

Nuts & Bolts for Property Managers

Here are some general questions about managing rental property in the Boulder area. If you have difficulty with any of these questions or if you find this sort of information helpful, then you'll find membership in BARHA most worthwhile.

True or false:

T F 1) You can choose to not rent to someone because they have a service animal.

False – service animals are considered a protected entity. You may not refuse to rent to someone because they have a service animal. You can ask for proof from a physician that this service animal is required medically for health or safety reasons.

T F 2) You can charge a pet deposit for a service animal just like every other kind of pet. False – by law you cannot charge a pet deposit or any extra fee for a service animal.

T F 3) You can use any size light bulb in a fixture as long as the bulb will fit into the fixture.

False - Light fixtures are designed for certain wattage. Do not use a wattage higher than specified or fixture can be overloaded/damaged and potentially may cause a fire.

T F 4) Boulder has a large four-legged rat problem.

True, it is believed that all of the surface water available via the ditches that run throughout the city contribute to a very large rat population. Care should be taken to discourage them from moving in to your property!

T F 5) It is illegal to require a social security number as part of a rental application.

False – it is totally legal to request social security numbers – owners are cautioned that problems arise when certain tenants are asked and others are not. The key to all Fair Housing issues is to treat ALL residents the same.

T F 6) It is the law in the State of Colorado that apartments must be painted every time an apartment turns over.

False – there is no such law. This is one of those myths that seem to circulate among tenants, but there is no factual basis behind it.

T F 7) When paying interest on security deposits in the city of Boulder, you must include interest on last month's rent if that amount is required to be put down at move in.

False – last month's rent is considered rent and not a security deposit and therefore an owner need NOT pay interest on this amount. This was a relatively recent court decision.

T F 8) The interest rate that is to be paid on security deposits in Boulder is the rate of interest that is in effect when the refund is made.

False – this is tricky. Interest begins to accumulate the day that security deposit monies are received. The rate paid has nothing to do with the rate in effect when the refund is made.

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T F 9) Using a professional attorney to handle an eviction will cost at least \$500.

False – we have member attorneys who handle routine evictions for about \$200. In today's litigious society, it is a good idea to have an attorney handle evictions. In the long run it is usually far less expensive than costly mistakes an owner can make handling his own claim.

T F: 10) If you get a 7 day demand letter from a former tenant, it is just a formality and so you can just ignore it.

False – this letter received from a former tenant demanding refund of their security deposit is a serious matter. Generally, you should refund the entire security deposit in the required time and then go after the tenant in small claims court for any damages. If you do not follow this rule, a judge may hit you with treble damages. Depending on the circumstances, if you get a 7 day demand letter, that may be a good time to seek legal advice. Do not ignore a 7 day demand letter.

T F: 11) Black, sooty looking marks near a switch or an outlet is a dangerous sign. You should have an electrician evaluate the wiring.

True – Such marks are often a sign of damage to the wiring – an electrician should be consulted as a fire could result.

T F: 12) If you allow a tenant to be late with their rent payments, this sets a precedent that will make it harder for you to take that tenant to court later to collect for unpaid rent.

True – if you continue to allow a tenant to be late with payments with no penalty, such behavior may be seen by a judge as giving tacit approval for tenants to pay late. Being “Mr. Nice Guy” may cause you grief later!

T F: 13) You can feel comfortable that the occupancy that is listed on a City of Boulder rental license is the valid legal occupancy for that unit.

False – even though this is a city issued document, time and again the city have made it clear that information on that license cannot be relied upon for correct occupancy numbers. If a property is grandfathered for occupancy, that information must be researched for each individual property through the EZEO office. It is a very good idea to look closely when a new Rental License is issued to make certain that the number of units and other info is correct.

If one is buying a property that claims higher than normal occupancy, it is important to validate the legal occupancy information for that property before buying it- do not rely on the license.

T F: 14) In order to maintain one's "Grandfathering" of density rights on a property, every succeeding lease must meet the higher occupancy levels.

True - it is the law that in order to maintain grandfathered or higher than usual occupancy rights, a property must always maintain the higher level or the “chain” will be broken and the grandfathered rights will be lost. For that reason it is essential that copies of leases and other proof of occupancy be maintained permanently on grandfathered properties.

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T F: 15) Colorado state laws requires that interest be paid on security deposits.

False – there is no state law requiring payment of interest on security deposits. This law exists only in the city of Boulder and nowhere else we are aware of in Colorado.

T F: 16) If a resident presents you with a restraining order against their spouse (who is also on the lease) – you have the right to lock out the spouse who is cited in the restraining order.

False – if both spouses are signers on the lease, then owner/manager may not lock out one of the spouses EVEN IF a restraining order against them exists. Rather, the manager should change the lock, give a new key to both parties and advise the party who holds the restraining order notice before giving the other spouse a key to the new lock.

T F: 17) The police have a right to verbally force tenants to let them into your property.

True & False – The police or EZEO may try to verbally “convince” the tenants that they should be let into the property, but they may not FORCE their way in or enter without the tenant’s permission. The tricky part here is that often they intimidate the tenants into believing that they have the “right” to enter.

T F: 18) You have the legal right to choose to not rent to someone with children.

False – In most rental situations, children are a protected class under federal Fair Housing laws. There are a few exceptions such as in senior housing. Note: students are NOT a protected class so one can choose to not rent to students. Be careful here again, one must enforce all laws uniformly- problems arise when tenants are treated differently.

T F: 19) Move-in checklists protect the residents and therefore should not be used.

False - move-in checklists protect both the resident and the owner and decrease damage charges between the two. It is worthwhile to make certain that checklists are completed in a timely manner by new tenants and attached to the lease so it can be used at check-out.

T F: 20) The main causes of fires all over the U.S. are candles and smoking.

True - this is true throughout the U.S. Remember that now two of our largest fires were caused by smoking butts and ashes being “extinguished” in flower pots filled with potting soil. Potting soil is flammable and we need to be sure that everyone is educated about that fact.

If you got all of the questions right, you’ve been attending our meetings and our classes and listening and learning! You get an A! If you missed any of the above, we hope to see you at more BARHA meetings and classes!!! There is a lot to learn in this business and we work hard to keep you up to date!