



Monthly Newsletter

March 2013

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San Luis Obispo office to stay open for extended hours during the pre-leasing season.

Beginning on April 6 and continuing through September 21, California West will be open for extended hours from 10am until 2pm on Saturdays in San Luis Obispo.

In previous years, we have been the only management company in town offering extended Saturday hours and it helps us attract tenants who are visiting the area over the weekend.

On March 1 our SLO office began pre-leasing at two of its larger student apartment buildings, the Garfield Arms and El Dorado Apartments.

Results there are strong so far, with both properties asking higher rents and being ahead of where they were last year at this time in terms of leased apartments. Both properties are also ahead of their 10 year historical averages in terms of lease-up speed.

This early strength in the rental market is probably due in large measure to an improving economy. Also, Cal Poly recently announced that it is admitting an additional 500 students for the Spring quarter, so that is no doubt helping as well.

Cal Poly's enrollment figures are important for the SLO rental market because those additional students obviously need places to live.

Starting on April 1, California West will begin pre-leasing all its properties in SLO for the following academic year. Leases will begin in late June through early September and continue for the following twelve months.

Larger houses near Cal Poly are always popular and the first to be rented. Smaller units and those furthest from Cal Poly tend to be the last be rented.

Overall, we are optimistic about the SLO rental market this year.

Property tax payments will be delinquent after April 10.

In California, the second installment of property taxes is due on February 1 of each year and becomes delinquent after April 10. If property taxes do become delinquent then there is a 10% penalty for whatever amount is delinquent.

California West makes property tax payments for many of its clients out of their rental proceeds. When we receive your property tax bills in October, or whenever they are forwarded to us, we input a payable into our accounting software and then pay that bill when funds are available.

So, if you are expecting us to make a property tax payment for you, then please check your February or March financial statements to ensure that such payments have actually been made. If the payment does not appear, and you expect us to make payment, then please contact either Johnnie Reinhardt or Ellie Malykont to make sure it gets done before April 10.

New laws under consideration in Sacramento

With a Democratic supermajority in Sacramento, the likelihood of new legislation is much greater than in previous years. Here is a list of some bills currently under consideration in Sacramento:

Interest on security deposits – Landlords would be required to pay interest to tenants on security deposits.

Smoking prohibitions – Tenants would be prohibited from smoking in multifamily dwellings.

Water submeters – All new multifamily units and commercial structures built after January 1, 2014 would be required to have water submeters.

Subdivision map extensions – This would extend the life of expiring subdivision maps by 24 months.

Proposition 65 Warnings – Property owners would have to be given 14 days to correct a Proposition 65 violation before any lawsuit could be commenced. Currently there is no warning requirement.

Split roll tax – This would allow tax reassessments on properties, partly repealing Proposition 13.

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