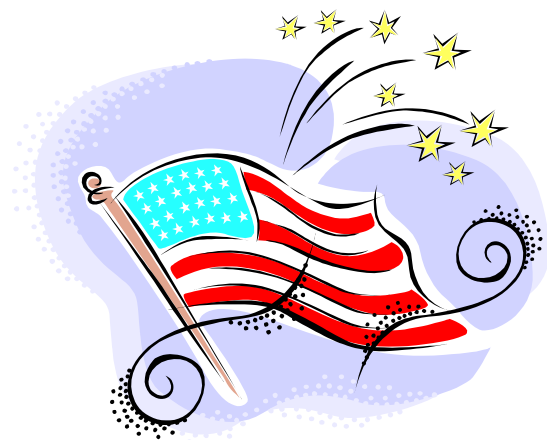


RHR Information Services, Inc.

# Select Rent News

## Editor's Note



### Happy 4th of July!

Another hot summer month is almost over and we continue to stay committed to processing all applications thoroughly and in a timely manner. Please do not hesitate to contact us if any questions or concerns arise.

In this issue you will find important information regarding lease termination by victims of domestic abuse as well as info on the new Section 8 reform that has just passed in the House.

A new education program

for residential managers is being offered by Minnesota MHA, find out more on page 3.

Have you had to deal with employee theft? If so, you are not alone. Read the article on page 2 and remember RHR also offers pre-employment screening services for your business.

Please contact us with any questions or concerns. 952-545-3953 or 888-389-4023

Thank you, Jana Castillon

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## Right of Victims of Domestic Abuse to Terminate Lease

A law allowing domestic abuse victims to terminate their leases in certain circumstances became effective July 1, 2007.

Providing additional domestic abuse protections was one of many themes at the Legislature this session. Among numerous legislative initiatives relating to domestic abuse, funding was provided for peace officer training related to no contact orders in domestic abuse cases. No contact orders must now be accompanied

by a photograph of the offender for the purpose of enforcement if a photograph is available, and it is now a felony for knowingly violating a no contact order after two or more domestic abuse-related convictions.

The law was drafted so that it will only apply in a very specific situation. As written, the law applies to "a *tenant* to a residential lease who is a *victim of domestic abuse* and *fears imminent domestic abuse* against the tenant or the tenant's

minor children *if the tenant or the tenant's minor children remain in the leased premises.*"

Those situations where the law will apply are also narrowed by the fact that tenants attempting to terminate their lease under this law must satisfy certain requirements before being provided its statutory protections.

For more information please visit [www.mmha.com](http://www.mmha.com)

## Facing the Issue of Employee Theft

Excerpt from The Arizona republic

Small-business owners often assume that the risk of employee theft may apply to the Wal-Marts of the world, but doesn't apply to them and their faithful employees.

But a report examining employee fraud showed that small businesses were the most likely to be affected and also sustained the largest median losses compared with bigger companies.

The 2006 report by the Association of Certified Fraud Examiners showed that businesses with fewer than 100 employees suffered a median of \$190,000 in fraud losses. Without safeguards, any business is susceptible to fraud, especially common forms like check tampering, fraudulent

billing and stealing money before it's recorded.

"This happens to every company no matter what size," said Kathleen Barney, CFE and manager of forensic accounting for Eide Bailly, a CPA and business advising firm. "They look back and say, 'We're such idiots. How did we not notice that?'"

Of the four size groups, small firms made up just over a third of the 1,134 cases in the study.

"Instead of instituting check and balances with their employees they just say 'Oh, well, she's been here forever, we completely trust her,'" Barney said. "It's not that you don't trust them; it's just that you don't give them the opportunity to commit the fraud."

One way to prevent an employee theft is to run a **background check**.

Background checks should be a must for service companies or any company that sends employees into a customer's home. Only 8 percent of those who committed fraud in the study had prior convictions, but proving a company conducted a background check could save the company a lawsuit if anything does go wrong.

RHR Information Services, Inc. offers an extensive number of products to conduct a thorough background check. Please contact your Representative for more details or visit our website at [www.rhris.com](http://www.rhris.com)

Without safeguards, any business is susceptible to fraud, especially common forms like check tampering, fraudulent billing and stealing money before it's recorded.

## Multi-Housing World Conference

Multi-Housing World is speeding to Orlando! The multi-family industry's premier educational and networking event will be held **September 5-7** at the beautiful new Rosen Shingle Creek Resort.

The Multi-Housing World Conference Program, presented by Multi-Housing News, allows you to tap into the resources of practiced experts and take home the business tools and insights you need to retain your competitive edge. Multi-Housing World sets the standard for

industry education and is the only conference to offer essential, A-Z information for all multi-housing professionals.

For nearly four decades, Multi-Housing World has offered quality seminars and hundreds of solutions to multi-family housing executives. Multi-Housing World 2007 delivers the highest level of education and networking opportunities yet, and is the industry's only event covering all facets of the multi-family industry.

- Planning
- Design

- Building
- Developing Communities
- Sustainable Occupancies
- Property Management
- Profitability

Builders, developers, owners, property managers, lenders and other executives all convene at M-HW to learn about the latest trends, best practices, network with peers and discover innovative new products and services.

For more information please go to [www.mhw.com](http://www.mhw.com)



## Section 8 Reform Passes House

The House has passed the Section 8 Voucher Reform Act of 2007 (SEVRA) that will change aspects of the apartment unit inspection process to result in faster move-in of new residents.

The National Association of Home Builders (NAHB) said it is "very pleased" that the bill passed, by an overwhelming bipartisan vote of 383-83. "NAHB has been supportive of efforts to reform the Section 8 voucher program, particularly in areas such as unit inspections," NAHB stated. The organization said Section 8 reform is one of its highest priorities for its multi-family members.

The Section 8 Housing Choice Voucher program provides rental subsidies to approximately two million very-low income households for obtaining housing in the private market. The program is meant to broaden the range of housing choices for families seeking affordable housing.

Claudia Kedda, director of multifamily finance at NAHB, said of top concern to the organization's members is the provision to streamline the unit inspection process.

The inspection process under existing laws currently requires the Public Housing Authority (PHA) to inspect a unit when it is vacated before a new resident using a Section 8 voucher can move in.

The problem is, units can sit empty for weeks while the unit is waiting to be inspected.

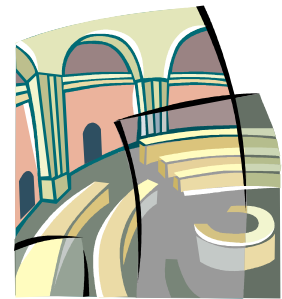
Under the new bill, the unit still has to be inspected before it is reoccupied, but if there is an issue and it is not life-threatening, a new tenant can move in. And the PHA pays the owner the rent retroactive to the date of the lease. Consequently, the owner can cut down on the rent lost and the resident can find a home quicker.

The new bill also allows PHAs to inspect units ever other year

rather than every year, Kedda explained. And if the unit has already been inspected in the past year under another federal program--for example, under the Low Income Housing Tax Credit or HOME programs--and meets quality housing standards, then under the legislation an additional inspection for the Section 8 program is not required, she said.

Other provisions under SEVRA require HUD to translate official HUD documents commonly used by property managers that are considered "vital," and to set up an 800 hotline number for oral interpretations.

The legislation also provides for changes to the project-based voucher program to, according to NAHB, ensure its flexibility as a tool for preserving or expanding the supply of affordable apartments especially those with a tight housing market.



## CRM Program Offered by Minnesota Multi Housing Association

The Certified Residential Manager (CRM) program, offered by the Minnesota Multi Housing Association, is a comprehensive overview of property management theory, marketing, landlord/tenant law, budgeting, fair housing law, preventive maintenance and much more.

The CRM program provides training in

all aspects of market-rate residential property management, tailored for those building a career in the industry. Successful graduates earn a designation that is recognized and respected in the multi housing industry, both in Minnesota and nationwide.

CRM students attend classroom instruction, monitor

their municipalities, complete a management plan, earn 24 Hours of elective credits by attending MHA-sponsored seminars, and must score 76% or better on the final examination.

For more information please go to [www.mmha.com](http://www.mmha.com) or contact Josh Dye at 952.548.2205



10505 Wayzata Boulevard  
Suite 200  
Minnetonka, MN  
55305

Phone: 888-389-4023 / 952-545-3953  
Fax: 888-389-4024 / 952-545-3973  
E-mail: tonyk@rhris.com



**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.

## Costly Case of Mistaken Identity

Excerpt from the Herald Tribune

The Joe Cunningham who lives in Charlotte County has never been in trouble with the law, but he lost a job offer in February because a background check tagged him as a criminal with 16 convictions.

It took him five months of phone calls, paperwork and a trip to the Sheriff's Office to get fingerprinted before the screening company that did the background check -- acknowledged Cunningham's record was clean. He finally has the paperwork to prove it.

"There's nothing more absurd than trying to prove that you're not someone else," Cunningham said.

When background screens go awry, federal laws put the onus on the job applicant to prove an error occurred. Screening companies say they use the best information available under public records laws and that mistakes are very rare.

More and more companies rely on screening agencies to conduct background screens to weed out potentially dangerous employees. There are no independent studies on the rate of errors during background checks that are available.

Cunningham, who sought out a job at Sunbelt Rentals in Venice to supplement his part-time construction work, said he understands how the screening company made the error. His name is Joseph Gerrard Cunningham, and he shares a birth date with a Joseph J. Cunningham, who has a long-running record of drug-related convictions in New York. Adding to, or perhaps even sparking the confusion, Cunningham lived in Binghamton, N.Y., for a short time.

Most background screening agencies use Social Security numbers to generate a record of the states where their subjects have lived.

Then they request court records from those states.

Most courts will not release Social Security numbers, so the background screeners rely on name and date of birth to identify subjects in the court records.

Usually that works, but it is not foolproof.

**The significance of ensuring the accuracy of an applicant's personal information has always been stressed by our company while conducting background checks. With your help we can minimize the possible errors.**

Please contact RHR Information Services if you have any questions or concerns.  
888-389-4023  
952-545-3953