



Landlords' Legend

SECOND QUARTER 2011

QUARTERLY
NEWSLETTER

President's Column

by Keith Smith

Don't we all wish we could get something for nothing? It is certainly that way in the rental business—on both sides of the door. How can you protect yourself? Common sense seems to be the best vaccine. While the internet and sites such as craigslist have made advertising easy, they have also made scamming even easier.

Have you received this type of e-mail in response to a rental unit you have posted? Hello, I am from UK moving to United States for [insert most credible choice here—teacher, missionary, local industry]. I will need housing and interested in home on craigslist. The e-mail continues on, asking for more information. It may even ask to wire money to you—more than is needed for the rent and deposit—and asks you to help by wiring that excess somewhere else. A teacher sure sounds like a good choice for a renter. And, if they are sending more money than is needed, that's a good thing, right?

The first time you receive such an e-mail response from a craigslist posting it seems plausible. Even kind of cool—someone relocating from another continent. The story breaks apart as you reread the e-mail and catch the spelling and grammar mistakes. The spelling and grammar oddities are some of the best signals of fraud. Wiring money is another. While many long-distance transactions are legitimate your antennae need to be up for anything suspicious. And, be sure to wait for the check or money to clear (not just deposited) at the bank.

Has your posting been high jacked? The scammer takes your description and photos and reposts them at half the rental amount. Renters, eager to get a good deal respond to the cheap listing. The e-mail

says the owner of the home is out of the country (West Africa, Nigeria, pick your location) on God's work and has the keys to the property with them. Pay no attention to the sign in the yard—we are no longer working with that agent, the renter is told. Wire money and we'll send keys. Oh, and by the way, complete this rental application that gives us more than enough to steal your identity.

We all know the old saying "if it sounds too good to be true, it probably is." But we still wish for that great deal. Many renters are desperate to find a good home for their family and are waiting for that lightning strike of good luck to hit. It can be very hard for them to give up on the image of their family on the porch or playing in the yard. They want that home and want it at that price.

This type of fraud is especially frustrating. The thief is stealing your ad content and your good reputation. Catching the thief in cyberland is nearly impossible. Protect yourself by contacting the police to report the fake ad/posting. Flag the scam posting on craigslist. Post an alert to the scam listing and suggest interested renters call the LOCAL number on the sign at the property.

These responses aren't as satisfying as actually prosecuting a scammer but they are action steps you can take if your ad is high jacked. If you have experienced scams—similar or even more devious—share that information with your local landlord group and tell us what you did in response. Our shared common sense can help us avoid and react to fraud.

Please stay vigilant for these scam artists to protect your investments and your potential clients. ❖

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2011 OFFICERS

- Keith Smith, president
- Walter Skovronski, vice president
- Kim Frederickson, secretary
- Stephanie Danielsen, treasurer

2011 BOARD MEETINGS:

- July 15—Waterloo Elks Club
- October 6—Cedar Rapids Clarion Hotel

Legislative Report

By Joe Kelly, LLIA Lobbyist

It looks as though the legislature won't adjourn until sometime in June, possibly pushing up against the start of the new state fiscal year of July 1. The issues causing the delay are primarily those of budget and tax relief. The Republicans want to move toward spending 97% of revenues, instead of the 99% required by law. The Republicans also want a more aggressive cut in commercial property taxes, lowering the rate by 8% for five consecutive years.

There were not any bills which passed this year which were specifically negative toward landlords. Landlords were instrumental in stopping five bills which weren't favorable for us:

- **SSB 1049** is a bill which would have had a negative impact on landlords' property rights. Cable and telecommunication companies wanted more flexibility in accessing rental properties.
- **SF 92** would have changes the security deposit law specifically altering the legal standard for imposing punitive damages when security deposits were held incorrectly.
- **SSB 1093** would have revised the clear and present danger law so that victims of domestic abuse would not have to take action to prevent the abuser from returning to the property.
- **HSB 31** would have set up a storage requirement for property left behind by a tenant through eviction or abandonment.
- **SSB 1059** would have abolished the Property Assessment Appeals Board.

Even though landlords didn't cause any bills to be introduced in 2011, we took advantage of two bills which were introduced by others. The first was HF 454, a bill permitting city utilities and certain cities to delegate the authority to certify unpaid rates or charges for collection by the county treasurer. HF 454 opened up Iowa Code Chapter 384.84, the exact place where our 2007 passed bill, HF 783, was located. For those of you who may be new to the profession, HF 783 would have changed the law so that your property was registered once with the municipal utility as a rental property, and you would not have had to contact them every time a tenancy changed in order to protect yourself from a lien, if your tenant didn't pay the water utility charge. HF 783 would also have added all city enterprise services to the lien protection program.

As you know, Governor Culver vetoed HF 783. We never could get Governor Culver to reveal what version of our language he would accept. Now there's a new Governor. The municipal utilities introduced HF 454 which gave us the opportunity to propose an amendment to HF 454, which would bring back our material from 2007. That amendment was filed by Rep. Jeff Kaufmann (R-Wilton) and Rep. Mary Gaskill (D-Ottumwa). Rep. Gaskill was chair of the Local Government Committee in 2007, and Rep. Kaufmann was ranking member and was a subcommittee member for HF 783. Both remembered our issue very well.

Opponents of our amendment asked Rep. Kaufmann and Rep. Gaskill to drop their amendment. At first, both legislators declined to do so. However, our opponents convinced the floor manager of the bill not to run it. Then the floor manager convinced Rep. Kaufmann to withdraw his amendment. After consulting with us, Rep. Kaufmann did withdraw the amendment.

The other bill we worked on was introduced by Rep. Nick Wagner (R-Marion). There has been quite a fight between the city of Cedar Rapids and the Linn County landlords, who have taken the city to court over chapter 29. Rep. Wagner was aware of all this, since he lives in the neighboring city of Marion. Rep. Wagner had his legal intern write a bill which would address the problems raised in Cedar Rapids and many other cities around the state. HF 613 is written in a very broad fashion. It's written in a way that reminds you of an equal protection and constitutional argument. Here is the official bill explanation: This bill restricts the ability of cities and counties to adopt and enforce ordinances which distinguish between persons living in owner-occupied housing and persons living in rental properties or which distinguishes residential property based on whether it is owner-occupied or leased.

Needless to say, the cities and counties aren't happy with HF 613 and worked against its passage. And just as a safety precaution, local governments convinced Rep. Wagner to introduce an amendment which exempts registration of rental housing and permit fees for inspection of rental properties. This amendment pretty much negates the effect of HF 613.

Landlords will be better served by writing our own bill for the 2012 session. ❖

Unapproved Minutes—Landlords of Iowa Board of Directors Meeting April 15, 2011, Cecil's Cafe, Marshalltown, IA

ATTENDEES: Keith Smith, Kim Frederickson, Jim Ervin, Bob Smith, Burt Ehlers, Daryl Kruse, Kathi Skovronski, Walter Skovronski, Max Patterson, Sandra Patterson, Carla Limmer, Jean Edward, Roger Wahl, B.O. Bryngelson, Al Seims, Ruth Seims, Bob Mitchell, and Fred Rhodes.

CALL TO ORDER: President Keith Smith called the meeting to order at 10:00 a.m.

BOARD OF DIRECTORS: President Keith Smith asked that each board member introduce themselves and discuss the top three issues that need addressed with their current chapters. City Inspections, City Ordinances and getting members more involved in the legislative process.

WELCOME NEW BOARD MEMBER:

Roger Wahl so move that Carla Limmer and Jean Edward be accepted as new board members from Council Bluffs with a second by Walter Skovronski. William Wege is no longer with Pottawattamie. Motion Carried.

SECRETARY'S REPORT: Kim Frederickson

The secretary provided written copies of the minutes to each board member. Jim Ervin moved that we accept the secretary's report with a second by Walter Skovronski. Motion passed unanimously.

TREASURER'S REPORT: Stephanie Danielsen

The treasurer provided written reports by email to the board members. Jim Ervin moved to not accept the treasurer's report with a second by Roger Wahl. All opposed. Motion voted down. Bob Smith motioned to place the treasurer's report on file with a second by Walter Skovronski. Motion passed unanimously.

2010 CONVENTION COMMITTEE: Jerry Merrick

Bob Smith picked up bills from the Dubuque convention. No convention treasurer's report was included in the tote. Bob Smith mentioned that the CD written in Mac will convert to windows and Bob Mitchell said that no treasurer's report was on that CD. President Keith Smith mentioned that the Landlords of Iowa have \$2859.44 in our custody and that a check for \$500 has been written. Bob Smith mentioned that the business proposal for sharing state convention profits in July of 2010 was accepted under the following conditions. Once all invoices and bills pertaining to convention have been paid the residual will be the profit. Reimbursement of upfront money given by State will be returned to State. State then will be given the first \$1500 of residual. Remainder will be split at 75% to DALA and 25% sent to state. Same ratio will be given to Clinton based on Clinton's final numbers.

2011 CONVENTION COMMITTEE: Bob Mitchell

Bob Mitchell handed out a written agenda and a draft

budget for the board to review.

Discussion followed of the site location for the 2012 convention. Roger Wahl will see if Pottawattamie will host the convention and President Keith Smith will see if Ames will host the 2012 convention. Bob Mitchell will have a key note speaker lined up and budget proposed at our July 15th board meeting. Bob Mitchell will have Early Registration information to go into the 2nd quarter newsletter.

EDUCATION/MEMBERSHIP COMMITTEE: Kathi Skovronski

Kathi Skovronski proposed some questions and asked the board for direction. Kathi Skovronski will put a blurb in the newsletter to see who would like to come and be a speaker at one of the meetings. Kathi Skovronski will solicit the local chapters to do a landlord university. Kathi Skovronski will put a plan together. Kathi Skovronski will contact the Ames President to schedule a landlord university with them. Walter Skovronski recommended that we do a charter night for Ames with all the board members attending.

AUDIT COMMITTEE: President Keith Smith

President Keith Smith informed the board that Garry Olmstead resigned. President Keith Smith appointed himself as chair of this committee with the board's approval and assigned Bob Smith to this committee.

FORM'S COMMITTEE REPORT: Richard Sack

President Keith Smith mentioned an email from Stephanie Danielsen that the "new" forms have been retracted for FEDs and money judgments. President Keith Smith stated that if you need forms send him an email and he can send them out electronically.

NEWSLETTER COMMITTEE: Diana Wilson

Need all newsletter material by May 7, 2011.

LEGAL STATUS COMMITTEE: Stephanie Danielsen and Walter Skovronski. No Report.

LEGISLATIVE COMMITTEE: Daryl Kruse

Daryl Kruse provided the board with a copy of an email addressed to Joe Kelly from Daryl Kruse. We reviewed the email and discussion followed on the following HF 454, HF613 and HF 783.

Our Agenda will be to support these bills and ask the legislators what they think of them and will they support them and become co-sponsors. Discussion followed on the War Eagle. Refine and Revisit the posting of the 3 days and delivery. When mailing a notice it takes 4 days for delivery and we want changed to 3 days. When delivering notices we want the ability to sign an affidavit in place of sheriff or

(Continued on page 4)

April 15 Board Meeting Minutes

(Continued from page 3)

process server. When using proof of mailing or use of certified return receipt with regular mail. The board is in favor of having the War Eagle added to the Agenda. President Keith Smith would like to add natural disaster to the agenda to cover when a disaster to property like fire or flood the tenant has the right to terminate and we want the landlord to have the same right to terminate. We need to ask Joe to look at and review 657A and see how that affects us. If property is empty for 6 months it is abandoned. Would like to use HF 783 to start over and work on over the summer. Notify the city utility or enterprise only once rather than every time. Daryl Kruse asked for a motion to have non owner occupied violations be put on the legislative agenda so moved by Jean Edward with a second by Carla Limmer. Motion passed unanimously. Read ordinance of the Safe Act. Have back property taxes abated on blighted properties. Include realtors, investors or persons who have an interest in the property to be included into the safe act. Need exemption if you have an interest in the property.

WEBSITE COMMITTEE: Bob Smith and Jim Ervin

www.landlordsofiowa.org

NOMINATION COMMITTEE: Dick Sack

No Report

OLD BUSINESS:

None

NEW BUSINESS:

Discussion of getting an Executive Director hired. Roger Wahl so moved that we look at the cost of an Executive Director and the possibility to raise the dues. Form a budget and job description. Complete a feasibility study of a full or part time Executive Director with a second by Carla Limmer. Motion Passed Unanimously. Discussion followed of forming a PAC. Jim Ervin stated that we already have a PAC formed named Iowa Apartment PAC. Jim Ervin mentioned changing the PAC name back to Iowa Landlord PAC. The current balance is \$60.01

ADJOURN: Jim Ervin motioned to adjourn with a second by Walter Skovronski. Daryl Kruse asked for 10 more minutes B.O. Bryngelson so moved. Motion Carried. Bob Smith so moved that we adjourn at 2:18 p.m. with a second by Kim Frederickson. Motion Carried. ❖

Tax-Cut Compromise Considered

As reported in the Des Moines Register

A potential legislative compromise on commercial property tax reduction could result in less savings for commercial property owners than Republicans initially proposed, with the cuts phased in over a longer period.

In one option under consideration in closed-door discussions, the savings to commercial owners would shrink by more than a third from what Republican Gov. Terry Branstad has advocated and the Iowa House approved earlier this year, Rep. Tom Sands, R-Wapello, chairman of the House Ways and Means Committee, told The Des Moines Register.

It's the first public indication of movement in a legislative stalemate over how best to cut taxes for commercial and industrial properties, which are disproportionately high in Iowa compared with taxes on residential and agricultural properties. The gridlock over property taxes is one of a handful of issues preventing the Legislature from wrapping up its work for the 2011 session.

Branstad campaigned last fall on reducing commercial property taxes as a way to encourage business expansion

and job growth. The Republican-dominated House approved his call for a 40 percent reduction over five years. The percent of a commercial property's value that is taxed would be cut from 100 percent to 60 percent, or 8 percent a year. But the Senate, narrowly controlled by Democrats, has balked

One option now under consideration would stretch the phased-in reduction to an eight-year process, and the drop in value to be taxed would stop at 75 percent, rather than 60 percent, Sands said. That's roughly a 3 percent drop per year, rather than 8 percent.

The smaller reduction and longer phase-in are intended to address concerns of city and county officials, who predicted a massive shift in the tax burden from commercial properties to residential properties under the Republican plan. City and county officials said the lost revenue from commercial properties would result in higher taxes for homeowners or drastic cutbacks in city services

However, under both the original Republican plan and the

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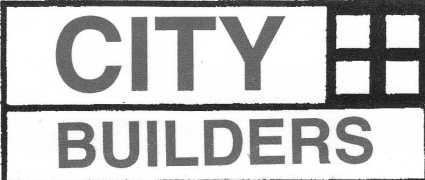
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Membership Report as of March 31, 2011

Chapter #	Name	Members
1	Landlords of Black Hawk	102
2	Landlords of Linn County	164
5	Wapello County Area Chapter	23
6	Siouxland Rental Association	31
7	Clinton Landlords Association, Inc.	53
8	Pottawattamie Co. Landlord Assn.	106
9	Marion Co. Landlords' Association	0
10	Fort Dodge Area Landlords Assn.	72
11	Muscatine Landlord Association	32
12	Marshalltown Rental Property Assn.	20
14	Dubuque Area Landlords Assn.	69
16	Central Iowa Rental Property Assn.	21
17	North Iowa Landlords Assn.	28
20	Greater Iowa City Apt. Assn.	49
21	Landlords of Davenport Inc.	44
22	Ames	60
99	At-large Members	2
	Vendor/Associate Members	6
	Other	4

TOTAL = 886



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515.289-9000 ph (Des Moines)
319.366.1952 ph (Cedar Rapids)
800.798.4000 ph 319.277.2351 fx

Landlords of Iowa Board of Directors 2011

B.O. Bryngelson

Marshalltown Rental Property Association
641/752-3646, bo_bryn@willinet.net

Stephanie Danielsen, LLIA Treasurer, Budget

Committee -Chair,
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Jean Edwards

Pottawattamie County Landlord Association
402/659-7069, landlordjean@gmail.com

Burt Ehlers

Clinton Landlords Association, Inc.
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Jim Ervin, Newsletter Co-Editor

North Iowa Landlords Association
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David Essing

Fort Dodge Area Landlords Association
515/576-4407, actionrealtyinc@yahoo.com

Kim Frederickson, LLIA Secretary

Landlords of Linn County
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Glenda or Michael Hanback

Central Iowa Rental Property Association
515/279-2847, glendahanback@msn.com

Keith or Inez Hill

Wapello County Area Chapter
641/684-7842, inezkeithhill@gmail.com

David Kacena

Greater Iowa City Area Apartment Association
319/354-0386, David@k-rem.com

Daryl Kruse, Legislative Committee-Chair

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319/240-0880, dreeemon@aol.com

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Pottawattamie County Landlord Association
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Jerry Merrick

Dubuque Area Landlords Association
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Rachel Page

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Max Patterson

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Maynard Porter

Siouxland Rental Association
712/258-8182, maynardporter@hotmail.com

Richard Sack, Forms Review Committee-Chair

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563/243-2617, cosuda@mchsi.com

Al Seim

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641/682-7878, arseim@lisco.com

Kathi Skovronski, Education Committee-Chair,

Membership Committee-Chair
Landlords of Davenport, Inc.
563/326-5693, kaski58@msn.com

Walter Skovronski, LLIA Vice President, Legal Status

Committee-Chair
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563/326-5693, kaski58@msn.com

Keith Smith, LLIA President, Audit Committee-Chair

Landlords of Linn County
319/721-4191, keith@ia-mb.com

Robert Smith, Website Committee-Chair

Clinton Landlords Association, Inc.
563/212-2211, rjsmith52732@gmail.com

Roger Wahl

Pottawattamie County Landlord Association
712/322-8153, wahlapts@aol.com

Diana Wilson, Newsletter Editor

Muscatine Landlord Association, Inc.
563/264-2077 or 563/299-2007,
dkwilson@machlink.com

Plain English Translation of 1099 Filings

Reprinted from *Mr. Landlord.com*

Speaking of doing work on your properties, in our last Rental Owner Updates, an article was shared about 1099 Filings. A couple of readers wrote me and said they appreciate the info, but the wording was still not clear to them on who or whether they must file 1099s. So I asked Mr. Al Aiello to share again, however this time in "plain english". Here are his comments:

Burdensome 1099 Requirement For Landlords And Business Owners - Repealed!

This ridiculous idiotic law would have required landlords and business owners to file 1099's for payments of goods or services \$600 or more to EVERYONE AND THEIR GRANDMOTHER (except tax-exempt organizations). This would have included - Home Depot, Lowes, Staples, Orkin, Ace Hardware (or your local hardware), CPA's, vendors, suppliers, construction companies, even if they are corporations (or LLC's) and even if they are big corporations!

Good news - as a result of vigorous and vociferous protests from business groups - these knuckleheads in congress did listen and we are back to the way it was before. That is, no 1099's to corporations or LLC's. However, payments of \$600 or more to unincorporated businesses or individuals still require the filing of 1099's. (TIP: If you are paying an unincorporated business or individual on a continuing basis, get them to incorporate or LLC so you do not have to file a 1099 for over-\$600 payments).

The Very Best

Al Aiello, CPA, MS Taxation, RE Investor

Editor's Note: Some of you never got your copy of Al's very informative report on the Hidden Powers of LLCs. If you never got your copy of the LLC, send a request to editor@mrlandlord.com ❖



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Tax-Cut Compromise Considered

(Continued from page 4)

current option under consideration, the state would give money to local governments to partially offset tax collection losses.

Currently, Iowa commercial and industrial property owners pay taxes on 100 percent of the value of their properties. Homeowners pay taxes on less than 50 percent of their property's assessed value. Business officials say that disparity makes it more difficult to attract industry.

Under the eight-year phase-in, for Iowa's tallest building, the 44-story 801 Grand in Des Moines, the new projected savings would be about \$757,000 a year, compared to the \$1.2 million savings projected after full implementation of the original plan, or nearly \$455,000 less. The building's current assessed value is \$53,570,000.

For the North English Post Office, one of 12 investment buildings owned by Branstad and his wife, the savings under the possible compromise would be \$418 a year, \$250 less than under Branstad's original proposal. The building is assessed at \$52,160.

"Obviously we're trying to get something passed that the Senate will take up," Sands said about the changes.

"We've been trying to listen to some of their concerns, and we're trying to find some common ground without sacrificing our core principles."

A formal proposal is expected to be unveiled Monday.

The reaction to the possible compromise was tepid from city and county officials.

The phased-in reduction in tax collections over a longer period of time, while perhaps not ideal, would more closely mirror typical commercial valuation increases and make it easier for local governments to absorb the changes, acknowledged Bill Peterson, executive director of the Iowa State Association of Counties.

"That certainly would be a more reasonable approach, and I think that a lot of government officials would view that as more livable," Peterson said.

Des Moines city officials, however, remained alarmed.

"It's obviously better, but it's still a big problem," Des Moines City Councilwoman Christine Hensley said.

Don Racheter, a lobbyist for Iowans for Tax Relief, said the possible compromise would dilute the impact of the original proposal, although his group hasn't opposed such a compromise plan.

"We liked the original proposal, but if this is the best we can get, we think it's a positive step forward to have some kind of property tax relief," Racheter said.

It was unclear late last week whether Governor Branstad

would support anything less than what he originally proposed. Tim Albrecht, a spokesman for the governor, said late Friday that negotiations were continuing, and that the administration would evaluate the proposal once it's formally submitted.

Democrats have generally agreed that the tax disparity between residential and commercial properties should be reduced. Earlier in the session, the Senate passed a proposal targeted at smaller businesses, such as mom-and-pop retail stores. The Senate's plan would tax the first \$30,000 of a commercial property's value at a rate that mirrors a home's lower taxation level.

The Democratic plan, paid with future state revenue growth, could eventually tax up to \$340,000 of a commercial property's value at the lower residential levels. At the same time, local governments would not take such a big hit in revenue collections.

House Democratic Leader Kevin McCarthy didn't immediately rule out acceptance of the possible Republican compromise, saying his party would need to review it in its entirety.

The original GOP plan, which included changes to school taxes as well, would have cost the state about \$800 million a year in lost revenues or additional expenses once fully implemented, according to the nonpartisan Legislative Services Agency. The cost was too high, McCarthy said.

"We totally agree that we need to do something on commercial property taxes," McCarthy said. "Let's just hope we don't set in motion something that's not sustainable." ❖

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Local Chapters (Listed alphabetically—numbered by order of joining)

#22 AMES RENTAL ASSOCIATION

Kecell@triplettcompanies.com

Chapter Address: PO Box 2409, Ames, IA 50010

Meetings: Semi-Annual

2011 President: Kelli Excell

#1 LANDLORDS OF BLACK HAWK, INC.

www.blackhawklandlords.org

Chapter Address: PO Box 742, Waterloo, IA 50704

Meetings: Monthly, 3rd Thursday, 6:00-8:30 p.m.

Dinner, Program, Business Meeting.

Elks, 409 E Park Ave., Waterloo, IA 50703

Board meets 1st Thursday of the month for lunch., 12 noon, Elks

2011 President: Wally Parrish

#16 CENTRAL IOWA RENTAL PROPERTY ASSOC.

Meetings: Monthly, 3rd Thursday, 7:00-9:00 p.m.

Iowa Realty Office, 3521 Beaver Ave. Des Moines, IA 50310

2011 President: Anne Bickell

#7 CLINTON LANDLORDS' ASSOCIATION, INC.

www.clintonlandlords.com

Chapter Address: PO Box 155, Clinton, IA 52732-0155

Meetings: Monthly, 4th Thursday, 5:30-9:00 p.m.

Social Hour, Dinner 6:00 p.m. Business Meeting: 6:30 p.m.

Program, Frontier Restaurant, 2300 Lincoln Way, Clinton, IA 52732

Board meets as required.

2011 President: Mike Drury

#21 LANDLORDS OF DAVENPORT, INC.

Chapter Address: 2350 Farnam St, Davenport, IA 52803

Meetings: Monthly, 4th Tuesday, 6:30 - 8:00 p.m.

Business Meeting, Program, Davenport Moose Club, 2333 Rockingham Rd, Davenport, IA 52802

2011 President: Walter Skovronski

#14 DUBUQUE AREA LANDLORDS ASSOCIATION

Meetings: 2nd Tuesday, 7:00 p.m. in September, November, January, March, & May, Dubuque Area Lifetime Center, 3505 Stoneman Road, Dubuque, IA 52002

Board meets 1st Tuesday at noon - same months as meetings.

2011 President: Jerry Maro

#10 FORT DODGE AREA LANDLORD ASSOCIATION

www.fdala.com

Meetings: Monthly, 3rd Wednesday, 7:30-9:00 p.m.

Chamber of Commerce, 1406 Central Ave., Fort Dodge, IA 50501

2011 President: Dave Essing

#20 GREATER IOWA CITY AREA APARTMENT ASSOC.

www.gicaa.org

Chapter Address: PO Box 1765, Iowa City, IA 52244-1765

Meetings: Monthly, 4th Tuesday, 9 months

No meetings - Jul., Aug., Dec.

11:30 a.m. to 1:00 p.m., Lunch, Business, Speaker,

Iowa City Board of Realtors, 438 HWY 1 West, Iowa City, IA 52246

Board meets 2nd Tuesday every month.

2011 President: David Kacena

#2 LANDLORDS OF LINN COUNTY

www.landlordsoflinncounty.com

Chapter Address: PO Box 338, 3315 Williams Blvd SW Suite 2, Cedar Rapids, IA 52406

Meetings: Monthly, 2nd Thursday, 6:00 p.m. Social Hour, 7:00 p.m.

Program/Meeting, Longbranch Hotel, 90 Twixtown Rd NE, Cedar Rapids, IA 52402

2011 President: Stephanie Danielson

#9 MARION COUNTY LANDLORDS' ASSOCIATION

Meetings: Every other month, 3rd Tuesday,

Mr. C's Steakhouse, Highway 14 N, Knoxville, IA 50138

6:30 p.m. Dinner, 7:00 p.m. Program

2011 President: Jayme McLaren

#12 MARSHALLTOWN RENTAL PROPERTY ASSOC.

Chapter Address: PO Box 36, Marshalltown, IA 50158

Meetings: Monthly, 2nd Thursday, noon luncheon

Memories Banquet & Reception Hall, 1010 W. Lincoln Way, Marshalltown, IA 50158

2011 President: B.O. Bryngelson

#11 MUSCATINE LANDLORD ASSOCIATION

www.muscatinelandlords.org

Chapter Address: 1103 Halstead St, Muscatine, IA 52761

Meetings: Monthly, 3rd Mon., 9 months of the year, 7:00-8:30 p.m.,

Trinity Church, 211 Walnut St., Muscatine, IA 52761

Board meets 6:00 p.m. prior to meeting.

2011 President: Diana Wilson

#17 NORTH IOWA LANDLORDS ASSOCIATION

Chapter Address: PO Box 354, Mason City, IA 50402-0354

Meetings: Monthly, 2nd Tues., 9 months of the year, 7:00-8:30 p.m.

Grant Village Community Center, 823 - 6th St. SW, Mason City, IA 50401

Board meets 6:30 p.m. before regular meeting.

2011 President: Jim Ervin

#8 POTTAWATTAMIE COUNTY LANDLORD ASSOC.

www.pottcolandlords.org

Chapter Address: 3114 - 9th Ave, Council Bluffs, IA 51501-5737

Meetings: Monthly, 2nd Thurs., 7:00-8:30 p.m., Business, Program,

Jon Malloy Center, South 7th St. & 9th Ave., Council Bluffs, IA 51501

2011 President: Dan Angerth

#6 SIOUXLAND RENTAL ASSOCIATION

www.sioxlandhomerentals.com

Chapter Address: PO Box 5204, Sioux City, IA 51102

Meetings: Jan, Apr, July, Oct, 6:00 p.m. Dinner, 7:00 p.m. Program,

Business Meeting, Horizon Restaurant, 1222 Tri View, Sioux City, IA 51103

2011 President: Maynard Porter

#5 WAPELLO COUNTY AREA CHAPTER

Chapter Address: 13934 - 65th St., Ottumwa, IA 52501

Meetings: Monthly, 2nd Mon., 6:30 p.m. Dinner, 7:00 p.m. Meeting

Sirloin Stockade, 2645 Northgate Dr., Ottumwa, IA 52501

2011 President: Keith & Inez Hill

2011 Landlords of Iowa Convention October 7 and 8

By Bob Mitchell, 2011 State Convention Chairman

The Landlords of Linn County cordially invite you to the 23rd annual Landlords of Iowa State Convention October 7th and 8th. Please mark your calendars. The convention will be held at the Clarion Hotel and Conference Center in Cedar Rapids. Please visit our website IowaLandlordsConvention.com to see all the details of the convention. The proposed agenda is below. Reservations can be made through Pay Pal.

Our agenda is filled with top notch education, entertainment, and information to help you succeed in to-

day's market. We have a wealth of information on great topics important to your property management business. We have worked very hard to bring you many vendors, sponsors, and tons of door prizes just for attending.

Don't miss this exclusive event to see old friends and make new ones. You will meet other landlords and speakers and take in a wealth of information you can't buy anywhere else for this price.

SEE YOU AT THE CONVENTION!!!

2011 Convention Agenda—Cedar Rapids, IA “Strengthening Your Legacy” Proposed Agenda

Thursday, October 6

5:30-8:30 PM Registration – Lobby
5:00-7:00 PM Landlords of Iowa Board Meeting (room)
5:00-9:00 PM Hospitality – (The Forum)

Friday, October 7

8:00 AM Registration
8:30 AM Welcome: *LLIA President, Keith Smith; LLOC President, Stephanie Danielsen*
8:45 AM Program – Legislative Panel & Joe Kelly w/ League of Women Voters
9:45 AM Break
10:15 AM Program – HUD/Fair Housing
11:15 AM Program –
12:15 PM Lunch
1:15 PM Program – Collect that Rent ~ Garnishments, Collections, etc.
2:00 PM Break-Out Sessions
 A. Identity Theft & Prevention; Cons & Scams
 B. Estate Planning; wills & trusts
 C. Insurance & Loss Prevention
3:00 PM Break
3:30 PM Break Out Sessions
 A. Identity Theft & Prevention; Cons & Scams

B. Estate Planning; wills & trusts

C. Insurance & Loss Prevention

6:00 PM Dinner/Entertainment

8:00 PM Hospitality or Out on the Town (Bar)

Saturday, October 8

7:00 AM President's Breakfast
8:00 AM Program – Judge/Magistrate
9:00 AM Program – Bed Bug Attorney
10:00 AM Break
10:30 AM Break Out Sessions
 A. 1031 Exchanges
 B. Move 'em in, Move 'em out
 C. Balance your Balance Sheet – Property Valuation... cashflow
12:00 PM Lunch
1:00 PM Break Out Sessions
 A. 1031 Exchanges
 B. Move 'em in, Move 'em out
 C. Balance your Balance Sheet – Property Valuation... cashflow
2:00 PM Program – The Apartment Guy
3:30 PM Closing

What's In Your Insurance Policy?

Reprinted from Mr. Landlord.com

Most of you have heard of the tornado devastation in Missouri recently.. One of our regular website visitors and contributors, who has rentals in Joplin, Missouri, shared what he is personally dealing with--his losses and insurance coverage or "lack" of coverage. He also used the opportunity, even in the midst of overwhelming challenges, to encourage and remind landlords everywhere to examine and understand better what exactly is in their insurance policy. Here is the landlord's story.

Well, as many of you know Joplin, Mo. was hit by a category EF-5 tornado with over 200 mile/hr winds (1% of tornados are EF-5). Well the adjusters have been meeting with homeowners and landlords. Most of us don't know what coverage we have until we file a claim. I am learning what coverage I have or addendums I don't have, such as loss of rent, market value, and replacement cost. Currently I have over \$300,000 in losses, my deductibles \$2500 each adds up to \$20k. Now add the clean up costs because it's a percent of my policy @ \$3-4K per lot, an estimated total of 28K. We all can handle one or two losses but reality hits when 8 homes are totaled in 60 seconds.

The reason for my writing is, I know a lot of other landlords have bought Single Family Houses for pennies on the dollar and like me they are tighter than 2 coats of paint and insured them for a little more than the purchase price to save money. If you never have a claim this is good, but if Murphy comes knocking on your door it's not too good. I might be selling vacant lots. I am meeting with the banker next Tuesday to see about an SBA loan. You can't build a house for \$28K.

LOOK AT YOUR POLICIES and see what coverage you have, it is better to have more coverage to rebuild than to just have a lot. You will have tenants calling you wanting pro-rated rent, want their deposit back. Don't forget looters. By the way I have refunded their deposits. All said, Joplin will recover, though it may take 2-3 yrs.

My question to you: "Do you know what's in your policy?"

Joplin Landlord

Insurance Coverages

So what amount of insurance coverage is needed? The response below is from Tim Norris of National Real Estate Insurance Group (new sponsor of these Rental Owner Updates)

For landlords looking for suggestions on the amount of coverage needed on properties:

Replacement Cost (RC): Need to insure to at least 80-90% typically (depends on carrier/policy) of what it would cost to re-build today. This is to meet what are referred to as "co-insurance requirements".

Upside(s): Partial losses are settled WITHOUT depreciation.

Downside(s): Many carriers are using un-realistic methods to determine "insurance-to-value" to meet the co-insurance requirements, and thus are forcing insurable values much higher than current market values.

Actual Cash Value (ACV): Need to insure to at least 80-90% (depends on carrier/policy) of the DEPRECIATED VALUE today (this is based upon many factors, including age, type of construction, location, etc...)

Upside(s): Can insure to an amount that typically is more "in line" with the actual value of the building.

Downside(s): Partial losses are DEPRECIATED.

Market or Agreed Value (MV/AV): You insure to a value that meets your specific needs, usually based upon current market value.

Upsides: Can insure to realistic value to cover your actual financial risk. Partial losses are NOT DEPRECIATED (like RC above).

Downsides: The premium per \$100 of value is more expensive than if insuring to RC or ACV. However, this is offset in most cases by the fact that your Market or Agreed value choice is significantly less than the RC. For instance, a 3,000 square foot building, which may be required by the insurer to be valued at \$450,000 for RC, may really only be "worth" \$200,000. Even though on a "per \$100 basis" the \$200,000 is more expensive, the overall premium is still much less than it is at \$450,000...this is also a tough to find option with most insurers. ❖

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**We're on the web:
www.landlordsofiowa.org**

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The deadline for submitting articles is:

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