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Mailed Monthly To Puget Sound Apartment Owners, Property Managers & Maintenance Personnel
Published in association with Washington Association, IREM & Washington Multifamily Housing Association



Building Up Multifamily Communities

By HOLLY WELLES

Running an apartment complex is a gift and a challenge all wrapped in one box.

On one hand, you get to interact with different people every day. You provide them with a sense of home and safety in what may be an entirely new city. Tenants trust you and your skills to make your community the best in your area. It's a big responsibility, and one every property manager should feel honored to provide.

On the other hand, property managers are responsible for the feeling of community in their apartment complex. People may live side by side, but that doesn't mean they get the chance to know each other outside of regular work or school hours.

It's difficult for people to break their routines when they're busy, which is where the property manager can step in.

Read on to learn some easy ways you can build a sense of community in your apartment building. Tenants will appreciate getting to know their neighbors while also being cared for by the management team. You can go all-out or start with baby steps, depending on your budget, but there's always

See '7 Ways' on Page 20

Seattle Rents Increase Month Over Month, Year Over Year

APARTMENT LIST

Seattle rents have increased 0.4% over the past month and are up marginally by 0.5% in comparison to the same time last year, according to the latest report from Apartment List.

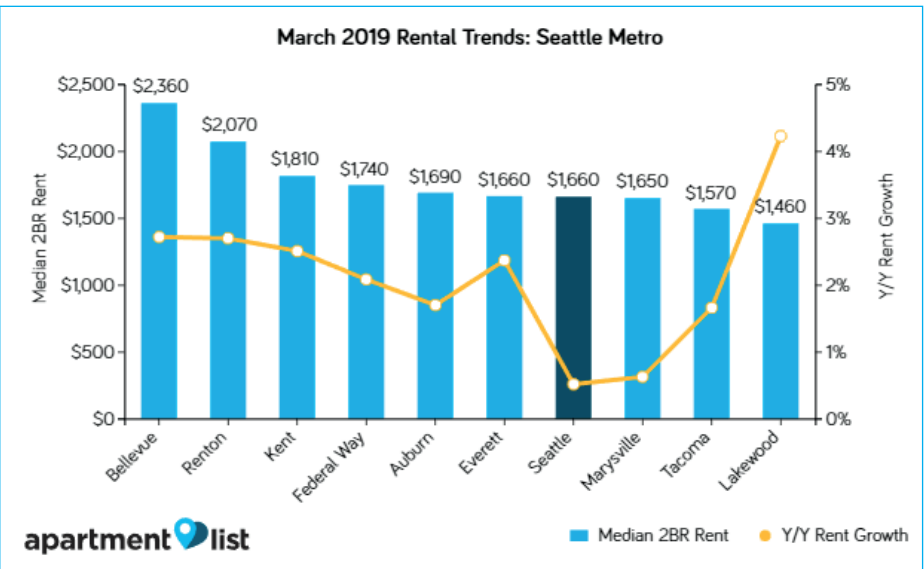
Currently, median rents in Seattle stand at \$1,330 for a one-bedroom apartment and \$1,660 for a two-bedroom.

This is the third straight month that the city has seen rent increases after a decline in December of last year. Seattle's year-over-year rent growth lags the state average of 1.4%, as well as the national average of 1.3%.

Throughout the past year, rent increases have been occurring not just in the city of Seattle, but across the entire metro.

Of the largest 10 cities that Apartment List has data for in the Seattle metro, all of them have seen prices rise.

Here's a look at how rents compare across some of the largest cities in the



Seattle metro:

- Lakewood has the least expensive rents in the Seattle metro, with a two-bedroom median of \$1,460; the city has also experienced the fastest rent growth in the metro, with a year-over-year increase of 4.2%.
- Over the past month, Kent is the

See 'Seattle' on Page 5

From Handyman to Attorney & More: Changing Role of Property Manager

By JOHN TRIPLETT

When Enrique Jevons started as a property manager years ago, he often acted as both a property manager and a handyman. But the changing role of the property manager today is different, especially in his hometown of Seattle.

As the former head of Jevons Property Management, recently acquired by Mynd Property Management, he sees the role of the property manager in Seattle changing these days. Jevons says the environment makes him feel like he also has to take on some of the responsibilities typically handled by an attorney or tax adviser, among other specialties, given the constantly shifting government regulatory environment at the city, state and national levels.

Going forward, Jevons' company will be known as Mynd Property Management, which "brings a best-in-class service to the Washington market in partnership with the Jevons team," said Doug Brien, CEO



Enrique Jevons Doug Brien

and co-founder of Mynd, in an interview with Rental Housing Journal. Mynd focuses on the "small residential" sector, which includes single-family rentals and multifamily properties with up to 50 units.

"Seattle has been very noteworthy lately in terms of rent growth, investment and new construction of multifamily residences," said Brien. "We are excited to have a presence there and to be working with Enrique.

"At Mynd, we're all real estate investors at heart, and Enrique is an investor who knows the Seattle market really well," Brien said.

How to Bring More Value to the Changing Role of the Property Manager

To address inefficiencies in an industry that has existed for a long time, Mynd co-founders Brien and Colin Wiel applied technology to property management. Seattle property owners and residents will now benefit from this technology deployed by Mynd, Brien said.

"One of the things that we're fanatical about, and that's different about us, is we try to expose as much useful data as possible to our owners, so they can access real-time data, not a statement from 30 days ago, for instance.

See 'Changing' on Page 7

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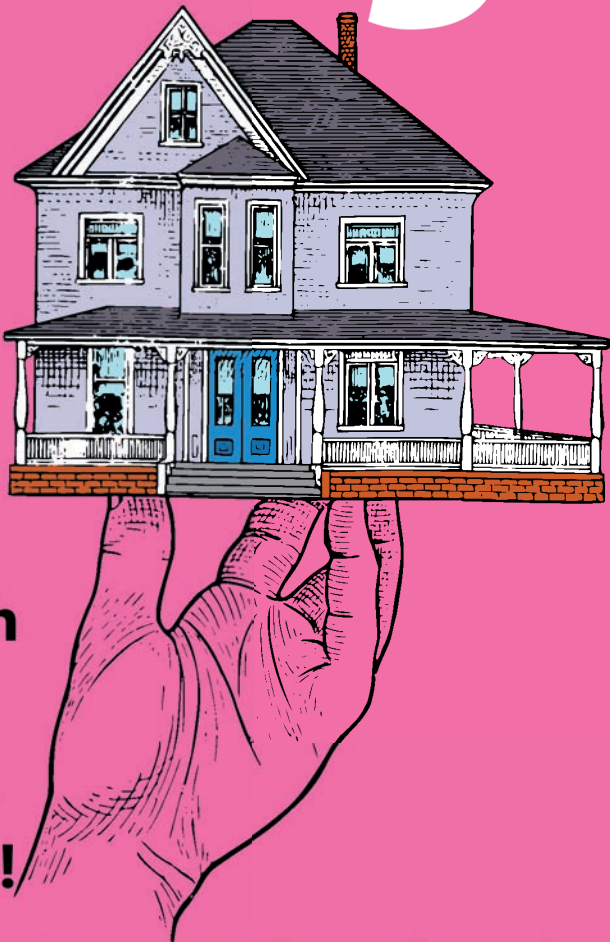
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Why WMFHA?

Formed in 2003 to serve the multifamily housing industry in Washington State, Washington Multi-Family Housing Association (WMFHA) chartered with the National Apartment Association (NAA) as Washington State's only NAA affiliate.

WHO ARE WE?

Promoting professionalism, WMFHA is a member-driven non-profit organization consisting of property management companies, owners of multifamily properties, apartment communities, and industry supplier partners working together to advance the multifamily housing industry in Washington State, and to serve our valued residents.

WMFHA Board of Directors and staff have committed to improve and serve our members and the broader community and put in place a clear strategy and plan for taking the organization to a higher level of effective and efficient performance.

Stakeholders recently held a strategic planning brainstorming session to identify key performance goals for the association. The organization currently has nearly 2,000 members representing 225,000 apartment homes, up from just 90,000 rental units in 2012.

OUR MISSION & VISION STATEMENTS

Washington Multi-Family Housing Association is a statewide organization committed to:

- Advocating for legislation equitable to our industry and community
- Providing educational opportunities to promote career development
- Celebrating and supporting the multifamily housing industry

Our vision is to be Washington's trusted rental housing resource. Our goal for the next 3-5 years is to increase our statewide presence through member participation, member growth and representation in all markets.

Our core values include: inclusion, informed, proven, service-oriented, relevant, committed, value, accountability, mutual respect, reliable, innovative, fair, professional, trusted, transparent and open, socially responsible, and a valued community partner.

STRATEGIC PLANNING EFFORTS

Some of the strategic planning initiatives meant to enhance the stakeholder experience and ensure viability and stability include:

1. Increase unit count to 375,000 in all WA markets in 3-5 years
2. Increase supplier partner membership base
3. Increase the number of members using members for their business needs
4. Increase the perceived value of WMFHA membership
5. Use technology to broaden educational outreach
6. Increase member engagement and satisfaction

The biggest challenges for our association and our collective membership are the implications of federal, state and local regulations impacting our industry. Some of our strategic goals in the area of public relations and government affairs are:

1. Educate stakeholders on the

value rental housing brings to our local communities

2. Develop a way to tell our story and to refine the public's perception of our industry and WMFHA

3. Continue to expand public relations efforts and media relations to ensure sensible policies are enacted

4. Get key messages in front of city government officials, housing authorities, and community organizations through further developed relationships

WHAT DO WE DO?

A part of our association's mission statement is "supporting the multifamily housing industry."

This can mean many different things, from supporting our property management members and their businesses, to supporting the broader rental housing industry, to supporting the communities and residents we serve.

For instance, in March, members and staff of WMFHA traveled to Washington, D.C., to meet with our state's U.S. Senators and House of Representative members of Congress to educate them on federal policies affecting the housing industry, such as Section 8 reform and infrastructure.

In addition, WMFHA has a Political Action Committee (PAC), which raises money and works to help get elected those public officials who will work with us on multifamily housing issues to affect favorable change in the lawmaking process.

Our Legal Defense and Industry Mobilization Fund also serves to ward off destructive policies that negatively impact our members' businesses and their ability to effectively serve residents of our rental homes. Locally and at the state level, we continue to fight harmful and damaging legislation that not only doesn't solve the issue it pretends to solve, but it often does more harm than good for residents the legislation attempts to help.

Our vision is also to promote professionalism through education. In alliance with the NAA, we are privileged to offer nationally recognized professional designation programs. These programs are widely respected for their comprehensive approach to career development in our industry. Investing in your people is investing in the future.

With some study and hard work, you and/or your employees can earn professional credentials in multi-site property supervision (CAPS), apartment management (CAM), leasing (NALP), maintenance (CAMT), tax credit programs (SCHM) or as an industry supplier (CAS).

WMFHA offers numerous opportunities for you to network, exchange ideas, and form relationships with other professionals in the multifamily housing industry. These opportunities include informative meetings, conferences, trade show exhibitions, awards dinners and networking events.

Each affords you an opportunity to strengthen your connections and improve your knowledge. Building personal and professional relationships is the key to your individual growth. Most gratifying are our events supporting charitable organizations in our communities.

IMPACT OF NUMBERS

WMFHA is really one large and extended family. We work together and we

play together. We depend on one another to help us be successful in our businesses. Most important is the fact that we need each other to grow and prosper.

Our management company and property members require a wide variety of vendor members to provide the products and services that are essential to a successful apartment industry. The success of each individual apartment community owes a great deal to the quality and affordability of the services and products that their supplier partner companies provide.

WMFHA has an opportunity to enrich our member apartment communities by making them aware of the value of membership. While we have several communication methods available to us, nothing can replace the face-to-face and peer-to-peer contact that builds personal and professional relationships.

It makes sense then to sustain and strengthen this relationship for everyone. And that is what Members Using Members (MUM's The Word!) is all about. Many of our members already understand the importance of doing business with another member company and have made that part of their management practices.

Supplier members contribute to WMFHA and to the multifamily housing industry by sponsoring and contributing to the many events held by WMFHA, and supporting on-site property staff to serve

their residents in a timely and cost-effective manner.

Supplier members are also an important part of WMFHA's committees and our leadership structure, bringing their knowledge and expertise to help guide the future of WMFHA. These are all good reasons for management companies to make sure that the service partners they use and support are part of the WMFHA family.

MEMBERSHIP-DRIVEN

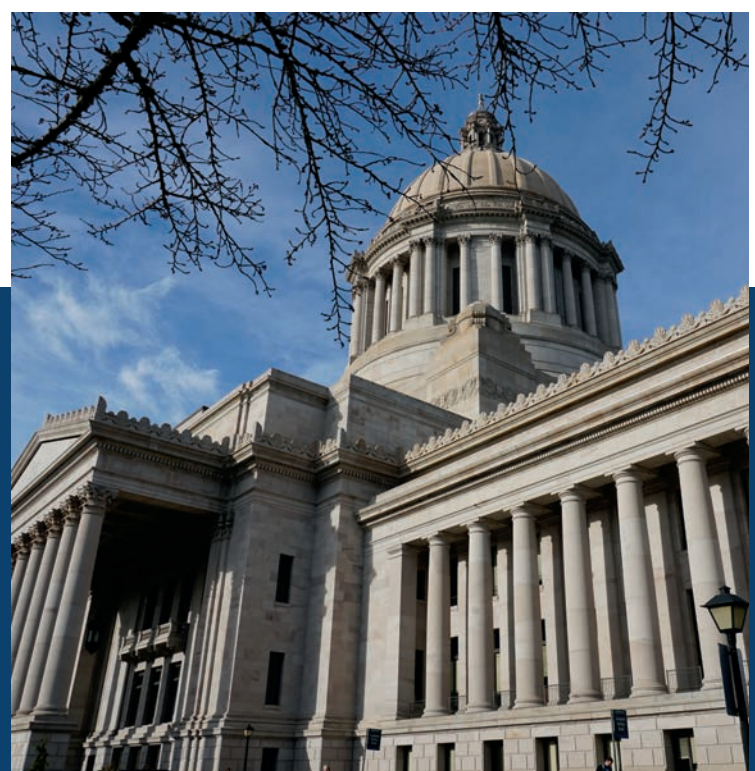
Membership in WMFHA is open to multifamily property management companies, apartment communities, owners and product & service providers. Industry stakeholders join because it is essential to their business.

Your membership brings tremendous value by providing you an edge to compete in this ever-changing industry. We plan and coordinate meetings, functions and events to help connect people to foster business relationships, many exclusive to our members. Never stop learning and connecting!

Through active participation, you can gain a valuable network of professional contacts to aid you in doing business. Attendance at events, committee involvement, sponsorship opportunities and board representation can also deeply

See 'Why WMFHA?' on Page 7

WMFHA.ORG/EVENTS



What you need to know about new and changed housing laws.

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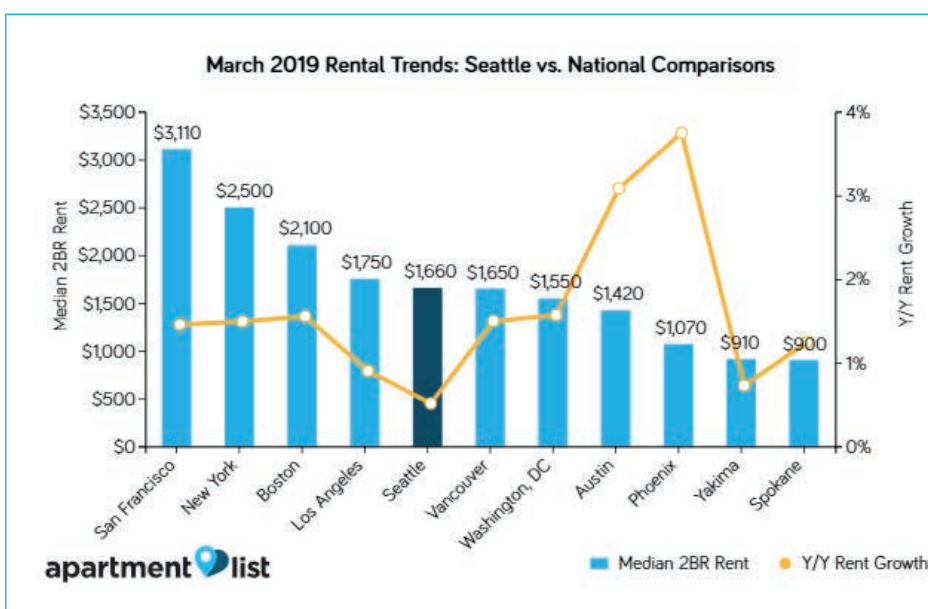
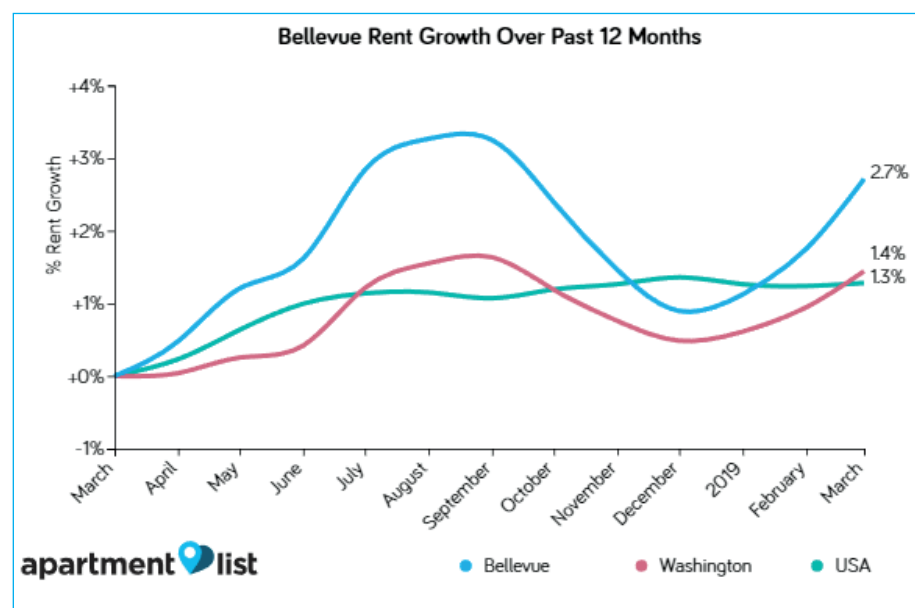
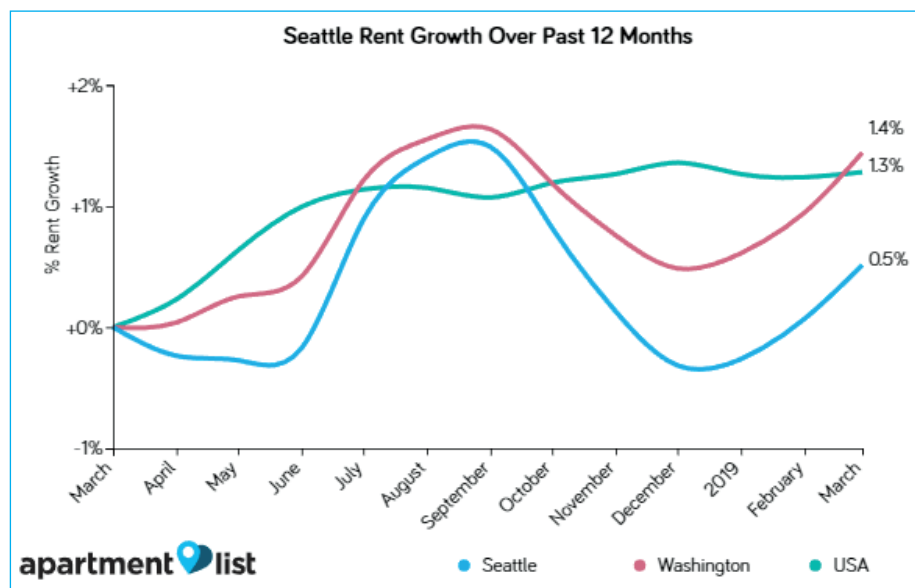
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Seattle Rents Increase for 3rd Month in Row



Continued from Page 1

only city in the metro that has seen rents fall, with a decline of 0.3%. Median two-bedrooms there cost \$1,810, while one-bedrooms go for \$1,460.

Bellevue rents have increased 0.9% over the past month, and are up moderately by 2.7% in comparison to the same time last year.

Currently, median rents in Bellevue stand at \$1,890 for a one-bedroom apartment and \$2,360 for a two-bedroom. This is the third straight month that the city has seen rent increases after a decline in December of last year.

Bellevue's year-over-year rent growth leads the state average of 1.4%, as well as the national average of 1.3%.

As rents have increased marginally in Seattle, a few other large cities nationwide have also seen rents grow modestly.

Compared to most similar cities across

the country, Seattle is less affordable for renters.

- Rents increased slightly in other cities across the state, with Washington as a whole logging rent growth of 1.4% over the past year. For example, rents have grown by 1.5% in Vancouver and 1.2% in Spokane.
- Seattle's median two-bedroom rent of \$1,660 is above the national average of \$1,170. Nationwide, rents have grown by 1.3% over the past year compared to the 0.5% rise in Seattle.
- While Seattle's rents rose marginally over the past year, many cities nationwide also saw increases, including Phoenix (+3.7%), Austin (+3.1%), and Denver (+2.0%).
- Renters will generally find more expensive prices in Seattle than in most other large cities. For example, Spokane has a median 2BR rent of \$900, where Seattle is more than one-and-a-half times that price.

City	Median 1BR price	Median 2BR price	M/M price change	Y/Y price change
Seattle	\$1,330	\$1,660	0.4%	0.5%
Tacoma	\$1,260	\$1,570	0.7%	1.7%
Bellevue	\$1,890	\$2,360	0.9%	2.7%
Everett	\$1,330	\$1,660	0.1%	2.4%
Kent	\$1,460	\$1,810	-0.3%	2.5%
Renton	\$1,660	\$2,070	0.2%	2.7%
Federal Way	\$1,400	\$1,740	0.4%	2.1%
Auburn	\$1,360	\$1,690	0.7%	1.7%
Marysville	\$1,320	\$1,650	0.2%	0.6%
Lakewood	\$1,170	\$1,460	0.5%	4.2%
Redmond	\$1,790	\$2,230	0.3%	1.8%
Kirkland	\$1,650	\$2,060	-1.1%	3%
Puyallup	\$1,570	\$1,950	1.6%	4.4%
Lynnwood	\$1,540	\$1,910	-0.3%	1.7%
Bothell	\$1,760	\$2,190	-0.2%	1.8%
Spanaway	\$1,310	\$1,630	-0.2%	0.7%
Mercer Island	\$2,020	\$2,510	-0.3%	7%
Kenmore	\$1,670	\$2,080	-0.3%	-0.2%
Mukilteo	\$1,850	\$2,310	14%	72%
Mountlake Terrace	\$1,610	\$2,010	2.1%	0.6%

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Rental Housing Journal is a monthly publication
of Rental Housing Journal, LLC.

Publisher/General Manager

John Triplett

Editor-in-Chief

Linda Wienandt

Associate Editor

Diane Porter

Sales Manager

Terry Hokenson

www.RentalHousingJournal.com

Mailing Address

4500 S. Lakeshore Drive, Suite 300
Tempe, AZ 85282

Email

info@rentalhousingjournal.com

Phone

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Did You Know Hoarding is Protected by Fair Housing?

ELLEN CLARK

People with a hoarding disability are protected by Fair Housing laws and are entitled to reasonable accommodations.

People with disabilities face particular challenges when it comes to housing and have special protections under fair housing law. Disabilities include both physical and mental impairments. It may not always be obvious that someone has a disability, which can make complying with fair housing law in this area a little tricky.

In order for people with disabilities to fully enjoy their homes in your community, it may be necessary for you to make changes to community rules, policies, procedures, services, or physical structures. These changes are called reasonable accommodations and modifications.

Hoarding is a mental disability you may encounter as you work on a property. People who suffer from hoarding are protected under fair housing law and are entitled to reasonable accommodations in the same way people with other mental or physical disabilities are.

In general, you should not initiate conversations with residents with disabilities about what accommodations they may need. Instead, you should wait for them to make a request. Hoarding is a little different because it is a case where you may need to initiate discussions with the resident because the situation is dangerous or unsanitary and must be addressed.

Here are some tips to help you work with people with hoarding disabilities in a way that complies with fair housing law.

• **Make sure you and all employees understand that hoarding is a disability.** Do not immediately begin the eviction process. People with a hoarding disability are protected by fair housing laws and are entitled to the same care and consideration

grace hill

TRAINING TIP
OF THE MONTH

you would give people with other types of disabilities. The most common accommodation, for a person with hoarding disorder, is the written plan of action.

• **Document the condition of the hoarder's home.** Using a standard assessment such as those provided by the Institute for Challenging Disorganization or the International OCD Foundation can help you do an objective evaluation. Make sure to note specific lease and code violations. Use caution and be aware of potential threats to health and safety.

• **Involve your legal counsel.** You will need to understand what state and local laws apply to your specific situation, and how to apply them appropriately. Do not overlook the importance of getting good legal guidance when working with hoarding situations.

• **Give the resident a chance to rectify the situation.** If the resident agrees to clean their home and/or seek help, develop a written plan of action. For a person with hoarding disorder, the most common accommodation is the written plan of action, which gives the resident a chance to rectify the situation at a pace that is conducive with long-term success.

Depending on state and local laws, you may be able to proceed with an eviction if the resident is hoarding animals, explosives, blocking emergency exits, or directly damaging the apartment home. Again, be sure to consult your legal counsel



before proceeding with an eviction, as this can be a complicated issue to navigate with residents.

Mental health experts say that about 15 million Americans suffer from the mental health problem of hoarding. Some interesting facts about hoarders:

- They make up 2-5% of the population;
- Anyone can be a hoarder – men, women, and even children as young as 13;
- Elderly women are the most likely hoarders;
- Hoarders are not lazy, nasty or defiant;
- The behavior usually has occurred for a long time and there is no quick fix;
- Hoarders are usually very intelligent;
- Hoarders may have a mental disability and must be given the opportunity for a reasonable accommodation, even if they do not specifically request one;
- The accommodation may be in the form of more time to bring the dwelling unit up to code before termination of the lease agreement;

- Early intervention is the best plan; and
- Trying to solve the problem without the individual's cooperation will usually make the problem worse.

Ellen Clark is the Director of Assessment at Grace Hill. Her work has spanned the entire learner lifecycle, from elementary school through professional education. She spent over 10 years working with K12 Inc.'s network of online charter schools – measuring learning, developing learning improvement plans using evidence-based strategies, and conducting learning studies. Later, at Kaplan Inc., she worked in the vocational education and job training divisions. Ellen lives and works in Maryland, where she was born and raised. For nearly two decades, Grace Hill has been developing best-in-class online training courseware and administration solely for the Property Management Industry, designed to help people, teams and companies improve performance and reduce risk. Contact Grace Hill at 866.472.2344 to hear more.



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Changing Role: From Handyman to Attorney

Continued from Page 1

“If you have a vacant unit, you can see in real-time how many leads, how many applicants, how many showings it’s had. That tells the story of how your unit’s doing,” Brien said. Plus, owners can pull out their phones and use their mobile apps to find out what’s going on with their properties.

Property management done the traditional way can be described as a “black box,” said Brien. There’s typically been minimal insight into each property’s performance. An investor receives a financial statement, but has minimal insight into why their property performed in a certain way over the past 30 days.

“What events unfolded that led to this financial outcome that I’m seeing 30 days later? And what can we do to avoid it in the future?”

Typically, an owner has to pick up the phone and track down information, perhaps from multiple sources, Brien continued. It’s especially complicated when a company is managing single-family homes or several small multi-unit buildings spread out across a geographic region, with no onsite staff. “That’s where this black box thing comes from,” Brien said, in explaining how Mynd is different.

ROOTS AS INVESTORS LED TO BETTER PROPERTY MANAGEMENT

“We founded Mynd about three years ago as a kind of offshoot of Waypoint Homes. My partner and I (Colin), founded Waypoint Homes back in 2009 and we were one of the first companies to start buying single-family homes, and ended up buying 17,000 around the U.S. in 13 markets. So, we developed some technology that made the way that we manage really efficient. We were very happy with how that company went and its success on Wall Street.”

According to Brien, one of the keys to success at Waypoint was building systems internally to measure performance. “We have a saying that’s one of our core values, ‘If you don’t measure something, it’s impossible to improve it.’ So, we believe in creating systems and tracking everything we do and measuring it fanatically, and then trying to improve it.”

As individual investors, Brien noted, he and Colin wanted to add value to individual investors. “We believe in real estate as an asset class. To me, it’s the best, most attractive asset class there is to invest in.”

Many prospective real estate investors have a hard time taking the first step when it comes to investing, Brien said, because they don’t know how to take care of their property themselves, and they don’t have confidence in property managers. “Traditionally, a lot of property managers are mediocre at best.

“It doesn’t mean that there aren’t great ones out there. It’s just I’ve been generally unsuccessful finding good property managers, and so we said, ‘You know what? We learned how to do this. We believe there’s a need. We can add value. Let’s do it.’ So, it’s been three years, and we’re up to 4,000 units in various West Coast markets.”

PROPERTY MANAGEMENT IS A PEOPLE BUSINESS

Over the years, there’s been a limited amount of innovation in the property management sector, and Mynd has set out to change that. “We are going out and trying to find the best, the brightest and the most talented. That’s a big reason why we



partnered with Enrique.

“At the end of the day, no matter how much data or technology you apply to the business, this is a people business. It’s very operationally intensive, and we want to use technology to make great people even more effective in terms of the service we provide. Building a great team and having high-quality people is a huge part of what we do,” Brien said.

CHANGING ROLE OF PROPERTY MANAGEMENT, ESPECIALLY IN SEATTLE

Jevons said his background in the hotel industry as a hotel general manager led him to Seattle and the property management business 11 years ago. He also personally owns 71 rental housing units.

Jevons manages nearly 800 units in Washington State. As a result, he is well-equipped to handle the needs of property owners and residents, since he gets to “experience it from both sides,” he said.

“I know, being an owner, exactly what I’m looking for. Then, being a property manager, I get to see the other side of things, where you’re the middleman between the tenant and the owner. It’s a very unique position to be in, and one I enjoy very much,” Jevons said.

What is the biggest stressor for owners and property managers in Seattle now?

“Keeping up with all the different changing legislation,” Jevons said. “And it’s happening really fast, which makes it difficult for the small property owner.”

According to Jevons, most owners of rental properties own one single-family home. Another large segment of investors owns less than four units in Washington State. Small residential owners struggle to keep up with every new city ordinance that passes, every new county ordinance and new state laws. Unfortunately, he remarked, there’s no one single repository where owners can go to for assistance.

“If you go online and do a Google search for ‘City of Seattle rental laws,’ you’re going to come up with several different sites, none of which has all the city, county, and state laws.

Since each city has its own local ordinances, it’s hard to keep up with which city has what ordinance and how it applies to property owners. There’s no registry for property owners to receive all the information that they need on changes to laws, Jevons said.

HARD FOR PROPERTY OWNERS TO FIND INFORMATION

“In my experience, owners don’t intuitively know that they are required to register with the city once they start operating rentals. They also don’t know that they have to procure a business license if they’re renting out a home, even one they inherited.”

This uncertain climate makes it difficult for investors to acquire rental properties in the city of Seattle. For instance, there might be an opportunity for an investor to purchase a duplex in Seattle, but if rent-control laws make you question the viability of your investment, then you may decide to pass and purchase property in Texas instead, Jevons said.

RENTAL HOUSING IS A DEMAND-AND-SUPPLY BUSINESS

If the City of Seattle becomes too restrictive for property owners, then investors have the choice to sell their property to an owner-occupant. As a result, the rental pool becomes depleted, and investors opt to buy investment properties elsewhere throughout the United States in rental markets that are less restrictive.

“You have this supply-and-demand equation. Trying to artificially regulate the supply of housing doesn’t lessen the demand. The demand is always going to be there,” Jevons said. “What we need to try to do, in my opinion, is make it easier for people to build and purchase rental properties so that we can increase the supply, and therefore make it less expensive for people to rent.”

Brien said Mynd wants to be a trusted partner for real estate investors. It’s a property manager’s job to stay up-to-date on all of the changes to rent-control laws and city regulations, Brien explained. Mynd’s goal as a company is to “make it

simple for investors to invest, and frankly, to also give them choices. We ultimately want be a national property management company.”

Somewhere between 80 and 85 percent of investors invest within a 60-mile radius of where they live because they don’t trust their property manager, Brien said. They don’t trust that things are going to get done, so they drive by and want to see it all the time and check on the condition of their investment. But it’s rare that within 60 miles of where you live happens to be the best place in the U.S. to invest.

To solve this problem, Mynd wants to provide investors with more data so they can make better investment decisions. “This gives investors flexibility with respect to their investment decisions. At the same time, we are staying on top of all the changes and regulations in each city, so that owners have an investment experience that’s pleasant and simple,” Brien said.

At the end of the day, everyone agrees that there’s a housing affordability problem in many cities, Brien said. However, he doesn’t believe the problem should be fully shouldered by property owners, and questions whether it’s fair for a resident who earns \$250,000 a year to pay \$800 a month in rent, which sometimes occurs in the city of San Francisco.

CHANGING ROLE OF THE PROPERTY MANAGER

When asked how the role of property manager has changed over the years, Jevons said it’s evolved from being a handyman and customer service expert to becoming more of an adviser on legal, tax and other matters. Originally, he noted, the role of property manager was to provide great customer service, and to determine what needed to be fixed at a resident’s property.

Now, it’s more about ensuring that property owners are compliant, and that the rental agreement adheres to local, state and federal fair-housing laws.

“From a handyman to an attorney, and much more. That’s how the job has changed.”

Why WMFHA?

Continued from Page 3

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Seattle, Portland in Top 5 Cities in U.S. for Most Green Apartment Rental Units

RENTCAFE

Seattle and Portland are in the top five cities in the United States with the most green apartment rental units, according to a new study by RentCafe.

The study shows that while green-apartment growth has slowed slightly recently, it is still up 300 percent over the past 10 years.

SEATTLE HAS THE MOST GREEN BUILDINGS OF ANY CITY

The Emerald City stays true to its colors with around 22% of all Seattle apartments being sustainable. With almost 20,000 green certified units in 94 residential buildings, Seattle has the largest number of green buildings of any city in the United States.

PORTLAND RIGHT BEHIND SEATTLE IN GREEN BUILDING

Portland makes other cities green with envy with the second largest residential green share in the country after Seattle — about 20% of what has been built there since 2009 is sustainable. As of 2018, the city offers more than 11,500 green apartments in 75 sustainable residential buildings.

“When discussing ideas for a healthier environment, we cannot overlook the part green-certified buildings play among verifiable eco-friendly solutions that reduce carbon emissions and waste, while using less energy and water. As commercial buildings embrace more resource-efficient options, it was only a matter of time before green construction development would contribute to the multifamily sector next,” RentCafe says in the report.

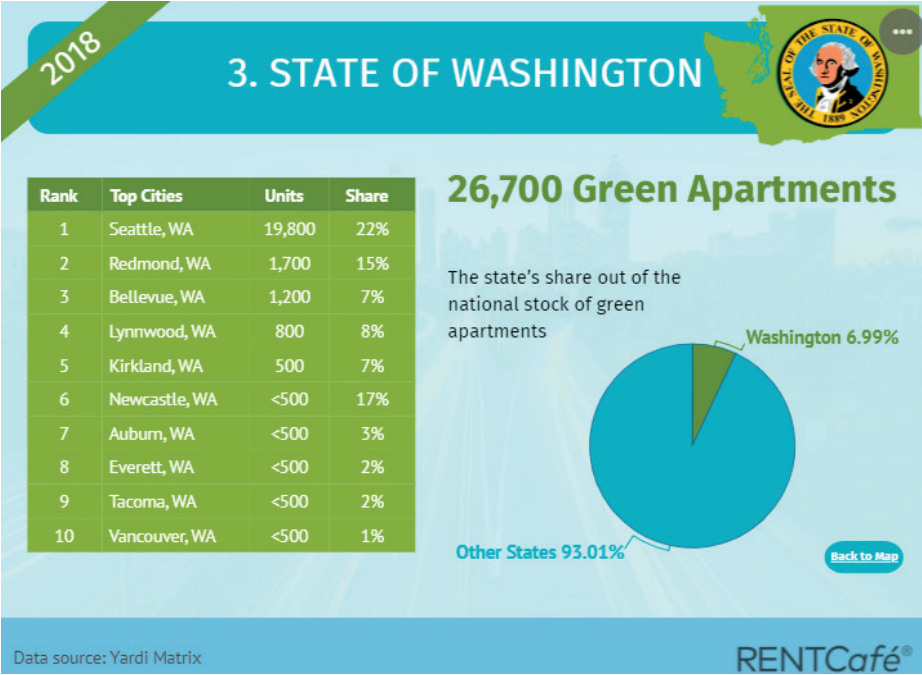
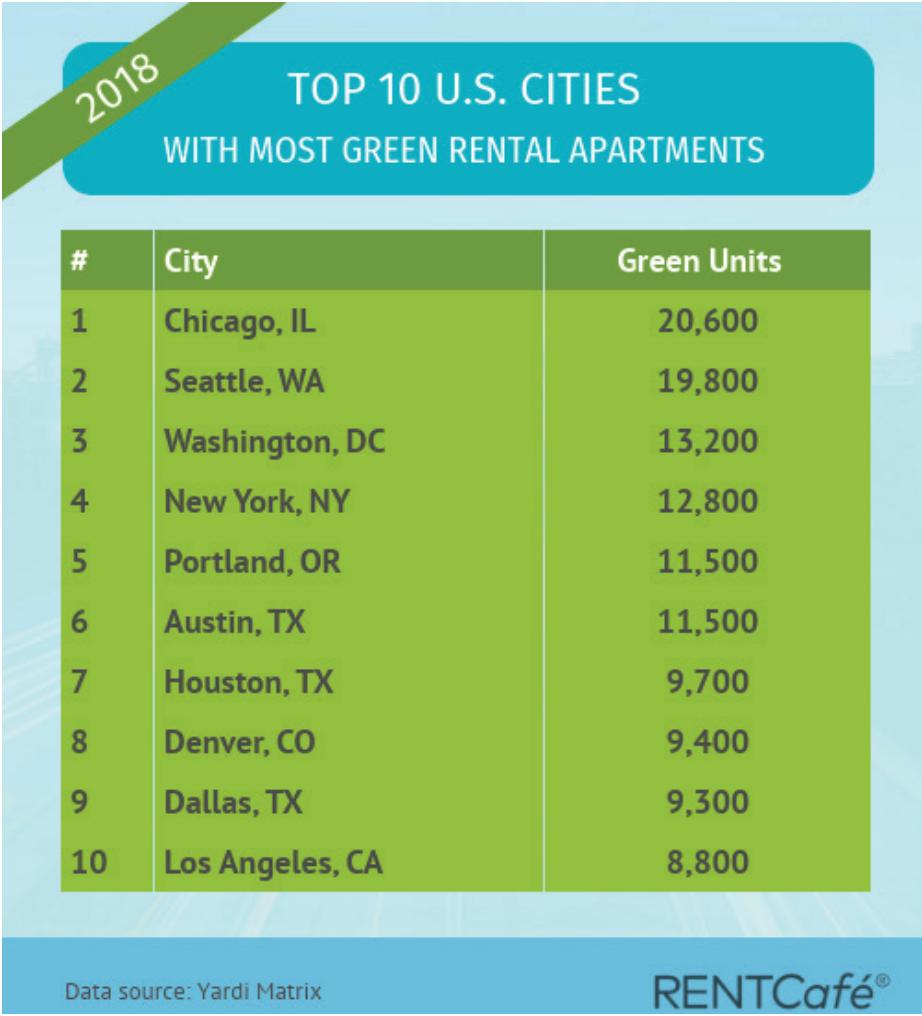
“In order to see how sustainable the U.S. rental market really is, we analyzed the evolution of green construction over the past decade, between 2008 and 2018. By examining Yardi Matrix’s national inventory, we considered buildings of

50+ units that have already achieved or are proposed for LEED certification, the most widely used international sustainable building rating system. The verification system introduced in 2000 by the Leadership in Energy and Environmental Design confirms whether a building has been developed under eco-conscious principles or not.”

GREEN-APARTMENT RENTAL STUDY HIGHLIGHTS:

- Ten years ago, only 5% of new apartments were green-certified, approx. 11,200. The number of sustainable rentals increased each year, peaking at 50,300 LEED-certified units in 2016, which accounted for 16% of the residential construction that year.
- Since then, the number of sustainable units has dropped, seeing a 6% year-over-year decline in 2018, when about 15% of the apartments delivered had LEED certification. While the present is greener than the past, we cannot yet talk about a constant year-over-year increase in energy-efficient housing.
- Which cities show significant eco-friendly development? Chicago leads the way with 20,600 green units delivered last year, followed closely by Seattle, with 19,800, which also boasts the largest number of LEED-certified buildings in the nation, 94.
- Washington, D.C. follows up with 13,200 units. Its metro area, though, has the best offer for eco-conscious renters, with no more than 7 cities in the list of best ratios of people-to-green units.
- Which is the greenest state? This title goes to California, which has the highest number of green residential units – 55,100. Texas and Washington also show significant green apartment development.

Sustainable building construction and certification went down in the past two

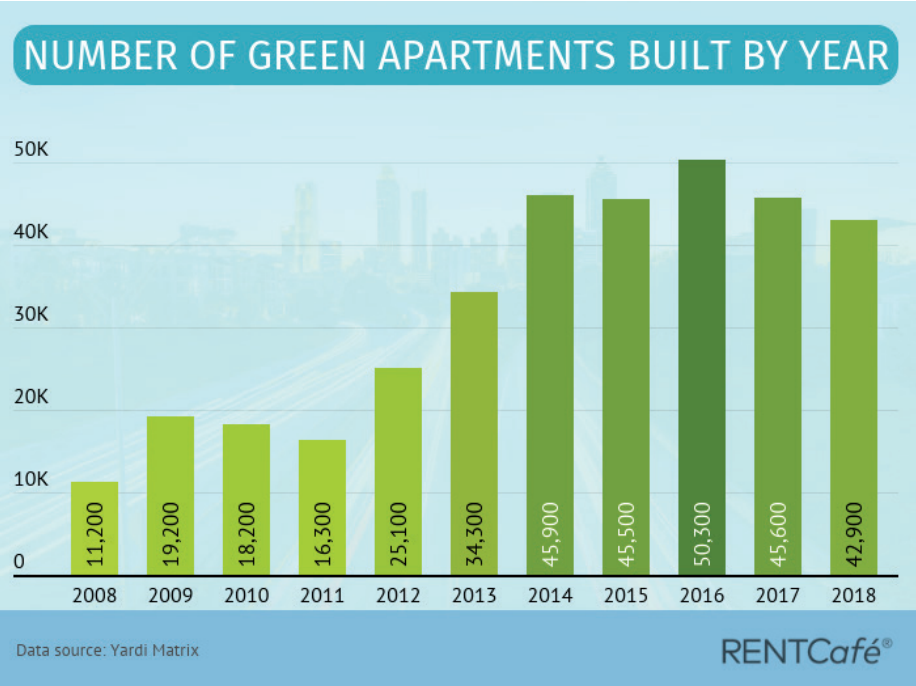


years, naturally following the deceleration trend in overall apartment construction, but never below the 42,000 mark. For example, even the -9% year-over-year drop registered in 2017 translated into 45,600 new buildings that got a green certification by the end of the year.

METHODOLOGY:

- Property and rent data was compiled from Yardi Matrix, our sister company that specializes in multifamily market research.

- Property and rent data as of January 2019.
- We consider “green buildings” multifamily projects that are LEED-certified or proposed for LEED certification.
- LEED-certification was cross-checked with USGBC’s public records; updates may occur.
- Study includes only large-scale apartment buildings of 50 units or more.
- Average rent comparisons were performed in U.S. cities with at least 5 green multifamily buildings and 500 units.



Should Landlord Re-Key Locks Between Tenants?

Dear Landlord Hank: Do you rekey your rentals every time you change a tenant? Our tenants are good about returning keys to us when they vacate the units, especially if they want to get their full security deposit back. We try to avoid the extra cost of calling a locksmith and rekeying every time a new tenant moves in and wondering what is the best practice? And, if you do, do you just rekey or do you replace the whole lock?

- Sam

Dear Landlord Sam,

I don't know of any legal requirement to change locks between tenants.

But I think it's a good idea to do so.

I don't rekey a lock due to the expense but will change locks. I keep a reserve of locks and keys and it's a five-minute job to change a single lock.

Smart locks might be a consideration.

As locks go bad, you can replace with "Smart Locks"

and can rekey those in one minute yourself.

They are more expensive but sure are easy to use, and then you can tell your new tenants that the locks have been changed, for their peace of mind.

"Landlord Hank" Rossi started in real estate as a child watching his father take care of their family rentals in small-town Ohio. As he grew, Hank was occasionally his dad's assistant. In the mid-'90s he decided to get into the rental business on his own, as a sideline. In 2001, Hank retired from his profession and only managed his own investments. A few years ago he and his sister started their own real estate brokerage, focusing on property management and leasing.

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Facebook’s Targeted Advertising Practices Encourage Discrimination, HUD Charges

RENTAL HOUSING JOURNAL

Facebook’s targeted advertising platform violates the Fair Housing Act by “encouraging, enabling, and causing” unlawful discrimination by restricting who can view housing ads, the U.S. Department of Housing and Urban Development (HUD) charged in a release.

HUD has also alerted Twitter and Google that it is scrutinizing their practices for possible housing discrimination, a sign that more technology companies could be ensnared in a government probe of their lucrative demographic ad targeting tools, according to the Washington Post.

The action follows HUD’s investigation of a Secretary-initiated complaint filed on August 13, 2018. HUD alleges that Facebook unlawfully discriminates based on race, color, national origin, religion, familial status, sex, and disability by restricting who can view housing-related ads on Facebook’s platforms and across the internet. Further, HUD claims Facebook mines extensive data about its users and then uses those data to determine which of its users view housing-related ads based, in part, on these protected characteristics.

“Facebook is discriminating against people based upon who they are and where they live,” said HUD Secretary Ben Carson. “Using a computer to limit a person’s housing choices can be just as discriminatory as slamming a door in someone’s face.”

“Just because a process to deliver advertising is opaque and complex doesn’t mean that it exempts Facebook and others from our scrutiny and the law of the land. Fashioning appropriate remedies and the rules of the road for today’s technology as it impacts housing are a priority for HUD,” Compton said.

The Fair Housing Act prohibits discrimination in housing and in housing-related services, including online advertisements, based on race, color, national origin, religion, sex, disability, or familial status.

According to HUD, Facebook enabled advertisers to



“Even as we confront new technologies, the fair housing laws enacted over half a century ago remain clear—discrimination in housing-related advertising is against the law.”
- Paul Compton, HUD General Counsel

exclude people whom Facebook classified as parents, non-American-born, non-Christian, interested in accessibility, interested in Hispanic culture or a wide variety of other interests that closely align with the Fair Housing Act’s protected classes.

HUD is also charging that Facebook enabled advertisers to exclude people based upon their neighborhood by drawing a red line around those neighborhoods on a map. Facebook also allegedly gave advertisers the option of showing ads only to men or only to women.

HUD asserts that Facebook also uses the protected characteristics of people to determine who will view ads

regardless of whether an advertiser wants to reach a broad or narrow audience. HUD claims Facebook combines data it collects about user attributes and behavior with data it obtains about user behavior on other websites and in the non-digital world.

Facebook then allegedly uses machine learning and other prediction techniques to classify and group users to project each user’s likely response to a given ad, and in doing so, may recreate groupings defined by their protected class.

By grouping users who have similar attributes and behaviors (unrelated to housing) and presuming a shared interest or disinterest in housing-related advertisements, Facebook’s mechanisms function just like an advertiser who intentionally targets or excludes users based on their protected class, HUD charges.

HUD seeks to address unresolved fair housing issues regarding Facebook’s advertising practices and to obtain appropriate relief for the harm Facebook caused and continues to cause.

In August 2018, the Department of Justice, joined by HUD, filed a statement of interest in the U.S. District Court for the Southern District of New York (SDNY) on behalf of a number of private litigants challenging Facebook’s advertising platform.

HUD’s charges will be heard by a United States Administrative Law Judge unless any party to the charge elects to have the case heard in federal district court. If an administrative law judge finds after a hearing that discrimination has occurred, he may award damages for harm caused by the discrimination. The judge may also order injunctive relief and other equitable relief, as well as payment of attorney fees. In addition, the judge may impose fines to vindicate the public interest. If the matter is decided in federal court, the judge may also award punitive damages.

Persons who believe they have experienced discrimination may file a complaint by contacting HUD’s Office of Fair Housing and Equal Opportunity at (800) 669-9777 (voice) or (800) 927-9275 (TTY).

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Affordable Housing Community in Downtown Seattle Purchased

RENTAL HOUSING JOURNAL

A newly constructed 160-unit affordable housing complex located in the heart of Seattle, called HANA, at the intersection of 6th and Yesler, has been acquired by Security Properties and Pacific Life, according to a release.

"Given the well-documented demand for affordable housing in Seattle, HANA is a being delivered at the perfect time," said Steve TeSelle, Director of Affordable Housing for Security Properties, in the release.

"HANA will provide high-end units at a significant discount to market rents in the surrounding area," he said.

This is the third affordable housing joint-venture by Security Properties and Pacific Life.

HANA is a mixed-use, podium-style community with more than 13,000 square feet of commercial space occupied by Bright



Horizons daycare, and 160 apartment units.

Apartments feature floor-to-ceiling windows, hard-surface kitchen

countertops, and vinyl-plank flooring that is consistent with Class-A market rate product. Residents will also benefit from a 7th floor rooftop deck with community kitchen and unobstructed views of Puget Sound and downtown Seattle. The property is minutes from light-rail as well as a wide variety of restaurants, retail amenities, and the Stadium District.

HANA was delivered in early 2019 and is presently undergoing lease-up.

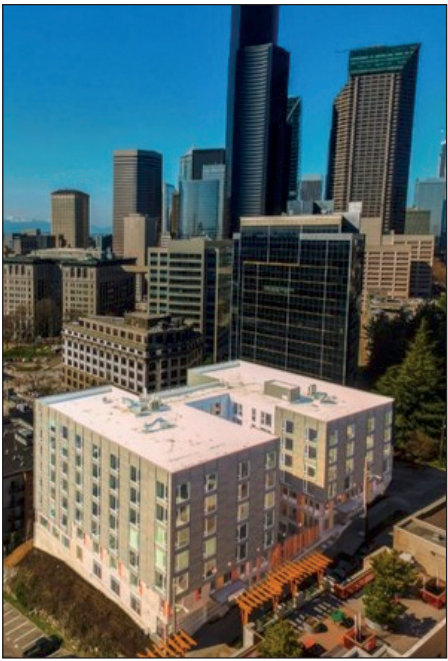
The property participates in a variety of local affordability programs, including Seattle's Multifamily Tax Exemption (MFTE) program, which together restrict all units to households earning between 50% and 80% of Area Median Income (AMI).

This translates to affordable rents for families earning up to \$80,000, for a household of 4 people.

HANA is Security Properties' fourth affordable housing acquisition in Washington state. The company's Affordable Housing Group maintains a

national footprint with an existing portfolio of more than 8,000 units across 58 low-income housing assets. Security Properties also owns more than 13,900 conventional units across 54 properties.

About Security Properties: Security Properties is a national real estate investment, development, and operating company headquartered in Seattle, Washington. For more than 50 years, Security Properties has provided quality housing to its residents as well as excellent financial performance for its investors. Since its founding, Security Properties has acquired or developed more than 83,000 residential units at a cost of over \$5.7 billion. Security Properties maintains a focused multi-family strategy supported by integrated teams of professional acquisition, development, construction, investment, and property-management specialists. For more information, visit www.securityproperties.com



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1031 Exchange Investors are Choosing DST Properties for Passive Real Estate Ownership



By JASON SALMON

Over the course of the past several years, Kay Properties has observed incremental growth in the number of investors choosing Delaware Statutory Trusts (DSTs) as a preferred means of passive real estate investing for like-kind, tax-deferred 1031 exchanges.

1031 EXCHANGE BASICS

Per section 1031 of the Internal Revenue Code, real estate investors—under specific guidelines—may potentially defer their capital gains tax, depreciation recapture tax, and other taxes (each investor should consult their own CPA/attorney since every situation is unique). Upon the sale of investment real estate, the proceeds would go to a Qualified Intermediary, then the investor must purchase real estate of equal or greater value and has 45 days to “identify” replacement property with a concurrent 180-day timeline to close.

IRS/DSTs

Through what’s known as the Internal Revenue Service’s Revenue Ruling 2004-86, DSTs have been recognized as vehicles for investors looking for like-kind real estate as 1031 exchange replacement property with the ability to conduct another 1031 exchange upon the sale of the DST property.

PASSIVE REAL ESTATE INVESTING

For many real estate investors that have had their lives consumed with being pinned to real estate property management and/or asset management responsibilities, DSTs offer the opportunity to be passive and diversified—via the 1031 exchange into multiple DSTs/multiple geographic areas/multiple property types. Diversification does not guarantee profits or protect against losses.

As of the time of writing this article, Kay Properties has over 35 DST offerings available to our clients from over 20 companies that most would consider sophisticated real estate asset managers. As such, real estate sectors represented include, but are not limited to healthcare, multifamily, netleased real estate (NNN), industrial/distribution, office, student housing and self-storage.

Several factors have contributed to the industry’s growing popularity, including the passive nature of the DST structure in conjunction with the real estate portfolio strategy and the ability to close quickly.

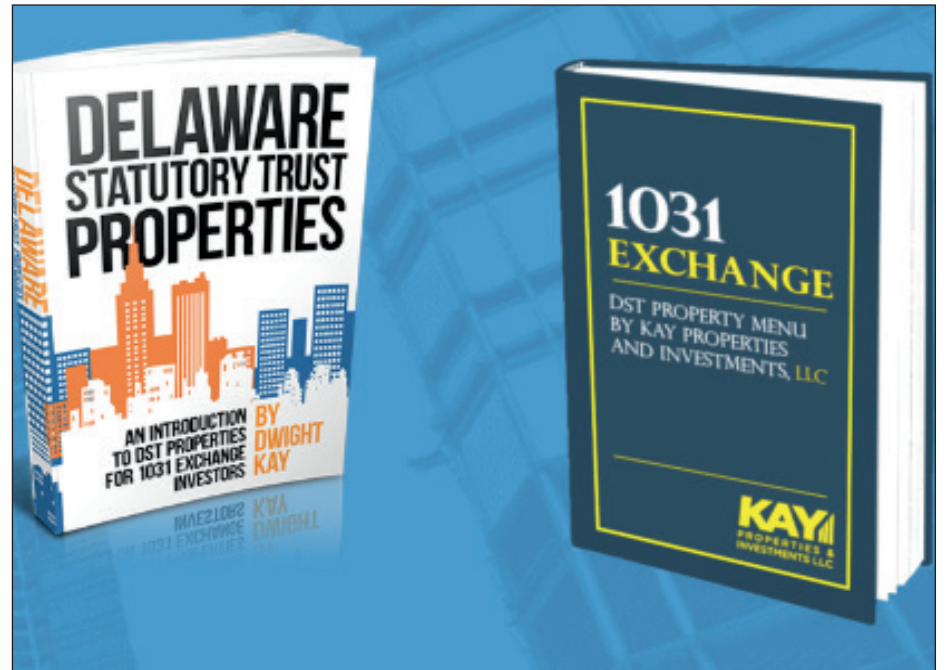
It is important to note that these real estate management companies do not call for investors’ funds, then go out to buy properties. Rather, they’ll typically acquire the real estate first—thereby helping to reduce investor 1031 exchange closing

risk—and the DST can be comprised of multiple properties or just a single asset. DSTs come either with or without debt, so investors conducting a 1031 exchange may find the nonrecourse financing already in place useful for the purposes of their transaction. Others might seek out debt-free DSTs as 1031 replacement property if they sold real estate that was unencumbered by debt and do not want the added risks of using financing with real estate investing.

The minimum investment size for 1031 exchange investors is typically \$100,000, so in many cases investors can diversify into multiple DST offerings—depending on the size of their transaction.

Several factors have contributed to the industry’s growing popularity, including the passive nature of the DST structure in conjunction with the real estate portfolio strategy (by investing with varied DST sponsor companies/asset-managers, locations and property types), and the ability to close quickly. Accredited investors find DSTs to be quite accessible compared to the search for high-quality real estate, negotiating with sellers and having to potentially put all their eggs in one basket. We’re pleased to be able to offer DSTs to our clients with the goal to streamline their 1031 exchange process.

Jason Salmon is Senior Vice President, Managing Director of Real Estate Analytics for Kay Properties & Investments, LLC. Kay Properties and Investments, LLC is a national Delaware Statutory Trust (DST) investment firm with offices in Los Angeles, San Diego, San Francisco, Seattle, New York City and Washington DC. Kay Properties team members collectively have over 114 years of real estate experience, are licensed in all 50 states, and have participated in over \$9 billion of DST real estate. Our clients have the ability to participate in private, exclusively available, DST properties as well as those presented



to the wider DST marketplace; with the exception of those that fail our due-diligence process. To learn more about Kay Properties please visit: www.kpi1031.com.

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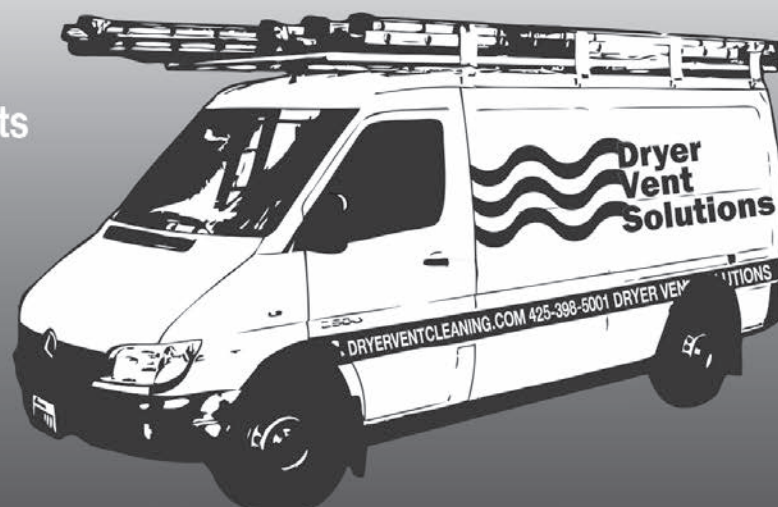
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There are material risks associated with investing in real estate, Delaware Statutory Trust (DST) properties and real estate securities including illiquidity, tenant vacancies, general market conditions and competition, lack of operating history, interest rate risks, the risk of new supply coming to market and softening rental rates, general risks of owning/operating commercial and multifamily properties, short term leases associated with multifamily properties, financing risks, potential adverse tax consequences, general economic risks, development risks and long hold periods. There is a risk of loss of the entire investment principal. Past performance is not a guarantee of future results. Potential cash flow, potential returns and potential appreciation are not guaranteed. For an investor to qualify for any type of investment, there are both financial requirements and suitability requirements that must match specific objectives, goals and risk tolerances.

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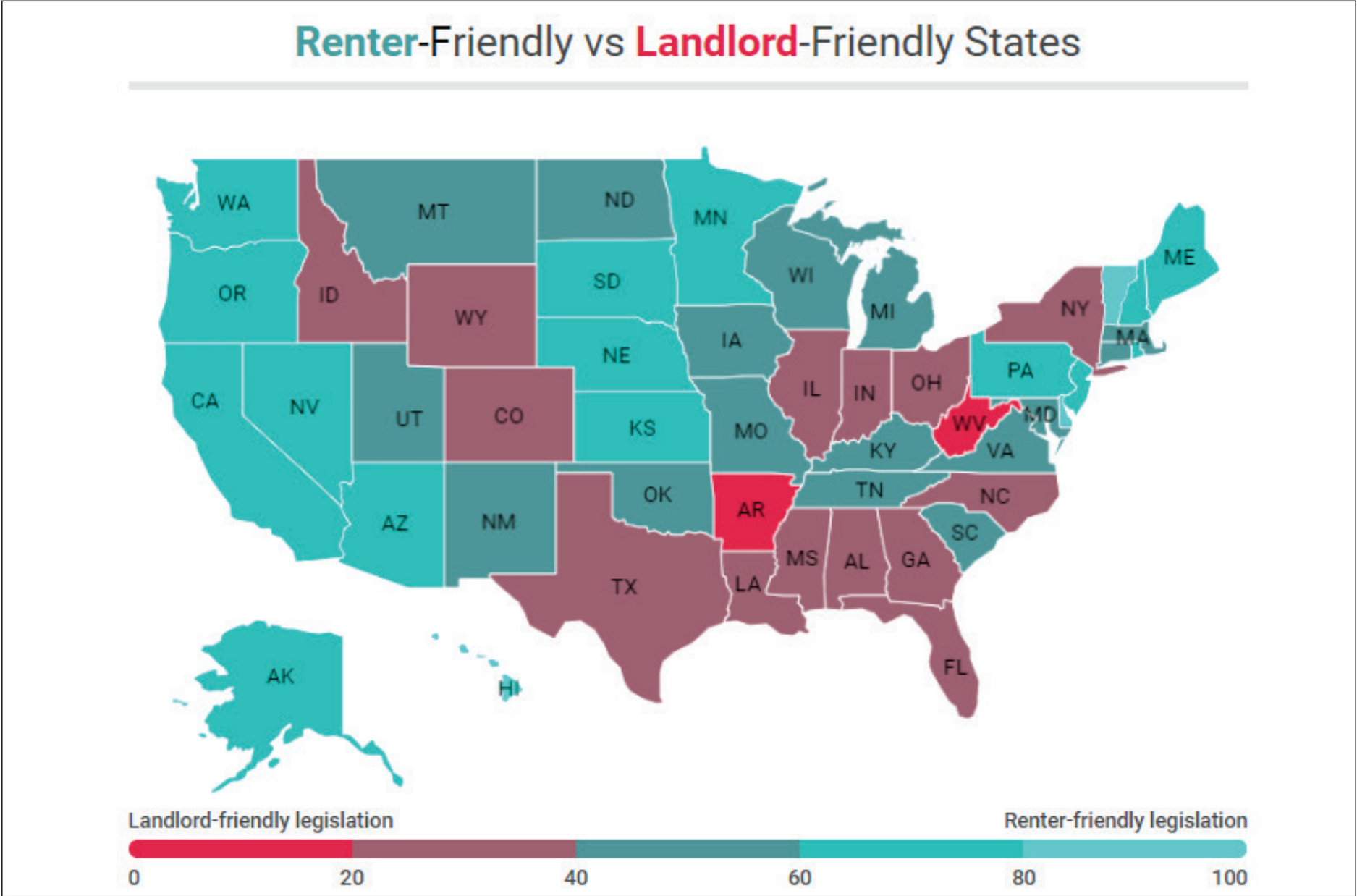
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Legislation Turns States More Tenant-Friendly



RENTCAFE

Legislation recently passed or pending in many states is making them more tenant-friendly and less landlord-friendly, according to some new research by RentCafe.

With Oregon passing a first-in-the nation rent-control bill, and Washington State considering extending the amount of time before a landlord can evict a tenant, it is clear landlord-tenant laws are evolving in many places in the United States.

In a recent study, RentCafe compared and contrasted landlord-tenant laws in 50 states and the District of Columbia. The study focused on 10 common aspects of the landlord-tenant relationship, which includes security deposits, rent increases, the warranty of habitability and eviction notices. It also created a ranking system based on the best and worst scenarios for renters and landlords.

MOST TENANT-FRIENDLY STATES

Vermont ranked first among the renter-friendly states, followed closely by Delaware and Hawaii. Rhode Island, Arizona, D.C., Maine and Alaska statutes also seem to favor tenants over landlords, according to the analysis.

MORE LANDLORD-FRIENDLY STATES

On the other end of the spectrum, the laws in Arkansas and West Virginia were the least friendly to their renters, with Louisiana, Georgia, Wyoming, North Carolina, Idaho, Ohio, Mississippi and Colorado following. Arkansas and West Virginia registered the same score on the scale, but since Arkansas is the only state where tenants can face criminal charges for failure to vacate, it earned the last place on the renter-friendly scale.

THE BEST STATES FOR COMMON RENTING ISSUES

The relationship between landlords and tenants may sometimes prove tricky to manage, and problems emerge when either side doesn't hold up their end of the agreement.

The security deposit is an issue that

every renter faces at the beginning of a new lease. There are 10 states that limit the security deposit amount to the equivalent of one month's rent (for unfurnished apartments on a one-year lease). Among them are Hawaii, District of Columbia, Rhode Island, Massachusetts, and Kansas.

Not having to wait forever to get your security deposit back (after any applicable deductions) at the end of your lease can also be a blessing, especially when you need that money to put down a deposit on your next apartment. Renters in Montana are the luckiest in that regard, as they'll get theirs back in no more than 10 days. In Hawaii, South Dakota, Nebraska, Arizona, and Vermont, landlords are required to return security deposits within 14 days.

THE WORST STATES FOR COMMON RENTING ISSUES

Vermont might have the best laws for renters, but it's also one of 24 states that don't set a limit for security deposits. Other examples are Georgia, Washington, Texas, Illinois, and New York.

Being able to withhold rent for failure to provide essential services (heat, hot water, and electricity) is another law that many would consider common sense, yet there are 11 states which don't specifically allow this.

Furthermore, 14 states empower landlords to use harsh measures like serving an Unconditional Quit Notice against renters who violate their leases. Arizona, Hawaii, Virginia, Rhode Island, and South Carolina are some of them. To be fair, the situations in which this practice is allowed usually relate to serious breaches of the rental agreement, such as illegal drug possession, prostitution or other criminal activities. But there are also states where this type of notice can be used for simply being late on rent (Georgia, South Carolina, and West Virginia).

In 8 states, including Maryland, Georgia, New Jersey, South Dakota, and Missouri, landlords have the option to immediately terminate a lease and file for eviction when the tenant is just a few days late on rent.

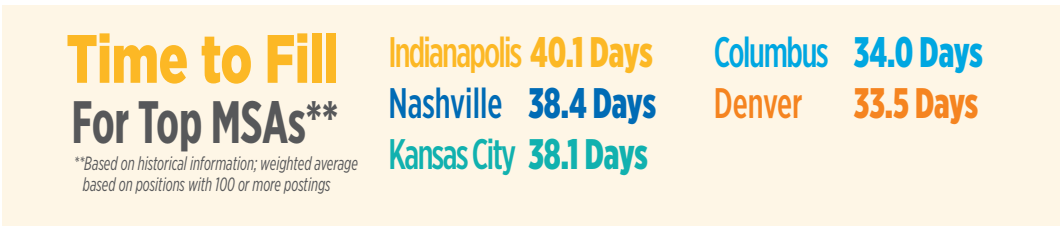
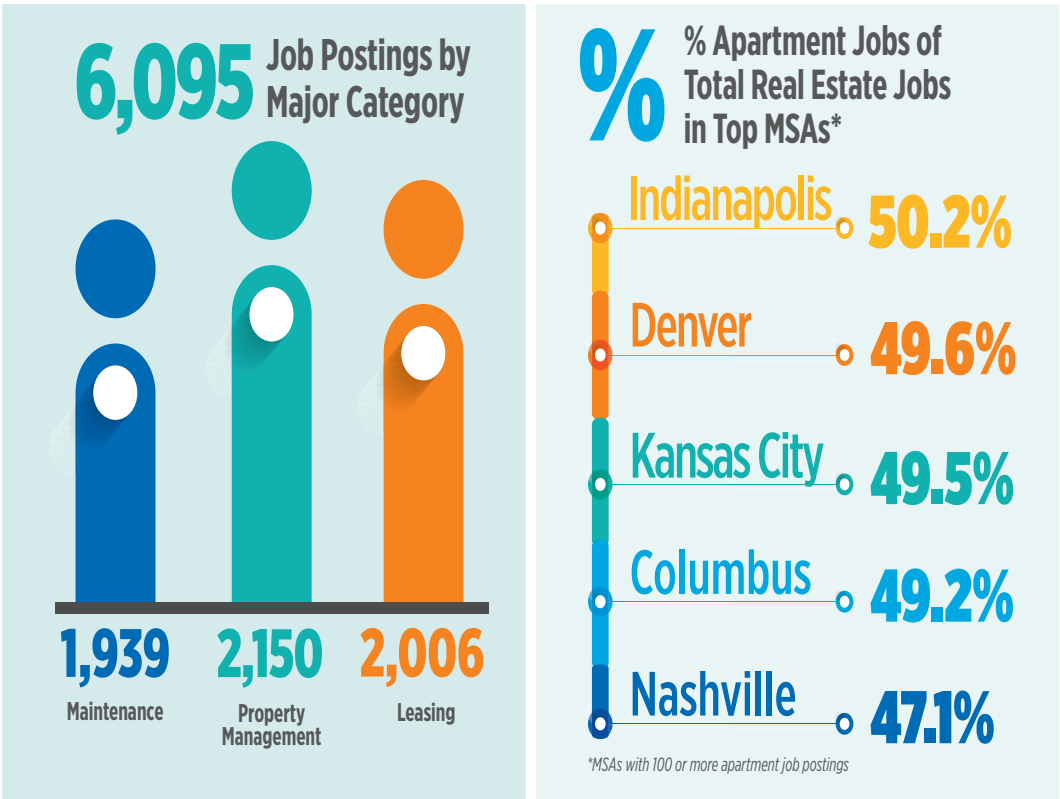
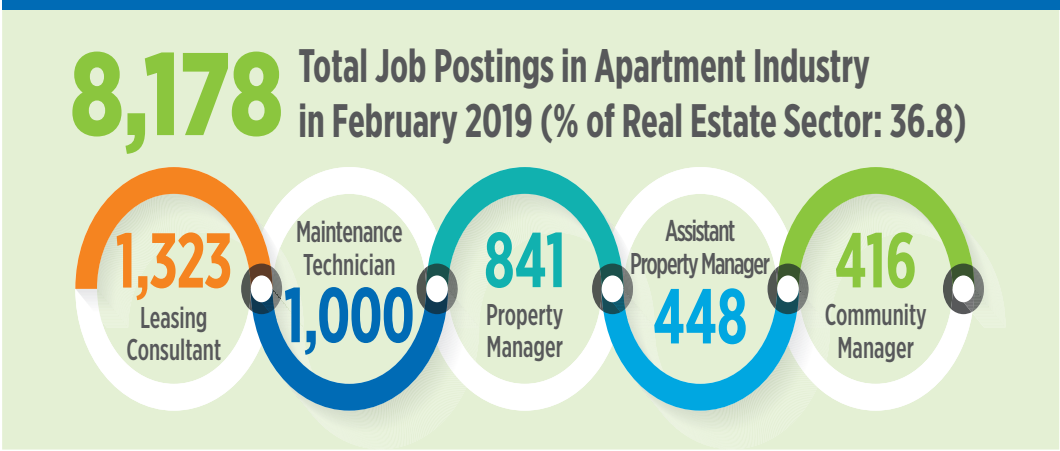
[Learn more about this study's methodology on RentCafe.com.](#)

MEET RENTERS ARNIE & VINNY

Arnie rents in Arkansas Vinny rents in Vermont

He can't withhold rent if his landlord fails to provide essential services.		He can withhold rent if his landlord fails to provide essential services.
He has to wait for his landlord to fix everything.		He can repair broken appliances in his home and deduct the costs from his rent check.
There's no law in Arkansas regulating the notice landlords must give to increase rent.		If Vinny's landlord wants to increase his rent he must provide at least 60 days notice.
If Arnie is 5 days late on rent he can get evicted immediately.		If Vinny falls behind on rent he gets a 14-day notice to remedy the situation or move.

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Positions for Leasing Consultants in Demand, Report Shows

NATIONAL APARTMENT ASSOCIATION

More than 8,000 apartment jobs were available across the country during February, according to the latest apartment jobs report from the National Apartment Association (NAA).

Apartment jobs represented 36.8 percent of all the real estate sector jobs, just under last month's figure, according to the NAA report from the NAA Education Institute.

Denver placed in the top 5 markets for the third month in a row, slightly edged out by Indianapolis.

LEASING CONSULTANT JOBS IN HIGH DEMAND

Leasing consultants were in high demand in the latest report. And the greatest concentration of demand for leasing consultants was in Austin.

For leasing consultants, median market salaries were below \$28,000 per year, but most employers would consider candidates with less than two years of experience, yet another sign of a tight labor market.

MAINTENANCE-TECH SKILL SET STILL HIGHLY SOUGHT AS TITLES CHANGE

The change in the proportion of job titles over the past five years is not only reflective of demand, i.e. the highly sought-after maintenance tech, but of recruiters providing more focused and appealing titles, the NAA Education Institute report says.

The generic "apartment manager" has given way to "community manager," while the surge of assistant property managers and maintenance supervisors reveals a clear career path within those sectors.

The greatest increases in skills desired for all types of positions included both specialized skills such as Yardi Matrix software, and soft skills, particularly writing and collaboration.

NATIONAL APARTMENT ASSOCIATION JOBS REPORT BACKGROUND

The jobs report focuses on jobs that are being advertised in the apartment industry as being available, according to Paula Munger, Director, Industry Research and Analysis, for the National Apartment Association's Education Institute.

"Our education institute is a credentialing body for the apartment industry. They hear often that one of the biggest problems keeping our industry leaders up at night is the difficulty in finding talent, attracting talent and retaining talent," Munger said. "Labor-market issues are happening in a lot of industries, certainly with the tight labor market we have."

NAA partnered with Burning Glass Technologies. "They have a labor-job posting database that is proprietary," she said, and they can "layer on data from the Bureau of Labor Statistics (BLS). We looked at that and thought we could do something that is really going to help the industry and help benchmark job titles and trends as we go forward," Munger said.

Sources: NAA Research; Burning Glass Technologies; Data as of February 28 2019; Not Seasonally Adjusted

Spotlight

Last 6 Months

Leasing Consultant

Top MSAs (Highest Location Quotients)

City	Location Quotient***	Median Market Salaries****
Austin	3.7	\$28,037
Denver	3.6	\$28,670
Dallas	3.5	\$27,951
Raleigh	3.3	\$26,272
Charlotte	2.9	\$26,914

***Location quotients display concentrations of demand within MSAs. U.S.-wide average demand equals 1.0; a location quotient of 1.5 indicates 50% higher demand than the US average.

Experience Level Required

0 to 2 Years	95.7%
3 to 5 Years	4.1%
6 or More Years	0.2%

Earnings

Median Market Salary of Postings****

\$27,836

****Market salary is calculated using a machine learning model built off of millions of job postings every year, and accounting for adjustments based on locations, industry, skills, experience, education requirements, among other variables

7 Ways to Build Up Multifamily Communities

Continued from Page 1

something you can do to encourage a sense of community.

1. Designate an Outdoor Space

If your complex doesn't have one already, find a way to designate an outdoor space for your tenants to use as a community center. This could look like a pool, a garden or even a plot of grass with some picnic tables. Many apartment communities are also building dog parks, if they have the infrastructure.

Consider the average life experiences of your tenants to determine what outdoor space they would enjoy best. You don't want to spend your money on an amenity that tenants will likely ignore. It's more important to build the right outdoor space than to jump to provide anything at all.

2. Set Up Regular Events

A great way to get tenants to interact with each other is to set up regular events that will make them want to step out of their possible comfort zones and meet new people. Events can be centered around fun holidays, like the Fourth of July or Halloween, so everyone can participate. Encourage tenants to come out and have fun at a cookout or networking event, for example.

When your tenants get to know each other, your business benefits. Not only will familiarity make them more considerate of each other's space and quality of life, but you're likely to reduce tenant turnover in the long run. Creating community events doesn't have to be resource-intensive, and it results in connections that will help you and your tenants enjoy the rental experience more.



3. Host Contests

If you have the budget, you may want to try engaging with tenants through fun contests. Contests can range from food-drive competitions to costume contests to even who can get the most likes on a pet picture on social media.

Think about what your tenants might like and pitch ideas with the management team to come up with ideas. Your community will love the interactive side of contests without necessarily having to carve out

time from their schedule to participate.

4. Create a Social-Network Page

Most businesses automatically get social-network profiles to represent themselves online. After all, people want the online experience of seeing 3D models, floor plans and pictures. In addition to your main profiles, create a unique community page where only residents are allowed into the group.

This is a great way to encourage residents to establish neighborly ties. If you manage a city rental, post local activities every week or so to see if your tenants want to form a get-together. For more suburban regions, where commutes are often 30 minutes or more, set up carpooling threads to help tenants save on driving costs. Social media is a powerful tool for helping residents feel like they have a community they can rely on.

5. Remember to Say Thanks

People need a place to live, so tenants may feel like they're taken for granted by property managers. One way to get around this feeling and continue building a sense of community is to always remember to say thanks.

Tenants will be pleasantly surprised to have an interactive and caring management team, leading to feelings of community and

worth.

6. Communicate With Maintenance Workers

People will only admit so much to management staff. You may send out emails with surveys, asking for people to give their honest opinions about what they like and what they think should change. That doesn't mean tenants will feel comfortable enough to be totally honest. That's where the maintenance team comes in.

The maintenance crew has the advantage of getting one-on-one interactions with tenants. They get to hear what people like and don't like about their apartment in very honest conversations. They'll be able to feel out the mood of tenants regarding community upgrades or apartment changes more than office staff could. Meet with your maintenance workers and keep the line of communication open with them. They'll provide valuable feedback you can use to keep your community tight-knit and happy.

7. Encourage Community Feedback

Whatever kind of community outreach you decide to do, make sure to encourage feedback from those who participate. A contest or event might seem like a fantastic idea to you, but would it really enjoyable for the tenants it was created for? The only way to know that is to be open to feedback.

At physical events, provide slips of paper that residents can fill out anonymously and drop in a locked box. Online events or emails can include a survey link that people can take online in just minutes. The key is to make these surveys quick and anonymous. You can always include a note that people are welcome to visit the management office during regular business hours to speak about an issue or concern more in-depth, too.

Never forget that the community is why you're looking to do these things. Whatever event you put together, your tenants should be just as excited about it as you are. A younger generation won't enjoy a potato-salad cookout as much as an older generation would, much like older tenants may not participate in social-media outreaches.

Consider your tenants, think about their needs and get feedback. Feedback may come from the tenants themselves or people like the maintenance crew, but it will all be valuable. You'll quickly be able to find what your community enjoys and continue to build that sense of family between everyone in the future.

Holly Welles writes about real estate market trends from a millennial perspective. She is the editor behind The Estate Update, a residential real estate blog, and keeps up with the industry over on Twitter @HollyAWelles.



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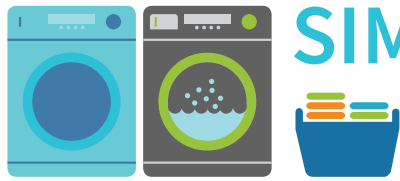
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Eviction Bills Advance

RENTAL HOUSING JOURNAL

Bills that would extend the time a landlord must wait before filing an eviction due to non-payment of rent in Washington State are continuing to move through the legislature.

HB 1453, which extends the number of days a tenant has to pay or vacate after failing to pay rent from the current three days to 14 days, has passed the House. Senate Bill 5600 has also passed.

Here is a summary of SB 5600:

- Extends 3-day notice for default in rent payment to 14 days’ notice for tenancies under Residential Landlord-Tenant Act.
- Requires 14-day notice be written in plain language and include information on any civil legal aid resources available, to tenant.
- Extends mandatory-notice period from 30 to 60 days when landlords propose a rent-change amount. Requires a landlord to first apply any tenant payment to rent before applying the payment toward other charges.
- Prohibits continued tenancy and relief from forfeiture to be conditioned upon tenant payment or satisfaction of any monetary amount other than rent.
- Provides the court with discretion to provide relief from forfeiture or to stay a writ of restitution.
- Requires landlord provide documentation regarding damages the landlord intends to retain against deposit amount.

SUMMARY OF SUPPORT FOR BILL
“Until recent work by Mathew Desmond of Princeton and Timothy Thomas of the University of Washington, the enormous impact of evictions was not understood. Rents have soared in the last decade. More than 70 percent of low-income residents pay more than half of their income towards rent in our state. Average rents have increased from \$1,034 in 2010 to \$1,725 in the central

Puget Sound region today; this equates to \$8,300 in extra cost per year. The crisis is reaching all corners of our state. It was once thought that eviction was an outcome of poverty, but it is now known that eviction can be a cause of poverty. When people are evicted, they have to leave their neighborhoods and children must leave their schools. The impact is severe,” the bill summary says.

SUMMARY IN OPPOSITION

“Affording 21 days to pay or vacate is too long, but the discussions should continue. Other issues in the bill are problematic, such as a definition of rent that does not include utilities. In one situation, it was only after the unlawful detainer action was filed that the tenant paid their \$6,000 utility bill. Many landlords will leave the business with these changes. One national entity reports the loss of 30 percent of its portfolio of housing in the last several years. That is a huge loss. People need to be encouraged, not discouraged, from being landlords. Only four states afford more than 10 days. The focus should be upon education and also upon the provision of sources of money to pay. There needs to be common sense brought to this issue. Most landlords try to work with tenants. The loss of rental housing will only lead to a bigger problem. A landlord in Tacoma with over 34 years’ experience as a residential landlord reports over 550 rental contracts and zero evictions. The five-day notice to pay or vacate that is found in House Bill 1463 is what is needed. The problem is affordability of land and the cost of building permits,” the bill summary says.

Among those testifying in opposition were Kathryn Hedrick, Washington Multifamily Housing Association; Kyle Woodring, Rental Housing Association; and Lyle Crews, National Association of Rental Property Managers.

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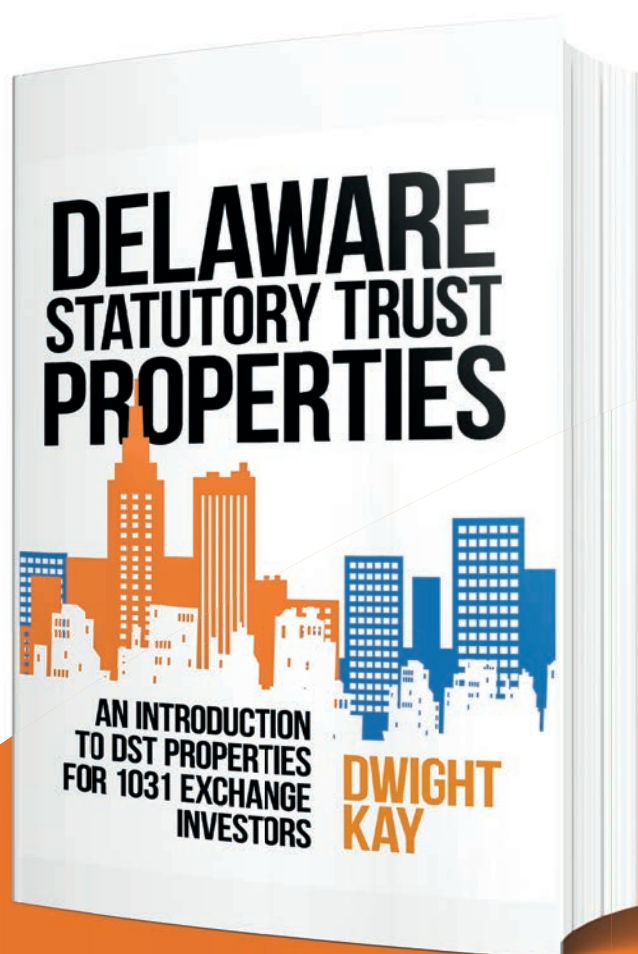
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