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## CREATING AMAZING VALUE

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### Landlord Penalty Chart

### Fair Access in Renting Ordinances, City of Portland, OR



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The time has come for Portland landlords and property manager to be paying close attention. Even though the final drafts of the ordinances have just arrived, rest assured tenants will be testing us to ensure we are complying with all of the new rules and regulations. Training sessions for Portland renters on these ordinances have been going on since mid-February and will continue through at least May. A summary of the new rules can be found here: <https://www.svnbluestone.com/major-changes-coming-to-city-of-portland-residential-property-management/>

The Portland Bureau of Housing (PHB) has published their list of rules and forms just ahead of the March 1, 2020 deadline (<https://beta.portland.gov/phb/rental-services/fair-access-renting-fair-rules>). These ordinances are daunting and to avoid a financial blow, you need to be familiar with them.

#### **Penalties**

As a reference tool, we have created a chart of the damages built into the new ordinances. It's astonishing and overwhelming. No mistakes allowed, otherwise you will pay applicants or tenants considerably. Pay close attention to the penalties below and establish procedures, such as quality control check every advertisement, rental agreement and final accounting before they are sent out, to avoid mistakes.

## **Penalties**

The following chart show the potential of a penalty for each type of infraction based on the ordinance. The ordinance reads a landlord is liable to an applicant/tenant if they fail to comply with any requirement. It's possible that you could be liable to damages to each applicant that finds the mistake you have made. Whether these penalties stack on top of each other or are a one-time charge remains to be seen. In any case, forewarned is forearmed.

<b>Infraction</b>	<b>Fine</b>
Failure to include all required item in advertisement. Items include date applications can be processed, criteria, whether this is an ADA or not, screening fee	\$250
Failure to process applications in the correct order	\$250
Not including the proper forms and sections with or on your applications	\$250
Credit screening a Non-Applicant and using that information against them in the screening process	\$250
Charging more than the allowable screening fee	\$250
Improperly deny an otherwise qualified applicant	\$250
Not conducting the proper individual assessments before denying an applicant	\$250
Failure to follow the appeals policy	\$250
Charging more than the allowable security deposit	2x the deposit
Not including the proper information in the Rental Agreement. Information includes: Depreciation schedule, banking institution name and address, condition report	2x the deposit
Not providing a rental history form upon termination notice	2x the deposit
Charging a tenant for items not listed on the depreciation schedule or improperly charging an amount based on incorrect schedule, updated condition reports, charging for routine maintenance or normal wear and tear	2x the deposit
Not sending out the move out settlement and/or deposit refund within 30/31 days	2x the deposit
Not including the security deposit notice of rights with the move out settlement	2x the deposit

## **What is a landlord to do?**

PHB- Portland Housing Bureau has established classes not just for landlords but for tenants as well (see their website). You may want to go to both of them to see what they are telling the tenants to do. As you read the material and adjust your forms and policies, take a deep breath, be patient and ask others for help. We suggest that you call the PHB, Multifamily NW, Rental Housing Alliance of Oregon and your local friendly attorney. The lawsuit filed by Multifamily NW et al., requesting a temporary order and injunction against the City of Portland, was denied on February 27, 2020, but the lawsuit is still going.

We have been working diligently on our policies for some time and even now continue to refine our forms and policies to make sure we avoid these onerous penalties. If this is as frustrating to you as it is to us, send money to the Multifamily NW Legal defense fund <https://www.multifamilynw.org/defense-fund>.

If you feel overwhelmed or need help complying with these new ordinances, consider hiring Bluestone & Hockley Real Estate Services as your property manager.