

## Missouri Self Storage Monitor

The MSSOA Newsletter

Fall/Winter 2022

PO Box 105920 | Jefferson City, MO 65110 | 573-480-0454 | www.mssoa.org

## **Managing Client Conduct at Self-Storage Facilities**

By Scott I. Zucker, Esq.



Scott I. Zucker, Esq. Weissmann Zucker Euster Morochnik & Garber P.C

The role of a self-storage operator as a "landlord" is often more complicated than it needs to be, but especially when issues arise concerning the poor conduct of a tenant. Since self-storage is primarily focused on the storage of property, whether that be personal property or business property, one would think that conduct issues would be less frequent compared to the leasing of residential property. But unfortunately, the issue of poor tenant conduct seems to be escalating in the self-storage industry.

More and more, self-storage operators are reporting violations of the use provision of their self-storage rental agreements, where tenants are storing property that may be hazardous or flammable and then refusing to remove the dangerous materials upon request. And, sadly, more

and more properties have observed the illegal use of a storage unit for habitation or extended loitering in the absence of available residential housing or shelter. Although adding provisions to your rental agreement may not prevent the occurrence of these use violations, a good rental agreement can help an operator address its rights of lease termination and tenant removal if these situations arise. The following are some "best practices" language that may need to be added to your self-storage rental agreement to manage the growing challenges of poor tenant conduct.

**Conduct:** Occupant and Occupant's guests and invitees shall behave, conduct themselves, and communicate with Owner, Owner's employees and agents, and other occupants in a professional, businesslike manner while at the Facility. Abusive or harassing language or conduct by Occupant or Occupant's guests or invitees is a breach of this Agreement. If any provision of this paragraph is violated, Owner shall have the right to immediately terminate this Agreement (including denial of vehicle gate access to the Facility and denial of access to the Space) and to exercise any other remedies provided at law or in equity, including immediate removal of Occupant's property from the Space and the Facility. If Occupant or Occupant's guests or invitees are in violation of this paragraph, Owner has the right to control Occupant's access on the Facility, including, but not limited to, requiring Occupant to be escorted by Owner's agents or employees while at the Facility.

Termination: This Agreement shall continue from month to month, automatically

Continued on Page 6

### **SAVE THE DATE**

## **MSSOA Annual Conference** April 27th & 28th

**Margaritaville Lake Resort Osage Beach** 

**Registration opens** in January.



Membership Renewals will be sent the first week in January. Renew your membership using the QR code below, online at MSSOA.org, or through the mail before March 1st.



# In This Issue

Letter from the President	2
Welcome New Members	3
Online Auctions	5
Board Members	6
Conference Photos	7



Mike Powers MSSOA President U-Stor-All Warrensburg, MO

#### LETTER FROM THE PRESIDENT

Dear MSSOA Members,

As we move quickly through the last quarter of the year and close out 2022, I hope all of you are gearing up to enjoy the holidays and spend as much time as possible with all of your family and friends. Since our last edition of the Missouri Self Storage Monitor, we've had some changes and positive growth within the MSSOA.

Long time Board Member Charles Lowe sold his facility and resigned from the MSSOA Board earlier this year. Charles was on the board for over ten years, helping to steer our association through a lot of change. He made sure individual owners were represented on the board, pushed for rotating the location of conferences amongst cities in Missouri so every facility has the best chance to attend. His insight on changes to the industry and everyday operational support to MSSOA members is greatly appreciated and will be missed. We wish him the best in retirement.

Our Board of Directors also had leadership changes starting in April of this year. Brian Wofford, who lead the MSSOA as President for six years, moved into an officer role. After my three terms as Vice President, I moved into the roll of President. Chris Hollaway, who served as Treasurer for 5 years, moved into the roll of Vice President. Jeff Miller was elected into the Treasurer role, and Marla Colic will remain secretary of the board for 2022.

Our board met the first week in August, and we are excited to report an increase in members and a strong financial position. Our industry has seen extraordinary growth the last two years and we are excited to welcome new members and build on the foundations we began with. Legislative presence, operational support, and resources, legal education, and connected owners and operators will protect and grow our industry, just as we have seen the last two years.

Plans for the next conference have been announced and we are happy to return to Lake of the Ozarks and visit Margaritaville. Registration will open in January, but mark your calendars now for April 27th and 28th. We got a great response from having two legal seminars at the conference in April, and we are excited to offer that again next year. We are also looking at covering the legalities of remote management in Missouri, how your rental agreements could be changing with upcoming legislation, and tax updates and cost segregation. We are also adding a first time owner workshop.

We are always working in the background to insure the self storage industry is protected from negative regulations coming out of Jefferson City and the legislature. We will work alongside the SSA once again to repeal the law that requires storage operators to advertise their lien sales and auctions in the newspaper. This is a priority of the SSA and the MSSOA for two reasons: 1.) newspapers are no longer available in every area of the state 2.) the newspaper ads that are being run are not bringing in a sufficient number of bidders, and sometimes operators have to run the ads multiple times, adding costs onto the tenant's debt, and if ultimately unpaid, onto the operator's cost.

We will ask for your help once again in contacting your representatives about this bill. Once we have an updated draft of the bill, we will send it out along with how to get in touch with your representatives through email, phone calls, and mail. Thanks to many of you who have called and written to your legislators in the past.

We are also looking at a solution to increasing issues with property taxes. As an association, we need details on problems you have had; lack of consistency among appraisals, increases out of line with past appraisals, and overall confusion and unresponsiveness throughout the process. This is often the biggest expense for operators, and we want you to know we are working on solutions. The more information we have from our members, the more we can address each concern. We will send out more information on this as it becomes available.

If you missed the Annual Conference in April, all of the seminars were recorded and are available at MSSOA.org under the events tab. If you are a new member with us, these are available free of charge, as well as a library of operational and legal resources in Member Downloads.

MSSOA is getting some technology updates from now until the end of the year. We hope to provide an easier user experience with smoother access to your account, member resources, and event registration.

Thank you for being the best association and industry in the state. I am proud to work for you and wish you the best through out the end of this year.

Sincerely,

Mike Powers

# We are happy to welcome these new members to the MSSOA Family.

Cedarridge Storage Center Springfield

Rocking R Self Storage Bolivar

Scrubs Carwash and Storage LLC Crocker

Dr. Phil's Food Shop & Storage Springfield

Elite Storage Solutions LLC California

All About Storage Crocker

Townsend Storage & Uhaul Cabool

Self Storage Foley, LLC St. Louis

> Store-N-Lock Springfield

Blue Jay Storage Springfield

Old 40 Mini Storage Higgninsville

Stacked Self Storage Marshfield Highroad Storage Ozark

Greyhound Easy Storage
Windsor

Simply Store Foristell

King Storage Warrensburg

Avail Storage Springfield

Hidden Storage Lake Ozark

East Lake Storage
Marceline

Steven Rhodes Bolivar

CLT Services
Windsor

Luna Drive Storage West Plains

> Simply Smart Storage Marshfield

Hwy Y Storage O'Fallon Blueline Storage Lockwood

A-Z Self Storage Springfield

JDH Storage and Outdoor Services Wheatland

> VCA Storage Festus

Joplin Neighborhood Storage Joplin

Shelbina Storage Clarence

Ralls County Storage
Quincy

Secure Parking and Storage Marionville

Locked Up Storage Moscow Mills

Steel Creek Storage Bolivar











NATIONWIDE: IN-HOUSE DESIGN, ENGINEERING & INSTALLATION www.KIWICONSTRUCTION.com 877-465-4942

## **ONLINE AUCTIONS**



Alonna Ross
Business Development
Manager
StorageAuctions.com

No self-storage operator likes to lose money, but sadly, all it takes is just one delinquent tenant. If a customer refuses pay, you're often left with one option to recoup your loss and reclaim your space: hold a lien sale. After you've followed all state protocols for contacting the customer and publicly announcing your intention to sell his goods, you need to host an auction. The question is, what's the best way to go about it?

For years, operators have been debating the merits of live vs. online auctions. There's a lot to consider, and the conversation has only become more complex in the wake of the Coronavirus pandemic. Today, facility operators are increasingly turning to web-based lien sales vs. holding traditional live auctions at the property.

This has many tangible benefits, but there are also some best practices you should follow to ensure your sales are successful. They rely on the power of the Web to attract a large bidder base. Individual units can easily exceed 300 viewers. I've seen some units with clearly visible, desirable contents reach more than 1,000 viewers! The beauty of

doing lien sales online is they can attract shoppers from a larger market, often up to 120 miles. So long as the winning bidder is willing to come pick up the goods within your designated timeframe, he can really come from anywhere.

With an online auction, you don't need to worry about crowds, the mess they can bring (i.e., coffee cups and cigarette butts), or related security and health risks. You don't need to concern yourself about social distancing or disruption to staff or existing tenants. With an online platform, auction marketing is typically included with the service; and data shows that online sales tend to get higher bids, too.

There are a lot of benefits to hosting auctions online, though like a live event, they do require some preparation. For example, consider your end time and date; you don't want your auction to end in the middle of the night when people are generally sleeping. You also need to make sure you have good, high-quality photos so people can see the unit contents and are enticed to bid. Mostly, the most common drawback is self-storage operators' reluctance to try something new.

Alonna is Business Development Manager at StorageAuctions.com. Contact her at alonna@storageauctions.com or 866-944-8530, or visit their website at www.StorageAuctions.com.

## **2022 Annual Conference Snapshots**



renewing at the end of each monthly term, unless the Occupant or Owner delivers to the other party a written notice of its intention to terminate the Agreement at least five (5) days prior to the end of the then current rental period. Owner may also exercise immediate termination rights (including denial of vehicle gate access to the Facility and denial of access to the Space) in the event that Occupant utilizes the Space for an unlawful or criminal purpose or is found to be engaged in illegal or criminal activity

at the Facility. If Owner terminates this Agreement as provided for herein, Owner has the right to deny vehicle access entry to the Facility during the termination period and control Occupant's access on the Facility, including, but not limited to, requiring Occupant to be escorted by Owner's agents or employees while at the Facility.

Again, these provisions won't necessarily stop these problems from happening, like solutions that are focused on maintaining sufficient security oversight and regular facility site inspections. But these provisions will go a long way toward identifying manageable solutions when such a problem occurs.

Stay Safe and Happy Storing!

Scott

Zucker, S. "Managing Client Conduct at Self-Storage Facilities." Legal Monthly Minute. August 2022.

## **MSSOA Board of Directors**

2022-2023



MSSOA President Mike Powers U-Stor-All 218 NE 95th Rd. Warrensburg, MO 64093 660-624-1596



MSSOA Vice President Chris Hollaway Pro Storage Center 203 Midland Court Jefferson City, MO 65101 573-301-9195 prostoragecenter@yahoo.com



MSSOA Secretary
Marla Čolić

Marcus & Millichap
7800 Forsyth Blvd., Suite 710
St. Louis, MO 63105
314-724-5549
Marla.Colic@marcusmillichap.com



Brian Wofford 2601 East Terra Lane O'Fallon, MO 63366 636-219-7226 brian@storagemasters.net



Treasurer
Jeff Miller
Ascend Properties
10 Marina Way
Kimberling City, MO 65686
417-988-7923
jeffm87@gmail.com



Alex Erbs

Erbs Management Group LLC
300 Rueck Road
Columbia, IL 62236
314-223-4453
alex@erbsmg.com



Executive Director Shelly Harris PO Box 105920 Jefferson City, MO 65110 573-480-0454 sharris@mssoa.org





PO Box 105920 Jefferson City, MO 65110

(573) 480-0454 www.mssoa.org

PRESORT STANDARD U.S. POSTAGE PAID JEFFERSON CITY, MO PERMIT NO. 337

T1 P1 1
Opt. Endorsement Line
FULL NAME
COMPANY
ALTERNATE 1 ADDRESS
DELIVERY ADDRESS
CITY ST ZIP+4

րակուցիայիցիցիայացիկիցիցիկունայակցիայի



REGISTRATION OPENS IN JANUARY