

RHR Information Services, Inc.

Select Rent News

Editor's Note



What is Earth Day?

Celebrated every April 22, Earth Day is the largest and most celebrated environmental event worldwide. Earth Day was first launched as an environmental awareness event in the United States in 1970, and is now celebrated as the birth of the environmental movement.

The spring is here and so are the warmer temperatures. We look forward to helping you with your screening

needs as the busier season of the year approaches.

We hope you will enjoy the April issue of our newsletter. We brought you up to date landlord and tenant information as well as information about a criminal product that may enhance your tenant background check.

Please contact me with any questions, concerns and/or suggestions.

Thank you, Jana Castillon

Inside this Issue:

- Criminal Super Search **1**
- Owning Rentals Takes Patience, Diligence **2**
- Criminal Background Check for Real Estate License Applicants **2**
- NAPBS Conference in Austin, Texas **3**
- MHA Elected a New Board Chair **3**
- Illegal Discrimination **4**

Criminal Super Search

Many of your potential tenants come from different parts of the country and very likely they moved more than once.

The first step to find a good tenant is to conduct a thorough background check. In order to obtain comprehensive criminal background information just checking the places of residency may not be sufficient in some cases.

Therefore another product in combination with a single county and/or statewide criminal search may be the best option.

Most of our current clients feel our criminal super search is the best value. The search conducts an instant multi-state search of criminal records.

The Super search accesses criminal information from 50 states.

Each report contains a wealth of information, including felony and misdemeanor records, sex offender records, inmate records, and arrest information.

Records do vary by state so please ask your RHR Representative for a list of product components by state.

888-389-4023 or
952-545-3953

Owning Rentals Takes Patience, Diligence

Owning rental property seems like an easy way to generate extra income. However, it's actually not that easy.

According to a recent survey by the National Association of Realtors, 40 percent of home sales in 2005 were second homes and 35 percent of current investment property owners plan to buy another property in the next two years.

Because 63 percent of those questioned by NAR said they bought the investment property for the rental income, it behooves landlords to be scrupulous in their searches for good tenants.

Landlords who take shortcuts when screening potential tenants, who skimp on insuring the property or who fail to outline everything in a detailed, written lease can end up with unpleasant and, yes, costly surprises.

But there is one shortcut neophyte landlords can take: They can listen to the pros so

that they won't have to learn lessons the hard, expensive way.

Do your own due diligence

"Never accept a credit report that a tenant brings you." Many landlords charge prospective tenants an application fee to cover the costs of screening. Contact an RHR Representative to get product information and pricing.

Check references

When screening tenants, always asks for two landlord references. The past, not the current, landlord is the most important reference because the present landlord might fudge the truth to get rid of a terrible tenant.

Buy adequate insurance

Protecting yourself goes beyond combing through a tenant's background. Another form of protection is proof of a property's condition.

Just say 'no' to form leases

And what about those leases for sale at office supply

stores? They're useless because each state has different landlord and tenant laws.

Also, set up house rules, put them in writing and enforce them uniformly to avoid charges of discrimination.

Heed environmental matters

With environmental concerns taking center stage nationwide, landlords, also, have to take heed. They must watch out for lead paint, asbestos, mold and overall indoor air quality.

Landlords should give tenants the U.S. Environmental Protection Agency booklet, "Protect Your Family from Lead in Your Home."

Finally, each expert recommended demanding an adequate security deposit from tenants, a form of protection if all the above fails. Insist on getting the deposit before the tenant moves in - and in certified funds.

Call your RHR Representative with any questions and/or concerns.



Criminal Background Check for Real Estate License Applicants

This month, the Kansas Senate passed **HB 2295**, KAR's legislation which would require criminal background checks for all new real estate license applicants and place

limitations on the licensure of certain convicted felons by the Kansas Real Estate Commission, on a vote of 39 to 1. Since the Senate Federal and State Affairs Committee

made several amendments to the legislation, **HB 2295** is now headed to a conference committee between the House and Senate.

NAPBS Conference in Austin, Texas

This year's conference of the National Association of Professional Background Screeners was held in Austin, TX.

The focus of the conference was current issues in the screening process—obtaining criminal information from various sources, how to disclose criminal history as well as an overview of the Fair Credit Reporting Act. You can obtain a copy of the Summary of the Fair Credit Reporting Act by going to our website.

Here is an excerpt from the NAPBS conference presentation on why we need to screen applicants.

WHY SCREEN?

An effective background check is an excellent return on your small investment because one negative workplace incident can cripple your business.

An effective applicant screening program will:

- Reduce company turnover
- Discourage applicants with something to hide or a reason to falsify credentials
- Protect your employees and customers alike
- Send a message to your employees that you are committed to providing a

safe workplace environment

- Decrease your exposure to internal theft and/or fraud
- Reduce liability-negligent hiring or retention greatly increases a company's exposure to large lawsuits
- Eliminate uncertainty in the hiring process by allowing you to base decisions on factual information.

If you have any questions please contact your RHR Representative.

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MHA elected a new board chair for 2007-2008

April 1, 2007 – Frank J. French, Chief Operating Officer (COO) of Property Management (Residential and Commercial) for The Goodman Group, took office as the 41st Chair of the Minnesota Multi Housing Association (MHA) on April 1, 2007.

French joined The Goodman Group in January of 1996 and is responsible for the company's residential and commercial portfolio consisting of nearly 5,000 apartment homes and more than

650,000 square feet of commercial space. He is also responsible for the facilities management of the company's real estate holdings, which includes residential and commercial holdings in six U.S. states and residential property in Berlin, Germany.

French holds a Bachelor of Science degree from Wayne State College and has more than seventeen years of property management experience.

French succeeds the 2006-2007 Chair Steve Frenz, president and owner of JAS Apartments, Inc. in Minneapolis.

The induction of French and his administration was held on March 21st at MHA's Presidential Gala at the Town & Country Club in St. Paul.

For more information please visit <http://www.mmha.com/>



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The Right Path to the Right People



Disclaimer: This newsletter has been developed for informational purposes only for use by the customers of RHR Information Services, Inc., and should not be relied upon as definitively accurate. Due to the complex nature of your business, we strongly suggest that you work closely with legal council when making business related decisions.

Illegal Discrimination

What types of housing discrimination are illegal?

The Federal Fair Housing Act and Fair Housing Amendments Act (42 U.S. Code 3601-3619, 3631) prohibit landlords from choosing tenants on the basis of a group characteristic such as:

- Race
- Religion
- Ethnic background or national origin
- Sex
- Age
- The fact that the prospective tenant has children (except in certain designated senior housing)
- Mental or physical disability

In addition, some state and local laws prohibit discrimination based on a person's marital status or sexual orientation. On the other hand, landlords are allowed

to select tenants using criteria that are based on valid business reasons, such as requiring a minimum income or positive references from previous landlords, as long as these standards are applied equally to all tenants.

What are examples of housing discrimination?

The Fair Housing Act and Amendments prohibit landlords from taking any of the following actions based on race, religion or any other protected category:

- Advertising or making any statement that indicates a preference based on group characteristic, such as skin color.
- Falsely denying that a rental unit is available.
- Setting more restrictive standards for certain tenants, such as higher in-

come.

- Refusing to rent to members of certain groups.
- Refusing to accommodate the needs of disabled tenants, such as allowing a guide dog, hearing dog or service dog.
- Setting different terms for some tenants, such as adopting an inconsistent policy of responding to late rent payments.
- Terminating a tenancy for a discriminatory reason

Please contact your RHR Representative if you have any questions, comments or suggestions.

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