



## 2011 LEGISLATION UPDATE

You asked, we listened! One of the most popular suggestions from our property owners is for our newsletter to have more updates on landlord law and regulation, as well as to see more detailed market results of rentals in Marin County. This month we will cover new legislation for 2011 and common laws and practices in the industry that effect landlords.

The California legislature has completed the 2010 session and the following bills have been chaptered and will become law:

### NEW FEDERAL REQUIREMENTS:

**Lead Regulations:** As of April 2010, the Environmental Protection Agency (EPA) requirements regarding lead paint training went into effect. One must be certified to do repairs or maintenance on surfaces that potentially contain lead-based paint. This applies to pre-1978 properties when more than six square feet of interior paint or twenty square feet of exterior paint are disturbed, unless the premises have been certified to be lead-free. In addition to the pamphlet required at the beginning of the tenancy, there is now a pamphlet called "Renovate Right," which is required to be distributed prior to qualifying repairs. The rule is available at: [www.epa.gov/lead/pubs/renovation.htm](http://www.epa.gov/lead/pubs/renovation.htm).

**"Red Flags" Identity Theft Rule:** Prompted by the nearly 10 million Americans that have fallen victim to identity theft, the Fair and Accurate Credit Transactions Act of 2003 (FACTA) amended the Fair Credit Reporting Act (FCRA) and required financial institutions and creditors to develop and implement written identity theft programs aimed to protect businesses and consumers from identity theft. The FACTA establishes new rules referred to as "Red Flags" that require financial institutions and creditors to develop policies and procedures for identifying, detecting and responding to any practice or activity that may indicate

### See Page 2 for Quick Tips: Laws & Rules YOU Should be Aware of Now

potential identity theft. The compliance date for the red flags rule was recently extended to December 31, 2010. After the effective date, financial institutions and creditors must have in place written programs to protect against identity theft. While it is not clear whether the rule applies to landlords, prudent industry professionals are complying with the regulations in order to reduce the risk of harm to debtors and protect themselves from potential future liability.

**Water Conservation:** Water-conserving plumbing fixtures are required to be installed in all single-family homes by January 1, 2017, and in multi-family properties by January 1, 2019.

### TRENDS:

**Proposition 19:** Although this proposition did not pass, many landlords have ex-

pressed concern about the possibility that marijuana may be legalized in California in the future. It does not appear that there would be any significant difference between restrictions on tobacco smoke or marijuana smoke if the general use of marijuana becomes legal. The use or growth of marijuana for medical purposes would not likely be affected by legalizing non-medical use.

Currently, landlords must make a determination as to whether such use or growth for medical purposes is a "reasonable" accommodation for a resident with a documented medical-use license, given that it is still illegal under federal law.

### Second Hand Smoke in Rental Housing:

Many cities (including Novato) have passed anti-smoking legislation, either allowing or requiring landlords to protect residents from secondhand smoke. New smoke free laws are being added rapidly. A database of California smoke free laws is available on the internet at <http://ccap.etr.org>.

## ***New Legislation to Start Following Today!***

### SB 183 Carbon Monoxide Detectors

This section requires installation of carbon monoxide detectors. The State Fire Marshall is required to certify and approve carbon monoxide detectors and instructions. By July 1, 2011, certified detectors must be installed in all single family dwellings having a fossil fuel burning heater or appliance (such as a gas stove or oven), fireplace or attached garage. Installation in similar multi-family dwellings will be required as of January 1, 2013. The number of detectors installed must be consistent with new construction guidelines. At least one device must be installed on each floor of a dwelling. The penalty for failure to comply is up to \$200 for each offense, after a

30 day notice to correct.

The owner/agent may enter the dwelling unit to install, repair, test or maintain the detector(s). The tenant must notify the owner if he or she becomes aware that a detector isn't working. Upon notification, the owner must repair the detector.

Unlike smoke detectors, CO detectors must be replaced every 7 years. Note that hearing impaired residents may need smoke detectors and CO detectors that emit flashes of light in addition to sounds. The real estate sales disclosure form regarding compliance with smoke detector and water heater requirements has been modified to add a disclosure regarding carbon monoxide detectors.

## THE PRANDI STAFF

### **Melissa Prandi, MPM®**

President & CEO | ext. 203

### **Matt Borries**

Vice President & Property Manager | ext. 213

### **Dana Sansing-Esquibel**

Senior Property Manager | ext. 204

### **Christine Goodin, RMP®**

Senior Property Manager | ext. 206

### **Roxie Mikolon, CSS<sup>sm</sup>**

Assistant Property Manager | ext. 212

### **Nikki Maida**

Assistant Property Manager | ext. 202

### **Cristy Roberts, CSS<sup>sm</sup>**

Assistant Property Manager | ext. 215

### **Reidun Waage**

Client Account Manager | ext. 207

### **Erin Leidy**

Director of Business Development & Marketing | ext. 205

### **Kaylee Carroll**

Brand Marketing Specialist | ext. 217

### **Lisa Doughty**

Office Coordinator | ext. 200

### **Barbara Burdick**

Executive Leasing Agent | ext. 221

1321 Third Street

San Rafael, CA 94901

**DRE Broker License #00980159**

**Ph: (415) 482-9988 Fax: (415) 482-6633**

**E-mail: [info@prandiprop.com](mailto:info@prandiprop.com)**



PRANDI Property Management, Inc. proudly holds the Prestigious Certified Residential Management Company (CRMC®) designation, from the National Association of Residential Property Managers (NARPM).

## *Vision Statement...*

*To be the most trusted name in property management services in Marin County by offering unparalleled customer service through effective communication, technology, and continued education. The PRANDI Team will continue to be the most respected leader in the industry and strengthen our presence in Central and Southern Marin.*

## NEWS & UPDATES

We have been receiving valuable feedback from our 2011 Client Survey, which was sent to you through SurveyMonkey.com. We have had great feedback of what our clients would like to see included in the newsletter, as well as what is important to you in a management company and thoughts on how to improve our services for you. We will be working hard to meet and *exceed* your expectations this year! Please, **if you have not yet had a chance to respond** to our survey visit: [www.surveymonkey.com/s/2T6MZDT](http://www.surveymonkey.com/s/2T6MZDT) to complete it today!

We have closed out the books for year 2010 and your Mortgage Interest Statement has been *uploaded to your portal* and your 1099s should have been received in the mail. Most of our owners would have received two 1099s and two Annual Summaries—one for each software program we used last year. We apologize for this inconvenience, we promise next year there will be only one of each of these documents!

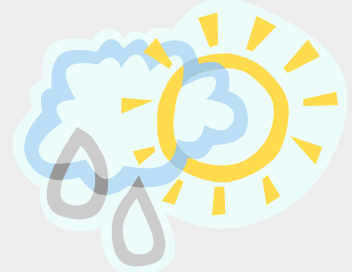
If you notice **any discrepancies** in your name, address, social security number or tax ID on your 1099s please contact us immediately. Accurate reporting to the IRS benefits everyone.

Moving forward to 2011—we are beginning the process of paying **property taxes**, so if your owner draw is a bit less this month, they may have been paid or funds have been held back in anticipation of paying them. If you'd like more details on your property tax payments or hold back please contact us at 415-482-9988.

Although Spring is right around the corner, Marin County has been experiencing some very unusual weather—from rainstorms to sun and freezing cold temperatures the weather has been a roller coaster—with reported **snow in Marin County** this weekend!!

**Thank you!**

—Your PRANDI Property Management Team



## ***A Good Landlord (or Landlord's Agent) Knows...***

- A landlord has 21 days to provide proper accounting of the security deposit and return any excess deposit beyond “normal wear and tear” to the tenant. They must provide receipts for all work and items billed from the deposit.
- A landlord must give at least 24 hours notice to the tenant in writing before entering the property, and generally can only enter during normal business hours Monday through Friday from 8am-5pm.
- If someone with a disability would like to make reasonable modifications in and outside the property an owner **must** allow these modifications at the tenants own expense. An owner can require the property be brought back to original condition upon vacating the property.
- There is no legal limit on the age and replacement of carpets, so long as it remains in a habitable condition, which means free from substantial health or safety hazards.