

**MSSOA
VIRTUAL CONFERENCE
APRIL 28, 2020**

LEGAL UPDATE

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Not legal advice; for educational purpose only; consult your attorney.

I. COVID-19 UPDATE AS OF 4/28/20

1. Governor Parson's "Stay Home" Order
 - Sets minimum standard for the state
 - Runs through May 3 (but could be extended)
 - Permits local authorities to set stricter standards on businesses and individuals

2. Take away 1: Orders can change quickly

3. Take away 2: You have to know what your local authorities require.

IS SELF STORAGE AN ESSENTIAL BUSINESS?

1. Governor's Order: Doesn't matter. Non-Essential businesses can stay open.
 - Stay 6 ft apart; Groups of 10 or less; Good hygiene; Encourage work from home
2. Some local orders require non-essential businesses to close, but don't mention self storage.
 - "Self-storage is like an essential business . . ."
 - "Self-storage supports essential work or businesses like . . ."
3. Mostly enforced by local officers making judgments on the spot.
 - Don't draw attention to yourself
 - Make sure tenants have access

MAY I STILL HAVE A LIEN SALE?

1. No state-wide prohibition (but Governor's Order would apply)
2. Check your local orders.
 - Mandatory closure might prevent on-site auction
 - But probably not an online auction
3. Consider potential bad publicity.

MAY I DELAY A PENDING LIEN SALE?

1. Yes

- If second notice specifies a sale date, send a corrected notice.
- If second notice says sale will occur after a specific date (as it should), no corrected notice required. R.S.Mo. 415.415.4(2)(d).

2. Don't forget to run an ad at least seven days before the new sale date. R.S.Mo. 415.415.4(3).

3. Alert the tenant so he/she can redeem. R.S.Mo. 415.415.6

MAY I RAISE MY RENT WHILE THE STATE IS UNDER A DISASTER DECLARATION?

1. You can – but be very careful.
2. Unlawful to charge “an excessive price for any necessity” within a disaster area.
15 C.S.R. 60-8.030 (Price Gouging Rule)
3. It’s a business decision.

MAY I CHARGE A LATE FEE?

1. Yes, it is permitted by law. R.S.Mo. 415.417.
2. No state wide order prohibits it.
3. Staying within statutory “Safe Harbor” (greater of \$20 or 20% of rent per month) should protect against claim of price gouging.

II. CHANGES TO MODEL RENTAL AGREEMENT

- Existing version still works.
- New version reflects changes to Self-Storage Statute since 2014.
- Looks much the same.

4. **THIRD PARTY OWNERSHIP; LIENS ON STORED PROPERTY.**

Occupant represents to Owner that all of the stored property belongs to Occupant except:

PROPERTY	THIRD PARTY OWNER	THIRD PARTY OWNER'S ADDRESS
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If property belonging to a third party is later stored in the Unit, Occupant agrees to notify Operator in writing immediately of the specific property and the third party's name and address.

Occupant represents to Operator that none of the property stored in the Unit is subject to the lien of any third party, except as follows:

PROPERTY	LIENHOLDER	LIENHOLDER'S ADDRESS
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RENTAL AGREEMENT

11. ADDITIONAL FEES. Occupant shall be responsible for all reasonable rent collection and lien enforcement expenses incurred by the Operator, in addition to any Monthly Late Charges or Monthly Rent. **Occupant shall pay upon demand the cost to repair damage to the Unit or Facility caused by Occupant or Occupant's guests, reasonable wear and tear excepted.** Occupant also shall be responsible for such other fees and charges as are set forth in this Rental Agreement.

VEHICLE/TRAILER ADDENDUM

1. Occupant's obligations for stored Vehicle/Trailer. Occupant agrees as follows:

(e) Occupant shall not permit any fluids or substances to leak from the Vehicle/Trailer onto the Unit or Facility, and if such leaks should occur, Occupant will be liable for and pay on demand the costs of cleaning up the leaked fluids or substances.

MARINE PROPERTY ADDENDUM

1. Occupant's obligations for stored property. Occupant agrees as follows:

(e) Occupant shall not permit any fluids or substances to leak from the Boat/Craft/Motor/Trailer onto the Unit or Facility, and if such leaks should occur, Occupant will be liable for and pay on demand the costs of cleaning up the leaked fluids or substances.

RENTAL AGREEMENT

12. TERMINATION AND HOLDOVER; **WAIVER OF OTHER LEGAL NOTICES.**

Upon fifteen (15) days written notice to Operator, Occupant may terminate this Rental Agreement at any time. Upon giving at least fifteen (15) days written notice to the Occupant before the end of any monthly term, Operator may terminate this Rental Agreement at the end of such term. If Occupant is in default, Operator may terminate this Rental Agreement upon at least three (3) days written notice to Occupant. **Operator and Occupant waive any other or different notice of termination required by law.** Upon termination of the Rental Agreement, **Occupant must vacate the premises immediately. Occupant may not holdover.** If Occupant holds over or for any other reason fails to remove Occupant's property from the Unit upon termination of the Rental Agreement, Operator may, in Operator's sole discretion and without notice, treat Occupant as a tenant at sufferance **or at will**, in which case all rights and obligations contained in this Rental Agreement shall continue, including but not limited to payment of Monthly Rent, Monthly Late Charges and all other fees and charges that apply, or Operator may treat Occupant as a trespasser **unlawfully detaining the premises** and pursue all available remedies ~~for such trespass.~~

RENTAL AGREEMENT

21. CHANGE OF CONTACT INFORMATION; NOTICES. Occupant shall provide written notice of any change in the Contact Information or Servicemember status provided in paragraphs A and C above, and the Servicemembers Addendum Part I, within ten (10) days of such change. The parties agree that a return address on an envelope or an address or telephone number on a check shall not be sufficient notice of a change of any part of the Occupant's Contact Information. Unless otherwise provided by law or this Rental Agreement, all notices or demands that are permitted or required under the Rental Agreement may be personally delivered or posted by U. S. Mail, first class postage prepaid, and **or by email** addressed to the party at the **address or email** address provided for in this Rental Agreement or any notice of change. Such notices will be deemed delivered upon mailing or **emailing, or** upon delivery, if personally delivered.

VEHICLE/TRAILER ADDENDUM

3. Relocating Vehicle or Trailer. Occupant agrees to move Vehicle/Trailer from the Unit to another location at the facility if requested by Operator for ~~reasons of safety or~~ maintenance reasons or construction at the Facility, upon 3 days notice. If Occupant fails to move the Vehicle/Trailer within 3 days as requested, Operator may move the Vehicle/Trailer at Occupant's expense.

MARINE PROPERTY ADDENDUM

3. Relocating Property. Occupant agrees to move Boat/Craft/Motor/Trailer from the Unit to another location at the Facility if requested by Operator for reasons of safety or, maintenance reasons or construction at the Facility, upon 3 days notice. If Occupant fails to move the Boat/Craft/Motor/Trailer within 3 days as requested, Operator may move the Boat/Craft/Motor/Trailer at Occupant's expense.

III. KEEP YOUR EYE ON HOUSE BILL 1966

1. Existing R.S.Mo. 415.415.4(3)

At least seven days before the sale, advertise the time, place and terms of the sale in a newspaper of general circulation in the jurisdiction where the sale is to be held. Such advertisement shall be in the classified section of the newspaper and shall state that the items will be released for sale.

2. As Amended by HB 1966 (if passed):

At least seven days before the sale, advertise the time, place and terms of the sale ~~in a newspaper of general circulation in the jurisdiction where the sale is to be held. Such advertisement shall be in the classified section of the newspaper and shall state that the items will be released for sale~~ **on the front page of the facility's website, if it has one. If the facility does not have a website, notice shall be sent to the secretary of state who shall publish such notice on the legal notices website, established pursuant to section 493.077.**

QUESTIONS?

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