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Next Meeting

**Tuesday, July 21, 2009**

5:30 p.m. **Granny Shaffer's Restaurant**

**CPA Roger Wrestler**

Our next meeting will be this coming Tuesday, July 21, 2009. We will have our buffet supper 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.

Speaker this month will be CPA Roger Wrestler.

## High-Risk Tenants

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Something is wrong. An experienced landlord has a sixth sense about which tenants will be problems, but often cannot put a finger on exactly what it is. After all, all the references check out, they have good credit, and they seem like nice people. But there is just something wrong there.

Often what is wrong is simply something you have not thought of as a problem. The four types of tenants that follow tend to be problem tenants. They may have decent references and good credit, and they are certainly nice people, but the situations that they create are situations that can make them

undesirable tenants. Be forewarned that two of these types are protected classes, that is, they are members of a group that you may not discriminate against on that basis. That means that for you to reject them as tenants and keep searching for a more acceptable tenant, you may to reject them for a reason other than that they are part of a particular group. For a list of acceptable criteria that all applicants must meet, see the manual "Profitable Tenant Selection."

### ***Marital Change in the Past Year***

This is a protected class. You may discriminate because of marital status. However, you may discriminate based on the damage the tenant and/or his or her guests

# rentlinx

## June Stats

23 properties listed  
82 units  
1,707 property views  
6 web-leads

## RentLinx

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

**Www.RentLinx.com**

## Association Coverage Area

According to MAA, our Association covers a large area of south-west Missouri, southeast Kansas, northeast Oklahoma and north-west 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!

# Help With RentLinx

## Right After Our Meeting

For those of you who have not tried RentLinx—whether you are leery of the internet or whatever—several of your Board members have volunteered to bring their laptop computers to this next meeting to show and help you list your properties.

If you look at the stats from RentLinx just to the left in the margin on this page, you will see that we have a small number of properties listed on RentLinx.

Our Association has 888 units in our membership—and only 82 of these units are listed on RentLinx.

BUT—those 82 units had 1,707 views. These are people out there looking for a place to rent. They could be looking at YOUR properties too!

The process is very easy and can be changed and updated simply.

If you are interested in listing your properties on RentLinx and would like help getting started, just stay after the next meeting and several of us will be available to help you.

**The Following Story is Running Again Because It Came To My Attention That Some of the Information Was Missing Last Month**

## Tool Lending Library

Joplin has a tool lending library. This would be a library of home and lawn maintenance tools.

You must be at least 18 years of age and meet income guidelines.

The library is located at 120 N. Porter Ave., Joplin, just north of the Public Works Center. Operating hours are 2-4 pm Tuesdays and 9-11 am Thursdays.

For more information, contact Connie Chrisman at 417-624-0820, ext. 570.

## Associate/Preferred Vendor List

**RentGrow—Tenant Screening**

800-736-8476

**First American Title Co.**

417-623-1553

**Apartment Finder of Springfield**

**Sarah Luce Reeder & Associates**

**Creative Investments, LLC.**

Southwest Missouri Rental Housing Association  
Minutes of Regular Membership meeting  
Tuesday, June 16, 2009, Picnic at Ewert Park

Meeting called to order by President David Enke

Present: 19 members, 4 guests, and 1 speaker. Total 24.

Visitors Present: Malcolm and Heather Anderson; Larry Warren, Atlas Risk Mgt.; and Marie Zimmerman.

New Members Present: None.

Treasurer's Report: None available.

Membership Report as of May 5, 2009: Total-to-Date; 50/888 & 4 Associates.

Upcoming Speakers: Roger Wrestler, CPA.

Tonight's speaker was: Marilyn Ruestman, State Representative.

Tonight we collected \$39.00 for the 50/50 raffle. Total of \$96.00 for the past quarter, the winner of tonight's raffle was Cathy Forson, \$48.00.

President David Enke announced John Hutchison has resigned from the BOD. He asked for volunteers from the membership. According to the bylaws, Article XII states the vacancy shall be filled by the BOD for the unexpired term. J. Hutchison's term expires in 2010. If you are interested in the position please contact a current BOD member.

Reminders:

Next Board meeting will be July 7, at Keller Williams office at 6:00 p.m.

Next membership meeting will be July 21, at Granny Schaffer's.

Lyn Enke, Secretary

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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.

do in and to the property. The most volatile situation is where a husband and wife have split, and one moves into a rental unit that you own. Two things are likely to happen, neither of them good. The best is that they will get back together. Yes, that is nice for them, but not for the landlord. Assuming it is the wife who moved out, she will live in the property for two or three months, then she and her husband decide to try to resolve their differences and reunite. That means that you have a vacancy.

Every vacancy will cost you at least a month's rent. The worst thing that can happen is that the husband wants her to move back with him and she doesn't want to. Then he will be getting drunk, coming over, kicking in doors, breaking windows, and otherwise causing a ruckus, and getting the police called. If it is an apartment house, other tenants, the good ones, complain and move out. If it is a single family dwelling, the other neighbors complain to you and the police. Then you have to evict the tenant and try to collect for the damages over and above the security deposit. Some state laws even provide that a woman who is in fear of her ex-husband or boyfriend can move without notice with no penalty.

One way to mitigate damages for the situation where the tenants get back together is a lease. A one-year lease will at least pay you until the unit is rented again, assuming you can collect the damages for failure to maintain the lease. For the situation where the separation is not mutually acceptable, you have a much more difficult problem. Obviously, if this is not the first dwelling the tenant has rented since the separation, the previous landlord may provide you with some enlightening information.

If they are just separated, then you may have to rely on amount of income, credit history, or some other criterion that is clearly spelled out on the sheet that you hand to all applicants. Under no circumstances should you pull something out of the air, something that you have not required of all other applicants. Do that and you will get to talk to the Fair Housing investigators.

#### ***People Who Have Never Lived Together Before***

Usually this situation arises with people in their 20s. They have recently left home and have found some friends they think it would be neat to room with. Won't it be fun? Fun for the, not the landlord.

You can deal with this circumstance more easily than the first one. Here there is less likelihood of discrimination based on marital status. What you look for from applicants here is all of them meeting your qualifications. If any fail to pass muster, you can reject the lot.

If it is two recently separated men or women, though, go back to the first example, "marital change in the last year." The problem you will have is that people who have never lived together discover that they can't. They find out that going to parties and hanging out together was great, but that one of them is a slob, or they can't stand the boyfriend or girlfriend of the other one, who has, incidentally, moved in without their telling you.

Now one moves out, again without telling you. You keep getting the rent, but one day you show up at the door and the person who answers wants to know who you are. You were going to ask the same question. Remember Landlord Right Number Six? You have a right to rent only to those people who signed the rental agreement.

The problem is, they are now living here and you may have accepted rent from the un-rented-to party. In some states that can present a real problem in getting them out. If you have knowingly accepted rent from a tenant, you have automatically accepted him or her as a tenant. Then the question becomes, whether you knowingly accepted rent. The best defense you can mount is not renting to them in the first place.

#### ***Job Change in the Past Year***

Last hired, first fired. Especially dangerous are people who have worked at several jobs in the past two years. Usually people are not able to find work first thing after they have left

a job because of layoff or being fired. That means, unless they have considerable money in savings, they won't be able to pay some of the bills they owe. Sometimes that is the rent. What it all boils down to is that people who are unstable in their jobs may also be unstable in their living arrangements. Often frequent job changes go along with frequent residence changes. Often tenants will not tell you about the frequent residence changes on their rental application, either. What you will see is some of the addresses being "forgotten." That is why it is important when you check the tenant's references that you verify length of residence with the previous landlord. This reference is one that the previous landlord is likely to be more forthcoming about than, say, how good a tenant he was.

### **Self-Employed**

This is a category that I, personally, don't like to admit to being a high-risk, since I am a part of it. Hey, I wouldn't rent to me. Fortunately, I am a home owner and so don't have to try to rent a property from one of my subscribers or another careful landlord. In some circles "self-employed" is short for drug dealer. They are indeed self-employed, but they don't want to tell you at what. They might tell you something like they are "wholesales" or "suppliers." I suppose "manufacturers' representative" (in pharmaceuticals) might be appropriate.

Whatever the situation, the income of self-employed people, even those who are legitimate, is in a constant state of flux. If one of their customers doesn't pay them, they can't pay the rent. **Here's how to check them out:**

Check out the financial stability of a self-employed tenant by looking at last year's tax return. Don't look at the Taxable Income. Look at the Adjust Gross Income. That is likely to be a more accurate figure than the income they pay taxes on. You know how that works as a landlord. There are lots of things you write off as expenses that may not be 100% rental expenses.

- Confirm where they work.
- Ask to see company letterhead and business cards.
- Look in the telephone directory for a business listing.
- Look them up on a professional directory.
- If they work out of their home, soon to be a new home, ask probing questions about why they would want to uproot their business. Moving your personal residence is hard enough, moving a business, too, is a herculean task. Then verify their answers. Changes are, if they are leaving their current resident in less than favorable circumstances, they had a story all worked out to fool the new landlord. Be extra thorough with references.

Not all of the members of these classes will be up being bad tenants. In fact some of them could end up being some of your best. However, you will keep yourself out of tenant trouble much more easily if you give these groups the close examination they warrant.

*"From "Profitable Tenant Selection," available from ... 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 call 800-654-5456 or visit their web site at [www.rentalprop.com](http://www.rentalprop.com)."*

**SOUTHWEST  
MISSOURI RENTAL  
HOUSING  
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).

**07/14/09**  
**Current Membership**  
**Count:**  
**50 Members Managing**  
**888 Properties**  
**5 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**

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

**September 1** Board of Directors meeting at Keller/Williams Realty, 7th & Florida, Joplin, 6:00 p.m.

**October 20** regular membership meeting 5:30 p.m. at Granny Shaffer's Restaurant.

**August 4** Board of Directors meeting at Keller/Williams Realty, 7th & Florida, Joplin, 6:00 p.m.

**September 15** regular membership meeting 5:30 p.m. at Granny Shaffer's Restaurant.

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

**August 18** regular membership meeting 5:30 p.m. at Granny Shaffer's Restaurant.

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

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