

CBLA NEWS

July 2005

Bilingual Newsletter of The CBLA-Spanish Coalition For Housing

Volume 1, Issue 2

LANDLORDS! VALUABLE CITY PROGRAM COMING!

THE LOW INCOME HOUSING TRUST FUND - RENTAL SUBSIDY PROGRAM

The Chicago Low-Income Housing Trust Fund oversees rental assistance programs that meet the permanent housing needs of Chicago's poorest residents by giving grants to building owners and developers who agree to reduce rents to accommodate very low-income residents. **The Rental Subsidy Program** provides annual subsidies to reduce rents for a specific number of units in buildings so they may be affordable to tenants with annual household incomes not exceeding 30% of median income (in 2004, 22,600 for a family of four).

The monthly meetings/seminars of the Chicago-land Bilingual Landlord Association serve to educate our members and recruit new members. Our plan is to



CBLA/SCH Resource Center - 4035 W. North Ave.

continue providing these monthly meetings/seminars at North, South and Southeast side locations in order to make it accessible to landlords thru out the Chicagoland area.

The presenters at one of our recent meetings on the eviction process offered comments that were informative and supportive to the

all the landlords present. After the presentations the attendees were able to ask questions regarding their concerns about the eviction process. Many landlords expressed frustration over the length of time as well as the expenses incurred trying to evict problem



CBLA/SCH ResourceCenter -
9117 S. Brandon Ave.

INTEREST & MEMBERSHIP IS GROWING RAPIDLY !

tenants. There were some great suggestions given by our presenter as well as some of the more experienced landlords present.

Likewise, We had an attorney present for our discussion on the Chicago Residential Landlord and tenant Ordinance. The discussion was very frank and at times somewhat controversial. This discussion reflects the many issues that landlords have to deal with.

The overall suggestion was to practice prevention.

Some tips were:

- Do better screening of tenants. (Credit Checks, check references, request a lease, etc.)

CBLA PROGRAMS & SERVICES

The Spanish Coalition for Housing proposes to recruit landlords & build membership for the formation of an association that will provide assistance to low-to-moderate property owners. As a member of the CBLA you will receive;

Landlord education;

- * **Receive the regular “Today’s Owners” newsletter.**
- * **Admission to any CBLA seminars/ workshops such as;**
 - *How to get rid of tenants who violate lease agreements.*
 - *What are the new tax laws regarding buying/ selling property,*
 - *How can I save money on rehabbing my building?,*
 - *How can I avoid dragged out court battles and cut litigation costs?*
 - *When should I refinance my mortgage?*
- * **Access to valuable information on all public and private housing resources and programs.**
- * **Invitations to participate in regularly scheduled Networking meetings and social gatherings.**

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- Know your rights and the proper legal procedures at your disposal.
- Communicate regularly and develop a good business relationship with your tenants.

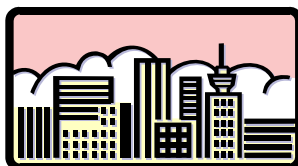
These are some of the areas that the CBLA will be able to assist landlords with.

Also the CBLA will assist with the gathering of valuable resources to help landlords access programs to make improvements, to rehab and the upkeep of members properties.

The CBLA wants to help landlords become well informed and responsible property owners. In exchange, CBLA members expect and deserve tenants that are also well informed and responsible.

Therefore, The CBLA News will prepare an informational article in every publication to encourage our members to practice prevention to avoid future problems with their tenants.

We urge you, if you haven’t already, to become a member by paying your minimal annual fee and begin enjoying the benefits of being a CBLA member.



WHAT MAKES A GOOD LANDLORD?

A good landlord understands that his rental unit is his financial investment and he needs to manage it like a business. So like a good businessperson, you make your product desirable and valuable to your customer, in this case, the tenant. And also you make it profitable for yourself. Now, because there are ordinances and laws that govern the renting of properties, you need to be aware of all your duties in order to comply and knowledge of your rights in order to protect your investment.

Four habits of successful landlords

1. *Actions (in writing) Are Stronger Than Words (verbal)*
2. *Be consistent with rules and follow through in timely manner.*
3. *Communicate often and regularly with tenants.*
4. *Seek information and additional resources.*

1. ACTIONS.....

Have you heard the saying “ If it is not in writing, it did not happen” ? well, that is exactly how the law sees and decides on tenant/landlord conflicts. Any agreements on terms of tenancy should be in writing and signed by both

landlord and tenant. This can be done easily with an apartment lease. As a landlord you can specify all the terms or conditions of the agreement, such as “no pets allowed”, “use of backyard, basement or garage not allowed”, “Common areas must be kept free of tenant’s possessions, debris, etc.

2. Consistent & Follow through...

When your rules or terms of tenancy (in writing) are disregarded or violated, you need to act immediately.

If tenant fails to pay rent the landlord, after giving a five day **written** notice to tenant, may begin the eviction process. If the tenant fails to pay rent on time, the landlord may charge a \$10 per month late fee on rents under \$500 and a 5% per month late fee on the part that exceeds \$500 (i.e. for a \$450 monthly rent the late fee is \$10, for a \$800 monthly rent the late fee is \$40). Advertise as much as you can, from a simple “For Rent” signs in your window and word of mouth, to posting notices at laundry mats, grocery stores, community centers, in church bulletins, community newspapers, etc.

Be aware of fair housing laws, be sure that your search efforts do not discriminate. Under the Fair Housing Act, landlords cannot discriminate against prospective tenants because of race, color, sex, national origin, family status, disabilities, or religion.

Be sure that your ads do not discriminate by indicating “a preference, limitations, or discrimination”. For example you can not place an ad or verbally state that

The three most important things you need to look for when you choose a tenant are

- The tenant’s willingness and ability to make timely rental payments every month;
- The tenant’s willingness and ability to abide by the provisions in any lease or other rental agreement you have him or her sign; and
- Your reasonable expectation that the tenant is not planning to engage in illegal activities on your property.

In order to make these decisions you need solid information and verified references. Remember you are a landlord, you are running a business. To be successful, no matter how much you like a prospective tenant, you should make sure that he or she can pay the rent. You should not accept a new tenant without first taking certain basic screening steps to

make sure he or she can and will pay.

Step 1. Verify the applicant’s sources of income.

Step 2. Consider the income ratios.

Step 3. Check the applicant’s credit.

Step 4. Get references.

Step 5. Hold a short interview with applicant.

You can always call the CBLA for assistance with all the steps mentioned above. Being a member of the CBLA always give you returns that exceed your small annual fees.



**CBLA/SCH Resource Center
1132 W. 18th ST.**

CBLA PROGRAMS & SERVICES

from page 2

- * **Leadership development through active involvement in the Association.**

Landlord Resources;

- * **Learn how you can access potential tenants.**
- * **Credit checks for prospective tenants available at a discount rate.**
- * **Assistance with leases & contracts.**
- * **Tenant relations- Alternative mediation services available to avoid expensive court process.**
- * **Resource Library in Print & Video.**
- * **Discounts for members for such services as:**
 - Home repair professionals,
 - Home insurance agents,
 - Waste management services.
 - Home furnishings providers,
 - Legal & accountant services, etc.

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CBLA PROGRAMS & SERVICES

CHICAGOLAND BILINGUAL LANDLORD ASSOCIATION CALENDAR OF EVENTS FOR 2005

Landlord Technical Training

- Access to one-on-one counseling with housing specialists at Spanish Coalition for Housing.
- * Training on building codes, violations, etc.
- * Classes on Chicago residential landlord tenant ordinance.
- * Referral to legal or property tax information & advise.

Aside from all of these services available to members, there is also the sense of power you will feel and the strength of numbers you will share with your peers.



**CBLA Resource Center
9117 S. Brandon Ave.**

JANUARY:

Financial Services Information Fair/Seminar: Rehab loans, refinance, new investments, etc.

Wednesday, January 26, 2005
CHAC, Inc, 1000 S. Wabash Ave.
5:00 – 8:00 pm

FEBRUARY:

Landlords, Get assistance with preparing your annual income taxes. Make sure you use all your deductions.

Thursday, February 10, 2005
Association House of Chicago
1116 N. Kedzie, 6 – 8 pm

MARCH:

Seminar: Landlords and your local CAPS, how to deal with criminal activity in/on your property.

Wednesday, March 16, 2005
Location - TBA

APRIL:

Seminar: The Chicago Landlord/Tenant Residential Ordinance, Apartment Leases. Fair housing laws.

Thursday, April 14, 2005
Spanish Coalition for Housing
1132 W. 18th St. 6 – 8 pm

MAY:

Seminar: Low cost loans for purchasing, refinancing, remodeling and/or repairs.

Thursday, May 19, 2005
Spanish Coalition for Housing
9117 S. Brandon Ave. 6 – 8pm

JUNE:

Seminar: Tenant Relations. Evictions and mediation process.

Thursday, June 16, 2005
Spanish Coalition for Housing
4035 W. North Ave. 6 – 8pm

JULY:

Seminar: Building codes and how to avoid getting cited and paying fines.

Thursday, July 14, 2005
Spanish Coalition for Housing
1132 W. 18th St. 6 – 8 pm

AUGUST:

Seminar: Clean Up Lead Hazards How to be a responsible Landlord.

Thursday, August 18, 2005
Spanish Coalition for Housing
4035 W. North Ave. 6 – 8 pm

September:

Rents Right Resource Fair: Experts & resources for Landlords & Tenants.

Saturday, September 24, 2005
Malcom X College 9 am – 3pm

October:

SEMINAR: Preparing for winter. Insulation, cleaning your heating unit, weatherization programs.

Thursday, October 13, 2005
Spanish Coalition for Housing
9117 S. Brandon Ave. 6 – 8pm

November:

Seminar: Protecting Your Assets, make sure you have adequate insurance.

Thursday, November 17, 2005
Association House of Chicago
1116 N. Kedzie Ave. 6 – 8 pm

December:

Celebration; Christmas Party for CBLA Landlords and their tenants.

Thursday, December 15, 2005
Spanish Coalition for Housing
1132 W. 18th Street, 5 – 8pm

In addition to the above:

- ❖ Guest speakers with expertise in the topic of the seminar will be invited.
- ❖ One-on-one consultations will be provided on as needed basis.

Monday nights will be designated as a late night for the CBLA resource centers where landlords can come together to exchange information, trainings, discuss areas of interest, seek advise from others landlords.

- Two informative housing fairs will be held
- A Quarterly newsletter filled with articles related to housing, upcoming events and other important information every landlord should have.
- Data bank of available and reputable service providers.

LANDLORD QUESTIONS AND ANSWERS

Question:

“I own and live in a three flat building and I also own and rent a single-family home. My question is, Do I have to pay my tenants interest on the security deposits? And how much?”

CBLA Member

Answer:

The answer to the first question is no, you do not have to pay interest to the tenants in the three flat, however you do have to pay interest on the security deposit for the single family rental. The rule is all rental units with written or oral leases (including all subsidized units such as CHA, IHDA, Section 8 Housing Choice Vouchers, etc.). Except units in owner occupied buildings with six or fewer units.

Therefore, The three flat does not fall under the Chicago Residential Landlord / Tenant Ordinance (CRLTO) because it is owner occupied. The single family unit does fall under the CRLTO and you must pay interest on the security deposit.

Now, as to how much? The City Comptroller’s Office prints out a schedule of security deposit interest rates to be paid on security deposits.

Security Deposit Interest Rate

Current rate - January 1, 2004 through December 31, 2004	0.42%
January 1, 2003 through December 31, 2003:	0.52%
January 1, 2002 through December 31, 2002:	0.83%
January 1, 2001 through December 31, 2001:	3.10%
January 1, 2000 through December 31, 2000:	2.71%
January 1, 1999 through December 31, 1999:	2.63%
January 1, 1998 through December 31, 1998:	3.38%
July 1, 1997 through December 31, 1997:	3.42%
Before July 1, 1997:	5.00%

If you need help in calculating the amount you need to pay your tenant, you can call and ask for a CBLA representative and they can assist you to accurately calculate out the correct amount. This is an example of assistance and service the CBLA can provide it’s members. If you have not become a member yet, you can fill out the form on the last page, mail it in or call William at (773) 276-7633 for assistance.

SPANISH COALITION FOR HOUSING

4035 W. NORTH AVE.

CHICAGO IL 60639

The
Mailing
Address
Goes
Here

*“WELL INFORMED AND RESPONSIBLE LANDLORDS ATTRACT
AND MAINTAIN GOOD BUSINESS RELATIONS WITH WELL-
INFORMED AND RESPONSIBLE TENANTS”* CBLA Associate

Fill in your Membership/Info. Form & Mail

Name _____

Address _____

City _____

State/Province _____

ZIP/Postal Code _____

Payment: \$25.00 membership fee per year, 2 units
\$50.00 " " " 3+ units

SEND TO:
SPANISH COALITION
FOR HOUSING
4035 W. NORTH AVE.
CHICAGO IL 60639
tel. (773) 276-7633
fax (773) 276-2105

CHICAGOLAND
BILINGUAL
LANDLORD
ASSOCIATION

The CBLA is a membership association created specifically to provide assistance to people whose goal is to become responsible home and property owners.

The Spanish Coalition for Housing is establishing three CBLA Resource Centers, one on the north side at 4035 W. North Ave. and another on the near west side at 1132 W. 18th Street. The

third in the southeast side at 9117 S. Brandon Ave. Centers will facilitate a variety of services to assist members with tenant relations, legal obligations, leases and contracts, fair housing laws, low-cost financing, marketing, rental subsidies, building codes, property upkeep and maintenance, police and fire services, and improvements and technical training in a full range of areas.