

STORM06 LLC

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2/25/2019

Subject: HB19-1118 (Right to Cure) Statement

Dear Committee Members:

As an investor, realtor, property manager and President of the Colorado Springs Chapter of the National Association of Residential Property Managers, I would like to address the need to keep the Right to Cure at 3 Days.

This 3-Day Demand Notice is not only used when a tenant fails to make the rent payment. This notice is used whenever the tenant fails to abide by the rules of the lease. This notice protects the rights of the other tenants and neighbors especially when the at-fault tenant is destructive, unruly, uncaring or fails to provide for the quiet enjoyment of others. I have had numerous tenants wish that the process to evict or remove an unruly tenant were faster within our court system. Presently, the process to evict can take up to 8 weeks and usually the delay is with the Sheriff's Department not the court. If the Right to Cure is extended then the process could take up to 10 weeks which would allow the at-fault tenant to remain longer and cause even more problems for the other tenants and neighbors.

Moreover, if the Notice is extended then many Landlords will have no choice but to do away with their rent payment grace period knowing that the process to recoup their monies will take even longer. Rent is due on the 1st but many Landlords provide a grace period up to 5 days. This helps a majority of tenants who live paycheck to paycheck.

In closing, I would like to reiterate that extending the Right to Cure timeline will be detrimental not only to the Landlord but more importantly to the other tenants and law abiding neighbors who have little say about who lives next to them.

Sincerely,



COL Robert W. Werthman USA (Ret) GRI, RMP



ALL SEASONS, LLC, CRMC
1610 S. Tejon Street
Colorado Springs, CO 80905

All Seasons, LLC CRMC is a Residential Property Management Company that has been in business for 33 years. All Seasons, LLC CRMC is proud to maintain a low eviction rate. Over the past 10 years, All Seasons, LLC CRMC has maintained an average of one eviction per year. It is our belief that many evictions can be avoided with communication between the Tenant, Property Manager, and Property Owner. Unfortunately, there are some situations that do warrant an eviction. Those instances typically come to pass when a Tenant is non-responsive or fails to keep payment arrangements. As a professional Property Manager, it is my duty to the Property Owners to collect the rent as quickly as possible. The current requirement to provide a 3-day Demand Notice to a Tenant has allowed All Seasons, LLC CRMC to grant a reasonable grace period for Tenants in order to make payment of the rent before the payment is late and a Demand for Rent or Possession is warranted, while still fulfilling our duty to the Property Owner. HB 19-1118 will prevent my company from offering the grace period and thus negatively affect 100% of my customers, the Tenants. All Seasons, LLC CRMC strongly opposes HB 19-1118 for the following reasons:

1. All Seasons, LLC CRMC's current Rental Agreement states that rent is due on the 1st day of the month and is considered late after 5:00 pm on the 5th day of the month. This gives the Tenant 5 days in order to make payment of the rent without penalty. On the 6th day of the month, if the rent has not been received yet, then a 3-Day Demand for Rent or Possession is posted to the Tenant. That gives the Tenant 10 days to make payment of the rent before an eviction could be started. That is 1/3 of the average month. All Seasons, LLC CRMC will only proceed with posting a Demand for Rent or Possession if reasonable efforts to communicate and work with the tenant have been exhausted and/or if the Tenant is a habitual late payer. It is All Seasons, LLC CRMC's position that 10 days or 1/3 of the month is a sufficient amount of time to allow for a tenant to lease a home without payment and anything longer is a disservice to the Property Owner
2. All Seasons, LLC CRMC has firsthand experience in how long it can take for eviction proceedings to be completed and a Landlord to regain possession of their property should a physical eviction from the property be warranted. Under the current law and our current Rental Agreement, the earliest that All Seasons, LLC CRMC can file an eviction is the 10th day of the month. Once the eviction is filed with the court it takes approximately 2 days before the matter will be scheduled for eviction. The eviction court date is typically set for a date within the next two weeks. In most cases, an eviction court date is not taking place until approximately the 25th day of the month. If possession is granted to the Landlord, the Tenant then has 48 hours to vacate the premises. After that 2 days, if the Tenant is still living in the home, the next step is to file for a Writ of Restitution. This process can also take up to 2 days to be completed. We are now at the end of the first month in which a tenant has leased the property without making payment. The Sheriff's Department must schedule the physical eviction. In Colorado Springs the average wait time for a physical eviction is 4-5 weeks. As the law stands now, if all processes move quickly, a tenant can live rent-free in a leased home for two months before a physical eviction will take place. During this time, the Landlord is receiving no income and may be out of pocket for

several expenses to include (mortgage payment, routine maintenance, management costs, attorneys' fees, etc.). Increasing the requirement to a 14-day notice will increase the time that a Tenant can live rent free by two weeks and into the 3rd month. The average mortgage payment is due on the 15th day of each month. The longer the delay in an eviction the higher the risk that the Property Owner will default on their mortgage and risk losing their home. All Seasons, LLC CRMC strongly opposes a 14-Day Notification period because it does not serve those members of the public that own and provide rental properties.

3. If HB 19-1118 were to pass, All Seasons, LLC CRMC will be forced to remove our 5-day grace period for on-time rental payments. All Seasons, LLC CRMC and likely many other professional Management Companies will removal all grace periods and require all rent payments to be paid on the 1st day of the month and become late on the 2nd day of the month. This industry change will negatively impact the public and make it that much more difficult for the average Tenant to pay their rent on time and to do so free of late fees and eviction costs.

All Seasons, LLC CRMC respectfully requests that the position of professional Property Managers be considered in this matter, as we are the individuals that routinely work with tenants that are struggling to pay their rent. The Property Manager has a real-life understanding of the time frame required to have a tenant that is not paying, communicating, or cooperating removed from a home that does not belong to them. The Property Manager also has a real-life understanding of the stress and harm that can come to a Property Owner by having to go through a 2-3-month period where they are not receiving income and yet still required to pay for services on their rental home. Many Property Owners are living on tight budgets, as well, and the rent payment is needed in order for them to survive financially. The Property Manager also has a real-life understanding of how removing the ability to grant grace periods will negatively affect all Tenant's. Those individuals that are facing eviction are the minority. In most cases, those individuals have made a choice that has caused them to be in this position. The passing of HB 19-1118 will help those few to be able to live rent-free for two weeks longer, but it will also harm Property Owners and increase the likelihood of foreclosure. Even more so, the passing of HB 19-1118 will impact the general members of the public that are Tenants, because those individuals will be required to make payment of their rent earlier, face more late fees, and a greater potential for eviction. All Seasons, LLC CRMC respectfully request that you do not help a few at the expense of many.

Danielle Rogers

Danielle Rogers, RMP
Comptroller/Property Manager
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