



P.O. Box 2901, Augusta, ME 04338-2901 \* (207) 512-2180



**November 2012**  
*Newsletter*

**CAPITOL AREA HOUSING ASSOCIATION**

**“LANDLORDS WORKING TOGETHER”**

### **Officers**

**President**

**Ratna Don**

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**Secretary**

**Barbara Eckhardt**

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**Treasurer**

**Emmy Swanton**

joanemmy@roadrunner.com

### **Board of Directors**

**Peter Allen**

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**Charlie Anderson**

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**Ratna Don**

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**Barbara Eckhardt**

eckhardtb@roadrunner.com

**John McNaughton**

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**Ramona Venskus**

ramona@NewcomerRelocation.com

**Harrison Wolfington**

harrison@lafinwolfingtonrealty.com

Dear CAHA Members,

Another heating season is right around the corner. I hope that you're all using one of our selected oil companies (J & S Oil or Fielding's) for your energy needs. The oil committee has been created and we are preparing for the energy negotiation for the 2013-2014 heating season. We will send you a questionnaire to help with the negotiation efforts. Your feedback is very important, so please make sure to return the questionnaire with your answers and comments.

We are working with Central Maine Apartment Owners Association to reduce predatory legislation against landlords. The laws are friendly to tenants, but not as friendly to landlords. Therefore we plan to introduce new bills to the 2013 legislative session. Stay tuned, more information will be provided as it becomes available.

*Continued on page 2*

**Electricity Savings and  
Radon Testing  
Are the Topics of the  
November 13th Meeting  
7:00 p.m. – KV Federal Credit Union**

### **UPCOMING MEETINGS**

**NOVEMBER 13 • DECEMBER 11 • JANUARY 8**

**7:00 – 8:30 p.m.**

**KV FEDERAL CREDIT UNION**

**316 West River Road, Augusta, ME**

\*meeting dates are subject to change or elimination as determined by the Board\*



**Ask The Lawyer**

**IS BACK!!!**

**See Page 3**

**Minutes of Board Meeting  
Capital Area Housing Association (CAHA)  
Held at the KV Federal Credit Union, Augusta  
September 11, 2012**

CAHA Board Member Ratna Don, opened the meeting at 5:45 p.m. Present were:

Board Member Ramona Venskus  
Board Member Harrison Wolfington  
Treasurer Emmy Swanton  
Prospective Member Tom Barnes

Board Member Charlie Anderson  
Board Member Peter Allen  
Member Wayne Niles  
Staff Person, Lisa Montagna

Introductions were made. A discussion of the by-laws was held. The by-laws state CAHA can have between five and nine board members. Board members must be a CAHA member in good standing. Membership dues are waived for board members beginning the following February 1. Visiting members were invited to join the board.

**Business:** Motion was made by Ratna, seconded by Charlie, to make Harrison Wolfington and Peter Allen members of the board. Motion passed unanimously.

Motion made by Charlie, seconded by Ratna, to approve the June 19, 2012 Board Meeting Minutes. Motion passed unanimously.

Motion made by Charlie, seconded by Ratna, that the Board approve the Treasurer's Report. Motion passed unanimously. A short discussion was held concerning the membership numbers and Emmy's desire to resign the position of Treasurer.

Motion made by Charlie, seconded by Ramona, to accept Ratna's offer to be President of CAHA through the end of the membership year. A short discussion included the need for CAHA to have a president. Motion was unanimous.

*Continued on page 3*

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***President's Message  
Continued from Page 1***

You should be thinking about becoming an officer or director for the upcoming year. Elections will be held at the Annual Banquet on February 12th 2013.

At the November member meeting, there will be a representative from Electricity Maine who will tell you about ways to reduce your electricity bills. A representative from the Department of Human and Health Service will also be at the meeting to explain the current radon-testing requirement for rental units. After this presentation, we will have a discussion about how to reduce the cost of radon testing and mitigation. Mark your calendars for the November 13th meeting.

Happy Thanksgiving everyone!

Ratna Don  
President

A legislative update was provided by Charlie who provided background information of the various landlord and apartment manager groups involved. A brief history of the radon law was also given. The next strategy meeting will be held after CMAOA's September 20 banquet. The cost of lobbyist fees was also discussed.

Motion was made by Charlie, seconded by Ramona, CAHA will support sharing the cost of lobbying fees by paying \$1.50 per member to CMAOA. A discussion followed regarding the partnership with CMAOA, sharing the cost of a lobbyist, the history of and opinions about the radon law. Motion passed unanimously.

**General Discussion:** A general discussion was held regarding best practices in negotiating current and future oil contracts. The discussion included initial planning for negotiating the 2013-2014 oil contracts. The Oil Committee will include: Wayne Niles, Charlie Anderson, Peter Allen, Ratna Don and possibly John McNaughton.

Ramona agreed to help Lisa to open Paypal account since Emmy was working during the day time.

**Member Meeting Topics:** Topics for October will include oil contract discussions and possibly medical marijuana. Legislative Updates will be the topic for November. Evictions/Tenants Rights will be discussed in December.

Motion made by Peter to adjourn the meeting, seconded by Ramona. Motion passed unanimously.

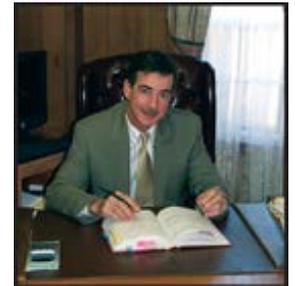
Meeting adjourned at 8:00 p.m.  
Respectfully submitted,  
Lisa Montagna, Staff Person

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## ASK THE LAWYER

### Q. Please comment upon some of the laws and rules regarding rent and rent increases.

- A. Rent is generally defined as consideration paid for the use or occupation of the real estate owned by the landlord. The "consideration" paid is usually money, but by agreement of the parties can be most anything of value, including services or work performed by the tenant. However, my experience is that the exchange of tenant work for rent often leads to accounting disputes, and should be avoided.



The amount of rent charged can be as much as the market will bear absent abnormal market or emergency conditions. As mentioned in this column in April 2011, a landlord is prohibited from "profiteering" in rents by gouging and during emergencies declared by the Governor.

The landlord is otherwise free to set rental rates. Numerous factors apply to rental pricing such as inclusion of heat and other utilities, size, age, amenities, location and many others that influence desirability of the unit, and therefore the market value. However, private rental housing still operates in a competitive market. If a unit is priced significantly higher than other comparable units, then tenants will rent the other units first.

*Continued on Page 4*

**Regular Meeting Minutes  
Capital Area Housing Association (CAHA)  
Held at KV Federal Credit Union  
October 9, 2012**

President Ratna Don opened the meeting at 7:16 p.m. A quorum was established.

**Business:** Motion was made by Charlie Anderson, and seconded by Ramona Venskus, to approve the June 12, 2012 regular meeting minutes. Motion passed unanimously.

Motion was made by Ramona Venskus, and seconded by Charlie Anderson, to approve the October 8, 2012 Treasurer's report. Motion passed unanimously.

**Oil Committee:** Wayne Niles was the spokesman for the Oil Committee. His intention was to gather ideas from the members as to how the oil committee could better meet their needs. The Oil Committee would then compile this information in an updated oil survey. Peter Allen volunteered to work with Wayne on the survey. The survey would be sent out to the members by the end of October.

Topics of discussion were the members' choice of vendors, service contracts, pre-buys, and beating fuel costs by not spending on lost energy. Expanding the scope and changing the name of the oil committee was also discussed. Renaming the oil committee to be called the "energy" committee, committee members will also meet with energy vendors to negotiate a better price for energy saving materials such as spray foam insulation, and so forth. This redefined committee can address all issues that might fall under the realm of energy costs/savings for our members.

Motion was made by Charlie Anderson, and seconded by Ramona Venskus, to adjourn the meeting at 8:19 p.m.

The sign in sheet indicated 11 members attended.

Respectfully submitted,

Barbara A. Eckhardt, Secretary

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*Ask the Lawyer*  
*Continued from page 3*

Landlords should also consider public housing subsidies in establishing their rental rates. A landlord cannot charge more rent, or impose different conditions upon a tenant who receives a rent subsidy. Some landlords welcome Section 8 tenants, while others do not.

The Section 8 voucher program utilizes "Rent Reasonableness Guidelines" which defines eligible rental rates for specific areas of the state. If the rental rate for a unit is too high, the unit will not qualify for a Section 8 subsidy. Some landlords who do not wish to participate in the Section 8 voucher program will set their rates slightly higher than the Guidelines so the units will not qualify for a subsidy. Others set rents at or below the maximum permissible rent under the Guidelines so that their units remain qualified for a subsidy.

The amount of rent is usually locked in during the term of a typical lease. A more exotic lease can provide for rent increases mid-term for such things as fuel surcharges, so long as such surcharges are clearly defined in the lease agreement, as mentioned in this column in June, 2008.

**Ask the Lawyer**  
**Continued from page 4**

Where there is a tenancy at will (no lease), a landlord can increase the rent with at least 45 days written notice to the tenant. Failure to provide the notice subjects the landlord to refund of the excess rents collected, plus interest, as well as attorney's fees and costs.

Sometimes a rent increase results from a change in services provided by the landlord. For example, if the landlord previously provided hot water, but installs an electric hot water tank for the apartment and the tenant pays for electricity, or requires the tenant to pay for snow plowing previously provided by the landlord, these are also increases in rent that require a 45-day advance notice.

Other points to keep in mind include:

1. Written receipts are required for any cash payment toward rent or a security deposit;
2. A general assistance voucher, or assurance of payment from the State or a Municipality must be treated as the equivalent of a cash payment for all purposes;
3. If there are two or more tenants, the landlord should never explicitly agree to limit each tenant's exposure to a fractional share of the rent. Each tenant should remain "jointly and severally" liable for all obligations of the tenancy so that each tenant remains responsible for all rent;
4. The law allows assessment of a late payment fee of 4% of monthly rent once payment is 15 days or more overdue. There must be a provision in the lease, or a separate written document signed by the tenant that permits assessment of a late payment fee;
5. As a matter of accounting, the landlord should always apply any payment received toward satisfaction of outstanding late payment fees or other sums owed to the landlord, before application toward payment of rent;
6. The landlord should never accept part payment of rent as "payment in full" in order to avoid an accord and satisfaction as addressed in this column in the March 2009 Newsletter.

**Disclaimer:** For general information of CAHA members; not intended as legal advice. Consult a lawyer for your specific situation © 2012 Eric S. Dick, Esq., Augusta, Maine (207) 622-5872.

**7:00 - November 13th Meeting**  
**KV Federal Credit Union, Augusta**

**Electricity Savings and Radon Testing**  
**Please Join Us**



We deliver quality home heating oil, kerosene and propane to homes and businesses throughout the communities of Central Maine. We are happy to assist you in ordering fuel, setting up credit or with any questions you may have. Call us at (207) 626-2714.



Fielding's Oil & Propane is proud to serve the members of CAHA with all of their heating needs and looks forward to having a long relationship with the organization. Call us and you will see how dedicated we really are. (207) 623-3322

<p><b>Newcomer Relocation Services</b>          "Upscale Rentals"          Phone/Fax: 622-4312          Cell: 446-4312  <i>ramona@NewcomerRelocation.com</i>          www.NewcomerRelocation.com          No application fee for CAHA members</p>	<p><b>Liberty Mutual – (207) 622-0518</b>  <b>Darryl Arnold (x-52909)</b>          New Auto and Home Insurance Benefit          CAHA member benefits include savings on auto and home insurance! Purchase high-quality auto, home, condo, and renters insurance at low group rates.</p>	<p><b>Gosline's Hardware</b>          (207) 582-1900          563 Maine Ave.          Farmingdale, ME          Paint, paint supplies, plumbing, heating, electrical, lawn &amp; garden, hand &amp; power tools.</p>	<p><b>Northeast Bank</b>          (207) 623-0303          Cell: (207) 446-0990          Mortgage loans for residential and investment properties  <i>ssachs@northeastbank.com</i>          \$250.00 discount on already low closing costs.</p>
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