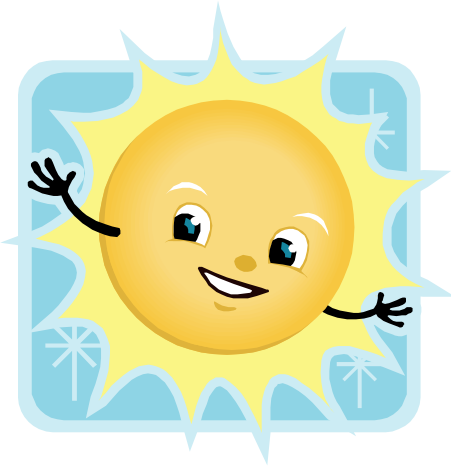


RHR Information Services, Inc.

Select Rent News

Editor's Note



The summer is here and so is the busy season for the tenant screening business.

We are very excited to be your partner in your tenant screening needs and as we get busier in the next few months please do not hesitate to contact us with questions regarding the processing of your tenant's application. We recognize the importance of a quick turnaround time, however we also want to provide you with the most comprehensive information gathered by

our research specialists.

In the June newsletter you will find information on federal criminal records searches as well as a list of 6 fair housing documents every landlord should maintain.

Check out the article on page 2 on the FBI's terrorist watch list and please contact me with any questions, concerns and/or suggestions.

Thank you, Jana Castillon

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Federal Criminal Records Search

Federal district court searches are excellent options for clients looking to broaden their criminal records check to include serious offenses that are adjudicated outside of local, county courthouses.

Each court contains different kinds of criminal records.

Whereas crimes adjudicated in county court are typically crimes against state laws, crimes adjudicated in federal courts are considered *federal offenses*.

For example, an individual who sold small quantities of drugs on the street corner will usually find themselves prosecuted in county court.

An individual who drove a car trunk's worth of drugs across state lines with the intent to distribute them may find themselves in federal court.

Kidnapping and wire or bank fraud are also some cases that may be tried in federal court. Because many high level financial crimes are tried here, this is an excellent

tool for clients in the banking, finance, or insurance industries.

Although most crimes adjudicated in the United States are by a large margin still found at the local county level, the federal records search can serve as a complement to county court searches.

If you are interested in adding the product to your package please contact your RHR Representative 888-389-4023 or 952-545-3953

Could You Be on the FBI's Terrorist Watch List?

Excerpt from a Medill Reports - Chicago, Northwestern University article

The phone rings. You walk to the kitchen and pick up the receiver.

"Hello?"

No answer.

"Hello?" you ask again.

Click. The person on the other end hangs up.

It happens all the time, but that call just put you on the terrorist watch list.

This is the scenario that Chicago FBI spokesman Ross Rice said could land someone on the federal terrorist watch list, a constantly updated list of names used to identify people who may have ties to terrorist networks across the country.

There's no way to find out on your own whether you are on the list, and there is little you can do to take your name off it.

"The list is constantly changing," Rice said. "Names are being added and dropped daily. All it means is there is an investigative interest in that person."

No specific criteria exists for putting someone on the Terrorist Screening Database, the FBI

says, and it is common for people to be placed on the list inadvertently.

In some cases, Rice said, all it takes is a known terrorist calling your phone by accident. If that person is being monitored by the FBI, agents see your number on the terrorist's call log and you suddenly become a person of interest.

The Department of Homeland Security consolidated the list in an effort to create a one-stop shopping list to be used by intelligence agencies to compile information about potential national security threats.

The FBI uses the list to investigate people who may have information about, or an association with, known terrorists. But intelligence agencies will not verify whether you are on the list.

"It's a law enforcement tool only; it's not public information," Rice said.

The Chicago Police Department fired an employee after his name showed up on a federal watch list. Janitorial supervisor Arif Sulejmanovski was fired after police said they performed a background check on his car, illegally parked outside the Calumet police station on the city's far South Side, and found

his name on the list.

Sulejmanovski, police said, was placed on the list after he pleaded guilty to a federal bribery charge stemming from an attempt to obtain a Social Security card for an illegal immigrant living in the U.S. Police said the incident had no ties to terrorism, but his name remains on the list.

The criminal act was grounds to fire Sulejmanovski, said Monique Bond, police spokeswoman. Although all employees are subject to background checks, Bond said, "We are in the process of reviewing all federal sheets for all contractors as a precautionary measure."

The FBI would not discuss Sulejmanovski's current status on the list, but the agency's Web site claims that hundreds of records are removed from the database after investigations prove that certain people are not a threat to national security.

Citizens, however, cannot take their names off the list because it must be done through a formal redress process by the relevant agency.



Conference to Address State of the Multi Housing Industry

Perspective is an annual, half-day conference that covers the state of economy, the state of the renter, the state of sales and lending, and the state of market. This year's MHA's Perspective conference will be held on June

12th at the Minneapolis Central Library.

Leading experts in economics, demographics and multi-housing trends will share valuable insights and information regarding the unique challenges owners

and managers of multi housing units face today and will potentially face tomorrow.

For further information please visit www.mmha.com

6 Important Fair Housing Documents

Here is a list of six top operational documents that every owner and manager should maintain:

1. Written rental qualifications.

This helps show that you select your residents based on objective criteria and that you apply them to all applicants. (By the way, "good credit" is subjective. Detailing what you consider to be good credit becomes objective.)

2. Phone log.

Documenting all incoming and outgoing business calls in an old-fashioned, chronological, spiral-bound log can help prove what was said in the briefest of conversations months, even years ago. Not to mention how you handle your call-backs from voice mail. And how quickly you respond to complaints and maintenance requests. And please, please, don't substitute yellow "stickies" for proper documentation.

3. Availability log.

This log helps prove what units were available when, at what rent, and other valuable details each day of the year. It can substantiate what you said to a caller according to your phone log. It also helps ensure that you are providing the same current information about your vacancies to all applicants every day.

4. Guest card.

This is the best written history of what transpired when the applicant visited your property. It helps prove when they came, what units they were interested in, what they looked at, and what their objections were, for example. Guest cards completed and

signed by the applicant provide the best evidence in a law suit.

5. Screening checklist.

This helps demonstrate that you go through the same screening procedure for every applicant. It also helps to ensure that you don't accidentally miss any of the steps. Consistent treatment of all applicants is critical.

6. Activity or conversation log.

Document everything that goes on during the tenancy for each resident in an activity or conversation log (sheet) that is affixed to the resident's file folder. Each complaint, each phone conversation, each request for repair, each violation of the rules, for example, can be briefly noted in chronological order as a running history. (This does not take the place of filling out a maintenance request or serving a notice - rather it is the sequential, documented order of events at your fingertips that is so valuable.)

Of course, these top six documents are just the tip of the iceberg. They also need to be supported by many other vital pieces of documentation (which should all be checked annually to ensure compliance with current laws), such as:

- Written community policies that don't discriminate
- Leases or rental agreements that comply with current landlord-tenant and fair housing laws
- Applications that don't ask discriminating questions
- Copies of adverse action letters for applicants who are denied or offered conditional acceptance
- Written procedures for

leasing, screening, handling complaints, maintenance requests, sexual harassment issues, transfers between apartments, making upgrades

- Written procedures for leasing, screening, handling complaints, maintenance requests, sexual harassment issues, transfers between apartments, making upgrades

And the list goes on . . .

When it comes to providing evidence in a fair housing complaint, whether to an investigator from an enforcing agency or to a judge or jury, "he said/she said" IS NOT going to work in your favor. Having thorough documentation, however, IS going to help your case. And it doesn't matter to anyone whether you are just a small owner with a unit or two, or a huge management company with 5,000 units. Same liability, same investigative process, same documentation needs.

Do consult your legal counsel for more in depth clarification and guidelines.

Visit our website at www.rhris.com to obtain important compliance documents and information regarding tenant screening.

Call your RHR Representative to set up a tenant screening package tailored to your specific background screening criteria.

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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.

Three Mistakes that Leave you Vulnerable for a Lawsuit

One of the most expensive issues a landlord can face is a lawsuit. Even those who win their cases can end up losing thousands of dollars in lawyers' fees. Avoid the legal hassle and protect your assets by steering clear of these three common mistakes:

Neglecting insurance

If you hold only a basic policy with minimal coverage, consider increasing your liability limits and adding personal liability umbrella insurance. Without this coverage, your personal assets could be seized by an injured party. Another benefit of liability insurance is that it covers the cost of your legal counsel if you are involved in a lawsuit.

Assuming you are not liable for mistakes made by independent contractors.

Though you may believe the contractor working on your property is independent, the courts may consider him your employee, leaving you responsible for his actions. When working with contractors, make sure they are truly independent contractors by requiring them to fulfill the following criteria:

- Setting their own hours
- Using their own equipment
- Signing a contract stating their independence and liability
- Directly supervising their own work

Failing to get things in writing.

Even if you take careful precautions to avoid a lawsuit, without written documentation, none of your actions can be verified in court. Every communication or agreement with a tenant, employee or government agency should be documented in writing.

RHR Information Services provides a wide variety of background screening services, to include pre-employment screening. Do not hesitate and call your RHR Representative to set up a pre-employment screening package for your employees, contractors, consultants etc.

Please contact RHR Information Services if you have any questions or concerns.