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February 2013

CAPITOL AREA HOUSING ASSOCIATION

"LANDLORDS WORKING TOGETHER"

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Dear CAHA Members,

It is time to put the serious business aside and enjoy the company of friends and business associates for an evening of good food and great fun. The annual banquet will be held on Tuesday, February 12 at the Elk's Club. Social Hour will be from 5:30 pm to 6:30 pm, and dinner will be served at 6:30 pm. Please make reservations ahead of time in order to be served.

This year's guest speaker, Dan Bernier, a lobbyist representing landlords at the State House, will provide you with information regarding the bills submitted to this year's legislative session. Your board members, Ramona Venskus and Charlie Anderson, are working hard to gather door prizes for the raffle at the banquet.

Continued on page 2

Legislative Update . . .

Dan Bernier, a lobbyist representing landlords at the State House, will provide an update regarding the bills submitted to this year's legislative session

February 12th – Annual Meeting

5:30 p.m. – Elk's Club, Augusta

Slate of Candidates for the 2013-2014 CAHA Board of Directors:

Peter Allen Charlie Anderson John McNaughton Harrison Wolfington Ramona Venskus

Help Wanted

We are currently seeking a part time staff person. The primary focus of the position will be membership growth via phone outreach, along with an effort to encourage use of our preferred vendors in an effort to enhance our value with our business partners and thus hopefully gain stronger marketing commitments and better future member pricing. Strong but professional phone etiquette is important, along with intermediate computer skills that revolve around database management and communication via Constant

Continued Page 2

Help Wanted ~ Continued from Page 1

Contact along with Microsoft office (Access, Word and Excel proficiency are a must) and PayPal familiarity for webbased bank transactions. This person also would update the web site with daily heating oil prices, create newsletter and email or mail the newsletter to the members.

We would like someone who owns apartments so that the learning curve on rental property ownership and its nuances is minimal; however, some discussion was given to a college student who is pursuing a business or communications major who is eager to put his or her studies into practice. Please let us know if you or someone that you know would be interested in applying.

Member Meeting Minutes Capital Area Housing Association (CAHA) Held at KV Federal Credit Union December 11, 2012

President Ratna Don opened the meeting at 7:00 p.m. A quorum was established.

Business: Motion was made by Ramona Venskus, and seconded by Harold Booth, to approve the November 13, 2012 regular minutes. Motion passed unanimously.

Motion was made by Ramona Venskus, and seconded by Harold Booth, to approve the December 11, 2012 Treasurer's Report.

Guest Speaker: Richard Roughgarden talked to us regarding heat pumps as a source for conserving hot water energy. Roughgarden retired as an electrical engineer and started his own business named Maine Solar Engineering

in Palermo, Maine, <u>www.mainesolarengineering.com</u>. He offers photovoltaic systems, solar thermal systems, engineering and installation.

Roughgarden stated that heat pumps are the most efficient way to heat water. The heat pump he spoke about was an add-on unit that can be used with an existing tank, saving an average of 50% to 60% over the operating costs of the tank water heater. He spoke about how the heat is pulled from the surrounding air and, utilizing the heat pump technology, that energy is used to heat the water in the tank. Even the small amount of electricity used to operate the heat pump is converted to heat. Also, the air surrounding the heat pump is being dehumidified. The investment payback period in using the heat pump water heater is typically 1 to 3 years, not including the benefit of the cooling and dehumidifying the air that happens as a by-product of heating the water.

Continued on Page 3

President's Message Continued from Page 1

We will be electing board members for the next two years. Anyone interested in becoming a board member must notify a current board member of their intention to run via telephone or email.

Don't forget to send your dues, if you have not yet done so, in order to avoid a membership reinstatement fee of \$15.00.

At our last member meeting, we did not have a quorum, but Pat Elwell, Certified Public Accountant of Tabbutt's Bookkeeping Service, gave a presentation and answered questions about federal and state taxes pertaining to landlords.

Hope to see you all at the banquet!

Ratna Don

CAHA President

Member Meeting Minutes - Capital Area Housing Association (CAHA) Held at KV Federal Credit Union - December 11, 2012

Roughgarden emphasized the importance to get an audit done on your house or building for energy efficiency before looking into heat pumps.

Motion was made by Ramona Venskus, and seconded by Harold Booth, to adjourn the meeting at 8:30 p.m.

The sign in sheet indicated 12 members attended.

Respectfully submitted, Barbara A. Eckhardt, Secretary

Board Meeting Minutes Capital Area Housing Association (CAHA) Held at KV Federal Credit Union December 18, 2012

President Ratna Don opened the meeting at 5:50 p.m. with the following present:

Secretary and Board Member Barbara Eckhardt Board Member Charlie Anderson Board Member Harrison Wolfington Treasurer Emmy Swanton Staff Person Lisa Montagna

Minutes: Motion was made by Charlie, and seconded by Ratna, to approve the November 19, 2012 Board minutes. Motion passed unanimously.

Treasurers Report: The December 11, 2012 Treasurer's report was approved at the December 11, 2012 Regular meeting.

Annual Banquet:

- (a) **Meal Menu:** Motion was made by Charlie, and seconded by Barbara, for the banquet meal choice to be as follows: Selection #11--Prime rib roast and baked fresh haddock with a choice of vegetable or meat lasagna, garlic Parmesan mashed potatoes, buttered baby carrots, and a tossed salad. Ramona to complete the menu. Motion passed unanimously.
- (b) **Speaker:** Dan Bernier, lobbyist for our joint legislative efforts with CMAOA for the upcoming legislative hearing.
- (c) **Door Prizes:** Tabled for January's Board meeting.
- (d) **Other:** It was the consensuses to have the Augusta Elks Lodge provide signage on the entrance to the banquet hall and salt in parking area for icy conditions.

Pay-Pal Button Update: After the New Year, Pay Pal will be up and running.

Legislative Committee Meeting Update: Motion was made by Charlie, and seconded by Barbara, to appropriate up to \$100 for the initial cost associated with the Legislative breakfast.

Motion was made by Charlie, and seconded by Barbara, to give a \$15 mileage stipend to the Board Member driving to the CMAOA Waterville meetings.

January Regular Meeting: The consensus was to invite a tax accountant to speak at the regular meeting.

Staff Person: The assignment for the staff person is to get the January Newsletter out, get the renewal cards out, complete the Pay Pal button, and update the database. Our staff person will be resigning her position at the end of January.

Next Board Meeting: Will be held on January 15, 2013 at the Lucky Garden Restaurant, Hallowell, 6:00 p.m.

Meeting adjourned at 7:21 p.m.

Respectively submitted, Barbara A. Eckhardt, Secretary

UPCOMING MEETINGS

MARCH 12 • APRIL 9 • MAY 14

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

Regular Meeting Minutes Capital Area Housing Association (CAHA) January 8, 2013

President Ratna Don opened the meeting at 7:14 p.m.

As no quorum was established, the business portion of the meeting could not be conducted. Therefore, the December 11, 2012 member minutes were not voted on.

The rest of the meeting was conducted very informally. The guest speaker, **Pat Elwell**, who has been preparing taxes for 36 years, addressed the members in a relaxed, conversational manner.

A few of the topics covered:

Energy extension credits form 5697: He had no specifics on the energy credits.

1099's: The government will be looking very closely at the 1099 concerning payments on labor cost. Emphasis

was placed on form W9. This form should be put in place as soon as any person is hired for any service done and reported on the 1099 when the service cost reaches \$600. The person doing the work would be required to fill in their name, address, social security number, and sign the form. However, if the person doing the work is incorporated, form W9 does not have to be issued.

Active and passive materials -- one is for gains, one is for loss.

Depreciation form 4562

Capital Improvement. All replacement of shingles on the roof is a capital improvement.

Meeting adjourned at 8:06 p.m.

The sign in sheet indicated 8 members attended.

Respectfully submitted, Barbara A. Eckhardt, Secretary

ASK THE LAWYER

Q. How did LD 1198 change the laws concerning landlords?

A. CAHA and other landlord organizations played an important role in advocating for passage of LD 1198 which rolled back some of the regulations affecting landlords. My last column outlined some of the changes involving evictions. This month I address other changes to the law:

Bed Bugs. (14 M.R.S. §6021-A)



State law still requires the landlord to treat an apartment infested with bed bugs, even though the tenant or a guest is invariably the source of the problem. The landlord must disclose to the tenant the cost of the tenant's compliance with inspection or treatment measures (for instance, the tenant may have to dispose of furnishings). The landlord must still also provide "reasonable assistance" to the tenant in complying with treatment measures (for instance, helping an elderly tenant move infested furnishings out of the apartment).

However, prior law also required the landlord to provide "financial assistance" to the tenant who was unable to comply with treatment measures. This was an ambiguous, and possibly unconstitutional, provision that suggested the landlord may have to help the tenant buy replacement furnishings, or pay for alternate housing during treatment. The landlord is no longer required to provide financial assistance. LD 1198 makes it clear that the landlord is not required to provide the tenant with alternate housing, or to pay to replace the tenant's personal property.

Continued on page 5

Ask the Lawyer - Continued from page 4

Residential Energy Efficiency Disclosure Statement. (14 M.R.S. §6030-C)

Prior law required landlords to post an Energy Efficiency Disclosure Statement in the residence offered for rent and to supply the Disclosure to all prospective tenants. Upon renting the residence, the landlord had to keep the Disclosure Statement, signed by the tenant, for at least seven years.

Under LD 1198, posting of the Disclosure Statement is no longer required. The Disclosure Statement must still be prepared, and be supplied to any existing tenant upon request, or to a prospective tenant when the tenant will be paying their own utility costs, or if a copy is specifically requested in person. As an alternative to provision of the Statement to prospective tenants, the landlord can include in the application, the name of the supplier that previously provided utilities, along with a statement:

"You have the right to obtain a 12-month history of energy consumption and the cost of that consumption from the energy supplier"

Upon entering into a lease or tenancy at will, or upon accepting a deposit, the landlord must provide the Disclosure Statement and obtain the tenant's signature. However, the landlord must now retain the signed Disclosure for only three years, rather than seven.

Unclaimed/Abandoned Property.

(14 M.R.S. §6013)

When a tenant is evicted, or moves out, it seems like common sense to many landlords that disposal of any remaining trash is a problem acquired by the landlord, and the occasional item of value left behind is also acquired by the landlord. However, the tenant's rights in things of value continue until that tenant receives an appropriate unclaimed/abandoned property notice.

Under prior law, the landlord had to wait until issuance of a writ of possession at the end of the eviction process, or until the tenant vacated the rental unit before issuing the notice. The notice had to give the tenant 14 days to claim the property, and up to 24 days to retrieve the property.

LD 1198 now allows the landlord to issue an unclaimed/abandoned property notice after the landlord obtains a judgment for eviction (forcible entry and detainer) in Court. The tenant now has not less than seven days after issuance of the notice to claim the property, or 48 hours after a writ of possession expires, whichever is longer, and 14 days to retrieve the property (instead of 24 days).

The written notice must be sent to the rental unit if the tenant is still in possession, otherwise to the last known address by regular mail with a "proof of mailing" from the Post Office, and must include a list of the property items of value left behind (I am always tempted to tell a tenant they can pick up their "valuable" trash at the same time).

If the tenant **claims** the property within 7 days, it must be released to them without condition of payment of sums owed, if **retrieved** within 14 days of the notice. If the tenant fails to timely claim or retrieve the property, thereafter the landlord can require the tenant to pay what is owed, or the landlord may sell anything of value and dispose of things without value. Sometimes that is a hard line to draw and I typically suggest the landlord take digital photos of the things, including the trash, in case issues arise later.

The unclaimed/abandoned property law applies to both a leasehold tenancy, as well as a tenancy at will, and the landlord is not liable for the tenant's property so long as the notice provisions are followed. Moreover, a tenant can now verbally waive their rights under §6013 when they are moving out, or after they have moved, if the landlord sends written confirmation of the waiver to the tenant.

This remains a bothersome provision for landlords because of the technical aspects involved. Even through LD 1198 substantially pared back the time periods involved, these provisions must still be followed carefully in order to avoid any claim that the landlord wrongfully kept or disposed of the tenant's property.

Disclaimer: For general information of CAHA members; not intended as legal advice. Consult a lawyer for your specific situation © 2013 Eric S. Dick, Esq., Augusta, Maine (207) 622-5872.



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2/14.			
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Services	0518	(207) 582-1900	(207) 623-0303
"Upscale Rentals"	Darryl Arnold (x-52909)	563 Maine Ave.	Cell: (207) 446-0990
Phone/Fax: 622-4312	New Auto and Home	Farmingdale, ME	Mortgage loans for
Cell: 446-4312	Insurance Benefit	Paint, paint supplies,	residential and
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