

The Complete Guide to Evictions

A webinar by <u>=turbotenant</u>

This webinar will be recorded and emailed to you after our session ends.

Everything You Need to Know About the Eviction Process

- → The Basics
- → Average Cost
- Alternatives to Eviction

→ Case Study

Eviction Basics →



What is an Eviction Notice?

 A document filled out by the landlord that provides reasons for eviction

• Types:

- Pay or quit
- Unconditional quit
- Notice to comply or quit

Pro Tip: <u>A self-help eviction</u> is any action that a landlord takes to evict a tenant outside the legal means as outlined in state and local laws.



Pay or Quit Notice

- Requires the tenant to either pay rent in full or vacate within a certain amount of time
- May be served the day rent is late, depending on your state



Unconditional Quit Notice

- Requires the tenant to vacate within a short period of time without any opportunity for discussion
- Typically used when "a tenant has repeatedly violated a lease clause, has substantially damaged the rental unit, [or] is dealing drugs," per <u>Nolo</u>



Notice to Comply or Quit

- Gives the tenant a certain amount of time to fix the issue at hand (such as excessive noise)
 - If they don't comply within the time frame, they'll be given an unconditional quit notice





How many eviction notices do landlords across America file in a typical year?



BASICS

U.S. Eviction Filing Rate and Population in 2018







The Impact of Eviction - Landlord

- Misses time with family to go to court
- Increases stress level
- Drains financials

BASICS

The Impact of Eviction - Tenant

- Tenant:
 - Forced to find new housing
 - Can't have legal representation in many states, which increases stress
 - Hurts their credit and ability to find affordable housing in the future
 - Traumatizing for children



Pro Tip: Given their impact, evictions should only be used as a last resort. We'll share alternatives to evictions later in the presentation.



- According to <u>Realtor.com</u>, the following states are the worst places to be evicted:
 - Colorado
 - South Dakota
 - Georgia
 - Montana
 - West Virginia





Common Reasons for Eviction

- Payment issues/nonpayment of rent
- Property damage
- Keeping pets
- Illegal activity
- Anti-social behavior





What requirements change from state to state?

- Eviction qualifications
- The type of eviction notice
- The amount of notice

Pro Tip: TurboTenant makes it simple to <u>stay up to</u> date with your local landlord-tenant laws.

BASICS

The Uniform Residential Landlord and Tenant Act (URLTA)

- Under URLTA, landlords must:
 - Comply with all building codes
 - Repair the building to ensure it is in good condition
 - Provide trash and recycling receptacles
 - Supply hot water and heat
 - Maintain the plumbing and electricity
 - Keep the area clean and safe



BASICS

URLTA and Tenants

- Tenants are required to:
 - Comply with all building codes in regards to safety and security
 - Remove garbage and waste from the rental
 - Keep the rental unit clean
 - Use appliances in a reasonable manner
 - Keep plumbing fixtures as clean as they are able
 - Not deliberately break or deface anything on the property
 - Conduct themselves in a safe and peaceful manner



The Eviction Process in 5 Steps

- 1. Revisit URLTA and your local landlord-tenant laws
- 2. Review your lease agreement

DOCUMENTATION CHECKLIST FOR COURT PROCEEDINGS		
Lease agreement		 Bank statements
Renter's license		 Photos of damage
Copy of eviction notice		Email or text correspondence
Deed to the property		Any other proof of violations
Post office receipt from mailing notice		

The Eviction Process in 5 Steps

- **3**. Post an eviction notice that details:
 - a. The reason for eviction
 - b. Total damages and rent owed (as applicable)
 - c. A timeframe for complying with demands
 - d. The eviction date if your demands aren't met
- 4. Begin the eviction process in court
- 5. Evict the tenant and regain property





Regaining Property

- After the tenant has moved out:
 - The landlord can regain full use of the unit, including cleaning and changing the locks



The Eviction Process: Frequently Asked Questions



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How long does the eviction process take?

- Two to three months on average
 - Dependent on the state and your unique eviction situation







How much does it cost to evict a tenant?

- Varies, but the process averages
 \$3,500 per TransUnion
- Landlords pay:
 - Court fees
 - Legal fees
 - Tenant turnover fees
 - Other costs, like time and lost rent
- Some costs may be tax deductible



Can I recoup unpaid rent?

- Possibly, depending on your accounting method:
 - Cash accounting: rent debt is uncollected income
 - can't recoup
 - Accrual accounting: if accrued rent is included in income but not collected, it can be written off as bad debt
- Or you could go to small claims court

What if my tenant leaves personal items behind?

- Trash can be removed, but abandoned belongings with value should be treated carefully
- Per <u>Nolo</u>, look up your state's rules regarding:
 - notifying former tenants about abandoned property
 - storing abandoned property
 - disposing of abandoned property
 - using funds from the sale of abandoned property



- Yes!
 - Convert to a month-to-month lease
 - Provide your tenant with rent relief resources
 - Cash for keys

CASH FOR KEYS CHECKLIST



Offer the agreement to your tenant and explain **how pricey** evictions are



Sign and keep copies of **the agreement and** receipts of the payment



Pay your tenant the agreed amount



How do I avoid an eviction?

- Review your lease with a real estate attorney
- Prioritize tenant screening by leveraging background, criminal history, and credit checks
- Gather landlord references
- Maintain good documentation of all conversations, complaints, etc. relating to each tenant



Pro Tip: TurboTenant offers <u>comprehensive tenant</u> <u>screening reports</u> to help you find renters you can trust.



- Landlord Gurpreet "GP" Singh
- 20+ years of experience
- Context
 - Location: Montgomery County, MD
 - Tenancy of 15-18 months
 - Issue: Nonpayment of rent

Sources: <u>Brookings University</u> | <u>Eviction Lab</u> | <u>Nolo</u> | <u>Realtor.com</u> | <u>Rocket Lawyer</u> | <u>SmartMove</u> | <u>TurboTenant: Cash for Keys</u> | <u>TurboTenant: Complete Guide to Evictions</u> | <u>TurboTenant: Eviction Costs</u> | <u>TurboTenant: Guide to Eviction Timelines</u> |



How long would you wait to formally begin the eviction process?





After receiving the court's money judgment, what would your next step be?





Once the court has set an eviction date, what would be your next step?

