity of the membership and to promote the progress and dignity of the apartment/rental housing industry.
- Maintain and operate our apartment/rental housing projects in accordance with fair practices and in compliance with the By-Laws of the Association.
- Promote and maintain a high standard of integrity in the performance of all rental obligations and services in the operation of our apartment/rental housing projects.
- Establish high ethical standard of conduct with suppliers and other doing business with the apartment/rental housing industry.
- Endeavor to expose all schemes to misleads or defraud the apartment/rental housing residing public and to aid in the exposure of those responsible.
- Seek to provide better values in apartment/rental housing.

**Purpose**

- The purpose of this Association shall be:
- To advance the general welfare of the rental housing industry.
- To participate for the purpose of mutual benefit in an interchange of information and experience with all state and local affiliated associations of the National Apartment Association.
- To encourage within the apartment/rental housing industry a high appreciation of the objectives and responsibilities of apartment/rental housing owners and operators in providing adequate privately owned housing.
- To promote the enactment and enforcement of local, state and federal laws beneficial to the apartment/rental housing industry and free enterprise.
- To disseminate useful information to all members and inspire them to further educate themselves in the practical features of their apartment/rental housing operations.
- To advocate a code of ethics to maintain high professional standards and sound business methods among its members for the best interests of the industry and the public.

**Upcoming Events and Dates to Remember**

**January 20, 2009** regular membership meeting 5:30 p.m. at Granny Schaffer's Restaurant.

**February 3, 2009** Board of Directors meeting at Keller/Williams Realty, 7th & St. Louis, Joplin, 6:00 p.m.

**February 17** regular membership meeting 5:30 p.m. at Granny Schaffer's Restaurant.

**March 3** Board of Directors meeting at Keller/Williams Realty, 7th & St. Louis, Joplin, 6:00 p.m.

**March 12** regular membership meeting 5:30 p.m. at Granny Schaffer's Restaurant.

**April 7** Board of Directors meeting at Keller/Williams Realty, 7th & St. Louis, Joplin, 6:00 p.m.

**April 21** regular membership meeting 5:30 p.m. at Granny Schaffer's Restaurant.