

Landlord Letter

November 2017

Collections, Blood & Turnips

I was recently asked by the Utah Apartment Association to teach a class on collections. During the class we talked about options to collect, but each option also addressed the challenges of collecting. When I arrived home and turned on the TV, I chuckled when KSL was airing an investigation into tens of thousands of unpaid civil judgments (The story is entitled "Worthless Verdicts?" if you'd like to search KSL). The article made the point that I'm sure you've heard - You can't get blood out of a turnip.

The best thing you can do when it comes to collections is avoid being in a collection situation at all. First, you should do whatever you can up front to avoid putting yourself in a difficult position. Make sure you get a detailed rental application from ALL prospective tenants that are considering residing in your rental, but you also need to verify the information (employment, criminal history, etc.).

Just because the tenant promised they don't have any prior evictions doesn't mean it's true — Check the court docket and verify what they're saying. If a tenant has poor credit or other issues that make them more of a risk, make sure you get a deposit in place and maybe increase the deposit amount.

Use a strong lease agreement that *(Continued on page 2)*





(Continued from page 1)

has provisions in place that are designed to protect you. Most cases never make it in front of a judge, but you should act as if every case will. No one ever enters into a lease thinking "I'm going to end up in court on

this one." Assume that you're going to have problems. When you sign your lease, **USE IT**. You should read it and enforce it whenever you or your tenant has a question about what to do.

Even if you do everything right, you still may end up in a situation where the tenant owes you money. You can have an attorney help you file the case and get the judgment, or you can consider filing your own case in small claims court. Once a judgment is entered, here are some of the more successful ways to collect on the judgment you receive.

Typically the best option to collect is through a garnishment (wage or non-wage garnishment). With a wage garnishment, the employer withholds 25% of

their take home pay (after taxes and allowable deductions) for at least four months but up to one year if another garnishment isn't filed by another creditor.

Bank garnishments allow you to seize financial accounts up to the amount of the judgment. If the tenant doesn't have anything in the account, then you get

nothing. But if there's an account that has a substantial balance, a bank garnishment is a great way to go.

You can also seize personal property or cash through a "writ of execution" which is effective if the tenant has valuable items. Another option is to record your judgment with the county to create a judgment lien (if they own any real property in the county).

It's important to realize that collecting on a judgment is NOT guaranteed, but don't give up. Judgments are good for eight years, and you can renew your judgment for an additional eight years. Continue to be persistent and don't be

eight years. Continue to be persistent and don't be surprised when you get a bit lucky.

Attorney Jeremy Shorts



DOs & DON'Ts Security Deposits



Document any charges against the deposit (receipts, estimates, etc).



Issue an itemized deposit closing statement within 30 days.



Go against what your lease says (read your lease during this process).



Charge the tenant for normal wear and tear in the property.

Know Your Notice

• Five Day Tenant At Will Notice •

Purpose: Give a squatter notice that they don't have a lease and must leave.

A Tenant at Will Notice gives the tenant five calendar days to vacate the property.



Even without a written lease, a tenant might not be a tenant at will if the landlord has given verbal permission for the tenant to live there.

The only option for a tenant to comply with a Tenant at Will Notice is to vacate the property. There is no other cure.

Even without a written lease, a tenant might not be a tenant at will if the landlord has given verbal permission for the tenant to live there.



Dear Attorney,

What do I do with subtenants who are not allowed in the property?



This one can be a bit tricky and will probably be governed by your lease so read it carefully. A tenant is allowed to have guests, and depending on the terms of the lease they could even stay for a few nights without any problems. But what about the guest that seems to have outstayed the landlord's welcome?

First – Contact the tenant to express your concern. Sometimes there is a logical explanation that you're okay with. But often the tenant will try to hide the fact that they've let a subtenant in without your permission.

Second - If the tenant's explanation isn't

satisfactory you may want to consider giving an eviction notice. That will let them know you're serious about enforcing the lease. It also gives the tenant time to come into compliance with the lease.

Hopefully that fixes the problems, but if not you may need to file an eviction. Make sure you have strong evidence though, because you'll have to prove your case – get witness statements from neighbors, keep a log of when the subtenants are there, etc. These types of cases can be tricky so you'll want to do everything you can to gather evidence to support your case.

Landlord Laughs — Hearsay & Theresay!

"He who represents himself has a fool for a client." Abraham Lincoln

One of the advantages of hiring an attorney is that they know the law, which helps them focus on what is important when you're in front of the judge. We see a lot of tenants and some landlords who represent themselves, and Mr. Lincoln's advice is pretty accurate.

We recently had a case where the tenant was positive they were going to win. After speaking with them, I was equally confident they were going to lose. When I questioned them about their case and explained why I thought they would lose, they couldn't see why I wasn't impressed with their case.

To back up their evidence, they explained "Look, I have everything in writing. This isn't 'hearsay' or 'theresay'!" I had to chuckle (inside, of course). As an attorney I know what "hearsay" is, but "theresay" was a new one for me. In the end, the judge wasn't impresse with their argument either — we won.

Parting Thoughts

- We're working to build our readership, tell your friends to subscribe to this FREE newsletter. Send us an email at info@utahevictionlaw.com.
- Have an eviction question? Email it to us for a future newsletter!
- Help us build our online presence!
 You can "Like" our Facebook page
 (www.facebook.com/
 utahevictionlaw).
- You can also give us a Five Star Google Review (search "Utah Eviction Law Google Reviews" and click on our link).



