



Going smoke-free: Reduce your operating costs & build safer residential communities

ATTRACT RESIDENTS - Approximately 80% of U.S. residents don't smoke, so non-smoking buildings are preferred. Even many smokers don't want smoke in their home.

RETAIN RESIDENTS - Complaints and turnover are lower compared to communities that allow smoking. By reducing the chance of injuries and tenant disruptions after a fire, you retain more residents without the hassles. **Approximately 80% of residents leave and never come back after a fire.**

COMMAND HIGHER RENTS - When you attract and retain more residents that desire to live in a smoke-free building, you have an opportunity to increase your revenue per unit. Many surveys show that residents will pay more to live in a smoke-free building.

Smoke-free buildings are quickly becoming the standard in the U.S. The opportunity is now while the demand far exceeds the supply.

BOOST REVENUE AND CUT OPERATING COSTS

"Fortunately, what is in the best interest of resident health is also in the best interest of community owners' bottom lines." - UNITS' Magazine, December 2007

Smoking is the leading cause of residential fire damage and the #1 cause of fire deaths in the U.S. You can effectively avoid all the cost and hassles that go along with fires and other damage from smoking.

- **THE COST TO REHABILITATE A SMOKER'S UNIT** can be 2-7 times greater (\$500-\$3500) due to burn damage, carpet stench, counter damage, and residue on walls and curtains.
- **PROTECT YOURSELF FROM EXPENSIVE LAWSUITS** - Residents negatively impacted by second-hand smoke may have the right to seek legal action if you do not make adequate provisions to protect them. Since smoke leaks through even the best managed units, the safest precaution is to adopt a non-smoking policy.

Second-hand smoke is classified as a "toxic air contaminant" putting it in the same class as asbestos, lead, vehicle exhaust, and a host of other chemicals strictly regulated in the U.S. It cannot be controlled unless you go smoke-free.

- **SIGNIFICANT INSURANCE SAVINGS FROM MIDDLEOAK®** can equal thousands of dollars through a special discount for each smoke-free building. Even if your entire complex is not smoke-free, you can still qualify for a discount for having smoke-free buildings with a designated smoking area away from the buildings. In addition, non-smoking policies can improve claim history and help keep future premiums low.

Have you calculated the costs of NOT having a smoke-free policy?

BUILDING CREDITS - Numerous programs are available, such as those offered by the U.S. Green Building Council's LEED program, the Enterprise Community Partners' Green Communities initiative, and LIHTC incentives (varies by state).

The Monetary Impact

Don't forget to add your MiddleOak® insurance discount too!

Costs to Rehabilitate a Unit Where Smoking is Prohibited vs. a Unit Where Smoking is Allowed

	Non-Smoking	Light Smoking	Heavy Smoking
General Cleaning	\$240	\$500	\$720
Paint	\$170	\$225	\$480
Flooring	\$50	\$950	\$1,425
Appliances	\$60	\$75	\$490
Bathroom	\$40	\$60	\$400
TOTAL	\$560	\$1,810	\$3,515

Data reflects surveys from housing authorities and subsidized housing facilities in New England. Collected and reported by Smoke-Free Housing New England, 2009.

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IT'S ALLOWABLE IN ALL 50 STATES

You can even prohibit smoking in outdoor spaces. It is implemented and enforced just like any lease policy.

"The right to smoke or not smoke is not a right that is protected under the Civil Rights Act of 1964 because smokers are not a protected class under federal law." – HUD Legal Counsel letter

TRANSITIONING AND ENFORCEMENT OF YOUR NEW SMOKE-FREE POLICY

TRANSITIONING - It is recommended to provide at least 90 days' notice (*HUD properties are encouraged to have non-smoking communities, too*). You can also give until the next lease renewal if more than 90 days away.

ENFORCEMENT - The policy is largely self-enforcing, because residents want a smoke-free environment. Private and public multi-unit owners uniformly report that enforcement is not an issue.

I'M READY! WHERE DO I GO FOR MORE INFORMATION?

- The National Center for Healthy Housing (NCHH), www.nchh.org
- Housing and Urban Development (HUD), www.hud.gov (Type "hud smoke free" in your search engine)
- Smoke Free Apartment House Registry, www.smokefreeapartments.org
- Global Advisors Smoke Free Policy (GASP), www.njgasp.org
- National Apartment Association: www.naahq.org, search "smoke free"

Contact your insurance agent today for more information about significant savings with MiddleOak Specialty's smoke-free discount on your commercial residential insurance.

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