

Louisiana Landlord-Tenant Law for Rural Rental Housing

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**Rural Rental Housing Association
2006 Annual Meeting**

SPEAKER:

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Outline of Presentation

Sources of Law:

- Federal regulations – 7 C.F.R. §3560 and following
 - http://www.access.gpo.gov/nara/cfr/waisidx_06/7cfr3560_06.html
- State eviction laws – CC 2668, CCP 4701 and following
 - <http://www.legis.state.la.us/lss/lss.asp?doc=109729> (Civil Code) and
 - <http://www.legis.state.la.us/lss/lss.asp?doc=112073> (Code of Civil Procedure)

Topics:

- The Lease Contract
- Owners' Rights & Obligations
- Tenants' Rights & Obligations
- Evictions
- Specific Landlord-Tenant Problems
- Trends

The Lease

- Contract between Two Parties
 - Lessor/Landlord/Owner & Lessee/Tenant/Renter
 - May be oral or written
 - Creates rights in each party
- Both Must Abide by Lease Terms and:
 - Local laws/housing codes
 - State landlord/tenant laws
 - Federal statutes and regulations (for subsidized housing)

Owners' Rights

- Enforce the Lease
- Rent or Possession, not both
- Receipt of Rent
- Dictate Term of Lease
- Tenant act as Prudent Administrator
- Tenant's Compliance with Lease Terms

Owners' Obligations

- Give Up Possession
 - Delivery to the lessee
 - Exclusive use
 - Specific period of time
 - Maintain tenant in peaceful possession
- Make Certain Repairs
 - Routine maintenance
 - Lease may dictate others
- Warrant against defects

Tenants' Rights

- Peaceable Possession
- Use of the Property
 - Exclusive use
 - Without interruption
- Maintenance
 - Owner makes repairs
 - Right to repair and deduct OR
 - Immediate reimbursement
- Remove Improvements
- Other Rights Granted by Lease

Tenants' Grievance Rights

- General process:
 - Any action or inaction, adverse effect
 - Owner notifies tenant in advance of action
 - Tenant has right to correct
 - Tenant has right to examine and copy records
 - Informal meeting and Summary
 - Right to request formal hearing
 - Selection of grievance panel
 - Formal Hearing

Grievance Rights Exceptions

- Possible Exceptions:
 - Authorized rent or rule changes
 - Discrimination complaints
 - Tenant associations handle disputes
 - Tenant fails to escrow rent
 - Termination of tenancy and eviction
 - Disputes between tenants
 - Loan prepayments

Tenants' Obligations

- Pay the Rent According to Lease
- Act as Prudent Administrator
- Return in Same Condition
- Repair Some Damages
- Inform Owner of Damages
- Abide by Lease Terms

Evictions

- **Administrative Process**
 - Notice of Good Cause (Subsidized Only)
 - Notice to Vacate or Intent to Terminate
 - Can not be waived (if subsidized)
 - Must give a reason, cite lease
 - At least 5 days
 - Right to Cure
 - Any Required Grievance Process
 - Wait Prescribed Period
- **Legal Process**
 - File eviction in court after lease ends
 - Court serves tenant
 - Both get notice of court date
 - Court hearing (at least 72 hours later)
 - Judgment
 - Possible appeal within 24 hours
 - If not, court officers effect eviction
- **Justice of the Peace Courts**
 - Limited Jurisdiction
 - Dollar amounts and Type of dispute
 - Geographic area
 - Process
 - File eviction (orally if you'd like)
 - Constable serves citation
 - Court hearing (judge keeps notes)
 - Tips
- **Tenant Protections**
 - Grievance rights
 - No “self-help” by the owner
 - New law on domestic violence
 - Tenant can sue for wrongful eviction

- How to Prevent Complaints & Trouble:
 - Have written procedures
 - Train your employees to follow them
 - Updated, proper forms, leases & notices
 - Honor tenants’ requests to talk/meet
 - Finish grievances before filing evictions
 - No “self-help” evictions
 - Document EVERYTHING

How to Handle HUD Complaints

- Avoid them (see above 7 suggestions)
- If you don’t know the process, get help
 - Complaint
 - Investigation
 - Attempted Conciliation
 - Administrative Hearing or DOJ Action
- Realize that some will be groundless
- HUD prosecutes very few

Security Deposits

- Move-in/Move-out Checklists
- Keys Returned, Deposit Requested
- Owner Must Act within 30 Days
 - Full refund OR
 - Partial refund and itemized deductions
- Otherwise:
 - Tenant can sue for damages
 - Owner pays court costs and tenant’s lawyer

Late Rent

- Rent is Late at Midnight on Due Date
- “Late Charge” is at Owner’s Option
(But if so, the Rent is Still Late)
- Owner Doesn’t Have to Accept:
 - Late Rent
 - Partial Rent

Repairs and Maintenance

- Discussed Routine Repairs Earlier
- Destruction of the Property
 - Total – lease ends
 - Partial – rent reduction or revoke lease

Lessor’s Privilege

- Over the *Tenant’s* Property
- Secures Amount up to Rent Owed
- Need a Writ
- Some Things are Exempt
- Can “Chase” for 15 Days

Admission Screening

- Case by Case
- Legitimate Grounds:
 - Housekeeping
 - Rent payment history
 - Credit history
 - Criminal history
- Subsidized Housing
 - Can check unit size & income, not assets
 - Local preferences
- Fair Housing Still Applies

Visitors

- Tenants may choose to have visitors, even overnight
- Landlord can "ban" specific visitors
- Tenant is responsible for guests, visitors, invitees

Illegal Drugs

- A problem in rental housing
- Tenants must try to avoid "innocent" violations
- Eviction actions for others' activities
- Leases go beyond federal regulations

Trends in Rural Housing

- §515 Funding
 - 1982 - >\$953 Million
 - 1995 - >\$540 Million
 - 2006 – \$99 Million
- Availability/Supply
 - 1970 – 700,000 rental unit surplus
 - 1990 – 3.8 million unit shortage
 - 1994 – produced 11,542 new units
 - 2005 – produced 783 new units, 1,812 left the program
 - 10,400,000 rural households have serious housing problems
 - 2,600,000 rural households live in substandard housing
- Affordability
 - Rent Burden:
 - 1.9 million Rural renters pay >30% of income for housing
 - 70% of 7 million lowest income renters pay >50%
 - Average §515 household annual income is \$780/month
 - >1/2 of §515 tenants are elderly or disabled
 - US minimum wage inadequate to pay 2 BR fair market rent
- Rural Rental Housing Act of 2006 - \$250 Million/year, 2007-2011 – sent to subcommittee, no further action