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INSIGHT FOR RENTAL HOUSING PROFESSIONALS

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PORTLAND • VANCOUVER

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Protecting Pet-Friendly Properties

By Holly Welles

Before you included a pet policy in your lease, you weighed the pros and cons. On the one hand, you would increase interest in your rental properties and improve their profitability. A pet policy would have clear benefits for your bottom line.

On the other hand, you would have to spend a significant sum of money on maintenance. Cats and dogs aren't exactly kind to hardwood flooring, and the condition of your rentals could suffer. The repair costs would add up quickly over time.

Regardless, you moved forward with a pet policy. Your tenants are now living with their furry friends, and you've had to address a diverse variety of new challenges. If the rental's interior wasn't enough, you also have to worry about the lawn.

So how do you begin to address these issues? How do you manage your new commitment? Though it may seem overwhelming at the moment,

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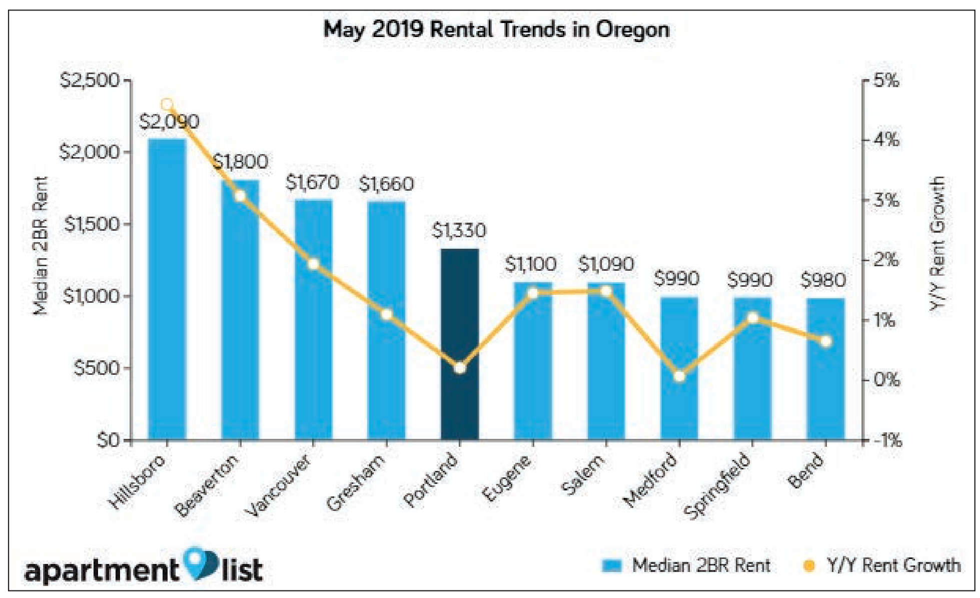
Portland Rents Decline Again for Month, Flat Year-Over-Year

Apartment List

Portland rents have declined 0.2% over the past month, but have been relatively flat at 0.2% in comparison to the same time last year, according to the latest report from Apartment List.

Currently, median rents in Portland stand at $1,130 for a one-bedroom apartment and $1,330 for a two-bedroom.

This is the second straight month that the city has seen rent decreases after an increase in March. Portland's year-over-year rent growth lags the state average of 0.9%, as well as the national average of 1.5%.



Hillsboro rents increase sharply over the past month

Hillsboro rents have increased 0.6% over the past month, and have increased significantly by 4.6% in comparison to the same time last year.

Currently, median rents in Hillsboro stand at $1,770 for a one-bedroom apartment and $2,090 for a two-bedroom. This is the fifth straight month that the city has seen rent increases after a decline in December of last year. Hillsboro's year-over-year rent growth leads the state

See 'Rents' on Page 4

Portland Putting Housing Crisis Onto the Backs of its Landlords

By Sue Scott

The city is using legislation and threats of huge penalties, fines and fees to put the housing crisis on the backs of those who provide housing.

The proposed regulations for tenant screening and security deposits are 40-plus pages of verbiage and mandate huge fines only to rental providers. This will greatly increase risks for landlords.

It's not fair.

Worse, the new proposals hit small investors hardest. That's all wrong, too. It is the mom-and-pop landlords who are consistently most flexible with tenants. The big out-of-state providers are already here, and evictions are part of best practices for them in protecting their

PERSPECTIVE

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investors and bottom lines.

There are no risks here for the city. It makes the rules and dictates fines. It doesn't offer to share the risk and gives us little or no respect. Senate Bill 608, which imposed statewide rent control and prohibited landlords from ending most leases flew through all public hearings, and its legislative backers accepted no changes. While the proposed screening and security deposit regulations have had some small changes, it seems the policy as a whole is going down this same intractable path, which will only make the market worse for renters.

Portland City Commissioner Chloe Eudaly especially seems to enjoy pitting renters against the "evil" landlords that maintain the homes and safe places renters live in. We are apparently the biggest easy target. As landlords, we do not have enough political power or numbers. The us-against-them attitude needs to stop. A workable and sustainable solution needs to be a shared solution.

Writers of these regulations should include all sides. Tenants, housing providers (large and small), financial institutions, and non-profits. The changes must result in sustainable housing for our great city.

And what about property rights? The

See 'Portland' on Page 10

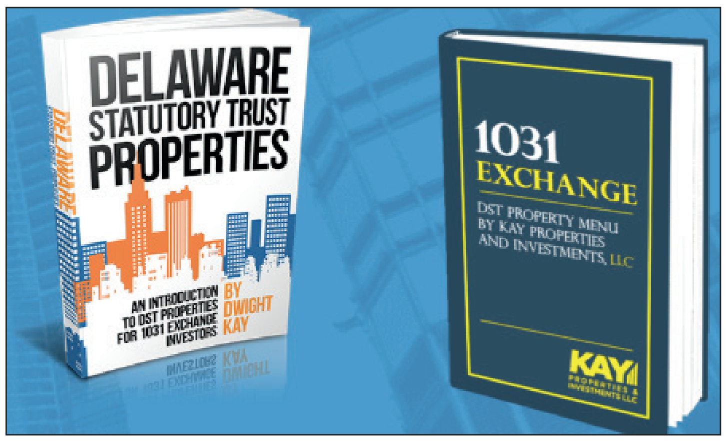
Sponsored Content

1031 Exchanging into a REIT: The 721 UPREIT as an Option for Investors?

By Orrin Barrow, Vice President
Kay Properties and Investments, LLC

Here at Kay Properties, we have many clients who inquire about different 1031 exchange options. Some of our investors have inquired about the 721 UPREIT (Umbrella Partnership Real Estate Investment Trust) mechanism in both DSTs and Private and Publicly Registered Non-Traded REITS. The question that many investors ask is – Can I 1031 Exchange into a REIT? The 721 UPREIT can be a potential answer to this question; however, there are multiple items that investors must be aware of and carefully consider prior to deciding to pursue this route.

- 1. After The 721 UPREIT transaction is completed, it marks the end of an investor's 1031 exchange capabilities. If an investor utilizes the 721 UPREIT then they will no longer be able to utilize the 1031 exchange, and when they sell their interests in the REIT that they exchanged into via the 721, they will be paying their taxes. For many investors, the idea of no longer being able to defer their federal capital gains taxes, state capital gains taxes, depreciation recapture tax and Medicare surtax is a frightening thought – some of these investors then decide that a 721 UPREIT is not for them. An approach that we have utilized is one in which an investor exchanges a portion of their equity via the 721 UPREIT and with the rest of their equity they then continue to utilize the 1031 exchange into Delaware Statutory Trusts (DSTs) whereby they are able to defer future taxes.
- 2. Investors need to be aware that with a 721 UPREIT, their interest in real estate will be transferred to Operating Partnership (OP) units. Many investors are not aware that the OP units are, or will be,



if the REIT lists on a stock exchange, potentially tied to a fluctuating stock price. Due to the volatility of the stock market, investors who utilize a 721 UPREIT into a REIT that is public or will potentially go public in the future, are subject to the ups and downs of the stock market and are no longer owners of private real estate.

- 3. The 721 UPREIT often has liquidity and pricing lock-ups that many investors are not always aware of. Utilizing the 721 UPREIT, an investor could be trapped in a Private or Publicly Registered Non-Traded REIT for 5-15 years or even forever, causing the investment to actually be highly illiquid as opposed to the liquidity they hoped they were going to receive by selling their shares once the REIT was publicly traded. Again, this is why we use the approach of using a portion of the 1031 exchange proceeds in a 721 UPREIT strategy, and then deploy the remainder into a portfolio of DST properties that will have the potential for a staggered exits whereby the investor has the choice of 1) doing another 1031 exchange into more DSTs (where the investor must read the Private Placement Memorandum of each DST to understand the business plan and risk factors of investing in DSTs), 2) doing another 1031 exchange into any other type of like-kind property that they would own and manage on their own or 3) cashing out and paying their taxes.
- 4. Private to Public conversion of REITs have, in certain circumstances, been favorable for investors, and in many other cases have been terrible for investors. We have seen many Private to Public REIT conversions result in large losses to investors. Last year we saw a situation where Publicly Registered Non-Traded REITs properties were solid but upon going public the investors lost millions of dollars overnight. Again, this is an example of one REIT going public and may not be the outcome of all REITs becoming publicly traded. We all understand that with real estate investing there are no guarantees; however, investors need to understand that the 721 UPREIT is no exception. This is the reason why not putting all of your 1031 equity into one offering that is planning on a 721 UPREIT is prudent. Even if the offering has a large portfolio of properties, it is still a standalone investment that investors should protect themselves from concentration risk via diversifying into multiple separate DST offerings.

The 721 UPREIT can be a useful tool for investors when utilized within a broader diversification strategy. We at Kay Properties are big proponents of encouraging our clients to use various strategies to build a diversified portfolio for their 1031 exchanges. For a free consultation on the various 1031 exchange, Delaware Statutory Trust, and 721 UPREIT offerings we have available, please register at www.kpi1031.com.

Diversification does not guarantee profits or protect against losses.

About Kay Properties and 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 $7 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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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 multi-family 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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Rents Increase Across State Over Past Year

Continued from Page 1

average of 0.9%, as well as the national average of 1.5%.

Beaverton rents increase sharply over the past month

Beaverton rents have increased 1.0% over the past month, and have increased moderately by 3.1% in comparison to the same time last year.

Currently, median rents in Beaverton stand at $1,530 for a one-bedroom apartment and $1,800 for a two-bedroom.

This is the fourth straight month that the city has seen rent increases after a decline in January. Beaverton's year-over-year rent growth leads the state average of 0.9%, as well as the national average of 1.5%.

Rents rising across cities in Oregon

Throughout the past year, rents have remained steady in the city of Portland, but other cities across the entire state have seen rents increase. Of the largest 10 cities that Apartment List has data for in Oregon, all of them have seen prices rise. The state as a whole logged rent growth of 0.9% over the past year.

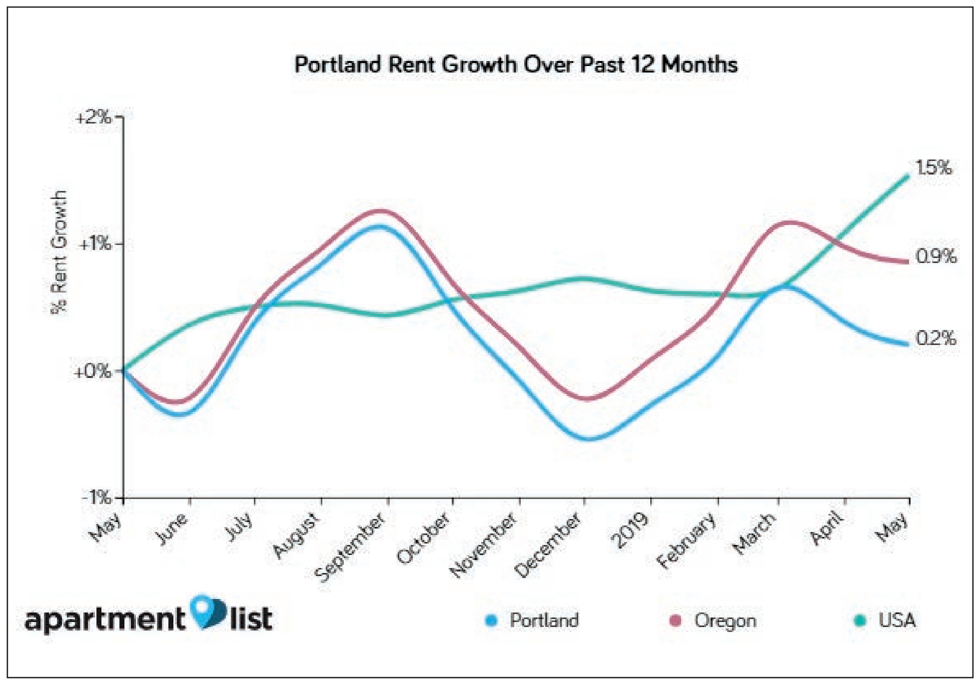
How rents compare:

- Looking throughout the state, in addition to Hillsboro being the most expensive of all Oregon's major cities, the 10 largest Oregon cities that the company has data for, all have seen rents rise year-over-year.
- Beaverton, Vancouver, and Salem have all experienced year-over-year growth above the state average (3.1%, 1.9%, and 1.5%, respectively).

Portland rents more affordable than many comparable cities nationwide

Rent growth in Portland has been relatively stable over the past year - some other large cities have seen more substantial increases. Portland is still more affordable than most other large cities across the country.

- Portland's median two-bedroom rent of $1,330 is above the national average of $1,190. Nationwide, rents have grown by 1.5% over the past year compared to the stagnant growth in Portland.
- While rents in Portland remained moderately stable this year, similar cities saw increases, including Phoenix (+3.9%), Las Vegas (+3.7%), and Austin (+3.6%); median 2BR rents in these cities go for $1,080, $1,180, and $1,440 respectively.
- Renters will find more reasonable prices in Portland than most similar cities. For example, San Francisco has a median 2BR rent of $3,100, which is more than twice the price in Portland.



City	Median 1BR price	Median 2BR price	M/M price change	Y/Y price change
Portland	$1,130	$1,330	-0.2%	0.2%
Vancouver	$1,410	$1,670	0.5%	1.9%
Gresham	$1,400	$1,660	-0.7%	1.1%
Hillsboro	$1,770	$2,090	0.6%	4.6%
Beaverton	$1,530	$1,800	1%	3.1%
Lake Oswego	$1,510	$1,780	1.1%	0.5%
Tualatin	$1,650	$1,950	-1.2%	4%
Forest Grove	$1,200	$1,420	-0.3%	0.3%
Wilsonville	$1,470	$1,740	1.5%	3.5%

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RHA Oregon President's Message

Spring: A Time for Renewal of Our Rental Properties

Ah spring! The tulips are done blooming, the Rose Festival is under way, the irises are in full glory, and the peonies are … lying on the ground.

Peonies are one of my favorite plants, but it can be more than a little discouraging to come outside in the morning after a rain only to see all those flowers collapsed under the weight of a rainwater-filled double bloom. I sometimes feel similarly when I see a poorly maintained housing property.

Rental properties are a bit like plants. Each individual needs attention, but the specific needs can vary considerably. I suspect few of us operate our rental properties as "annuals;" we leave that market to the AirBnB, VRBO, and hotel industries.

Most of us who are small landlords have single-family homes or plexes that are like perennials. We take care of them: We regularly change the furnace filters, check the smoke detectors, vacuum out the dryer vents, and clean the gutters. From time to time we all need to make a capital investment to replace a water heater, or floor covering, or perhaps a roof.

It's kind of like the need to prune, or re-pot, or divide bulbs. We invest time and money in our properties to ensure that the property will continue to provide a safe and affordable home for our tenant and a reliable income stream for us.

We invest time and money in our properties to ensure that the property will continue to provide a safe and affordable home for our tenant and a reliable income stream for us.

Some properties have unique needs; just as peonies need a scaffold to prevent the blooms from falling over, some older homes in the Portland Metro area will need capital investment above and beyond the ordinary.

Some projects are relatively inexpensive with quick returns, like LED lighting upgrades facilitated with financial assistance such as grants or incentives from Energy Trust of Oregon.

Other projects, such as whole house re-piping, sewer line replacement, or seismic retrofits, can seem daunting and expensive, but these are the kinds of investments that increase property value, lower maintenance costs, provide a safer, cleaner living environment for tenants, and ensure long-term rental income.

This spring is a particularly good time to take advantage of these opportunities for renewal and growth.

First, given the appreciation of property values in our state over the past decade, most small landlords have significant equity in their properties. With interest rates still near historic lows, borrowing money to re-invest in your rental properties makes sense.

Second, the challenge of finding qualified contractors to undertake these kinds of projects has eased considerably. The construction boom of high-rise apartments around Portland is coming to an end, and the current regulatory environment, from inclusionary zoning to statewide rent control to Portland's relocation ordinance, has led many larger real estate investors to look elsewhere.

The Portland Bureau of Development Services eliminated four positions at the end of 2018 following a decline in permit applications. Contractors that used to be booked two to three months out are now available to work on relatively short notice. Now is a great time to engage these contractors before they move on to projects elsewhere in the state.

I continue to be optimistic about the future for small landlords. We are the small business branch of a significant component of Oregon's economic engine: Housing. As successful small business owners, we recognize when to invest in our capital assets: Our properties.

So spring forth and attend to your perennials!

— Ken Schriver
RHA Oregon President

Landlords Seek Changes to Tenant-Screening Proposal

Rental Housing Journal

Landlords again pushed back against a proposed Portland City Ordinance on tenant-screening criteria in a public hearing in late May asking for more changes and sharing concerns.

The council has set a vote on the ordinance for June 12. Commissioner Chloe Eudaly, sponsor of the measure, added an amendment to move implementation of the ordinance from October 2019 to March 2020. The measure includes controversial rent-to-income ratios as well as criminal-background check requirements.

Some of the highlights of the landlord testimony included mom-and-pop landlords, larger corporate landlords and landlord organizations.

'I did not know I was evil'

One landlord, Diane Ponti, told the council in the public hearing that she is a schoolteacher and that over 45 years she and her husband, also a schoolteacher, had bought nine rental properties.

"Tenants and landlords are both people. Like teaching school and grading papers, you can look at a bell curve and just like students you will find thoughtful and responsible landlords and tenants on one end of a bell curve. At the other end of the curve you frankly find tenants and landlords who give the industry a bad name.

"The proposed regulations do not take into account that most landlords and tenants fall somewhere on that bell curve as opposed to landlords at one end and tenants at the other. 'All landlords are evil and all tenants are good,' " is what she is hearing.

"I did not know I was evil until I started reading the newspaper about how horrible landlords were. I came to this meeting with trepidation because I feel like the face of evil. I am a landlord. It is challenging to read that about myself. I care about the tenants I have rented to over the last 45 years. I care about the houses I bought and that the house is in good shape. And that my tenants and neighbors will get along.

"I have had tenants who have stayed in my homes for decades. I have had years where there have been no rent raises at all. Rents have stayed flat," Ponti said.

Unintended consequences

"The proposed regulations remind me of the bank standards that were lowered in the early 2000s when people who could not really afford to buy faced foreclosure," Ponti told the council. "These regulations with lower income requirements are going to put tenants one paycheck away from eviction when a financial crisis arises and they cannot pay their rent.

"Mom-and-pop landlords like me will sell. I read the regulations five or six times and they are confusing, they are daunting, they are scary, and they are expensive. And, I think you will reduce affordable housing when landlords like me sell," she said.

Ward Green, an attorney in Portland, said he agrees, "We share a moral obligation to provide affordable housing" but doubts this package of ordinances is the way to do it. "I know I won't be popular when I say I would like to see the political will to raise taxes, especially on wealthy Portlanders, and business. The city is doing well. Many of us are doing well."

He suggested "we allow more density," more ADUs, faster, cheaper building permits for people who want to construct rental properties, to create a fast track. "We need to create more housing," he said, using the example of rearranging the deck chairs on the Titanic.

Referring to the first-come, first-served provision of the ordinance, he said letting someone come ahead of someone else in the rental process "is not going to create more housing.

"I think this ordinance is wrong. I think it is demonizing landlords. And I think it is not going to increase the number of available rentals. I think it is going to encourage some private landlords to get out of the business," he said.

Concern about having to take tenants who may not be able to afford the rent

Landlords objected in particular to having to wait 72 hours to advertise a unit before it can be rented, as well as new caps on the income-to-rent ratio landlords can require.

Jim Rostel, sales director for Anchor Property Group, said allowing someone to pay 50 percent of their income for a rental is just setting them up for failure. His company has 2,200 units in Portland.

The ordinance sets out two and a half times the rent for cheaper units that meet a federal standard of being affordable to someone making 80% of the area median income, or two times the rent for more expensive units.

"We had discussions this morning. Do we move to another market? Do we move to Boise and build in Boise?" said Rostel of Anchor, a Portland area company that builds and manages apartments across the city.

Council should not water down consumer protections

Deborah Imse, executive director for Multifamily Northwest, said, "While we share the city council's goal of improving access to housing for vulnerable populations, we do not believe eliminating or watering down basic consumer financial protections is the way to accomplish that objective.

"What this proposal is doing is watering down industry safeguards that protect consumers from entering into housing contracts that they cannot afford. Contrary to the political messaging around this bill, a requirement that tenants earn three times (the) monthly rent is not designed to protect landlords. It is to prevent consumers from entering into housing contracts they cannot afford.

"When someone moves into housing that they do not have the income to support, they are far more likely to fail to make rent payments and ultimately to be evicted. We see this frequently even for tenants who earn more than three times the monthly rent. By eliminating that protection you are ensuring that the more vulnerable Portlanders will enter into housing contracts they cannot afford. That more Portlanders will be evicted. And those same exact Portlanders will then have a much harder time securing housing as a result of a 'for-cause' eviction. The chain of events will logically lead to more housing instability and ultimately homelessness. Please do not go down this path.

"Similarly, discretion in renting to individuals with egregious criminal backgrounds, in particular sexual offenders and violent domestic abuse crimes, is not to protect landlords. Most of our members do not reside in the communities that they operate. The discretion is to protect other tenants, including young families, seniors, and survivors of domestic abuse whose safety we also believe is incredibly important. I do believe it is important to acknowledge the deep racial disparities that exist in our criminal justice system and to also affirm that all criminal backgrounds are not equal. This is a very sensitive, difficult question that we all must work together to resolve. But this proposal addresses it in a way that is extremely unclear and essentially forces the housing provider to act as judge and jury on each individual case. It will result in improper screening in and out, and ironically could ultimately lead to more discrimination."

She urged the council to slow things down and take a more measured approach.

And "despite the political rhetoric of the past several years, we remain deeply open to partnering with the city and stakeholders on policies that will expand housing access while protecting the right and safety of Portlanders," Imse said.

At the beginning of the council meeting, Eudaly mentioned a "disappointing hearing" at the U.S. Department of Housing and Urban Development, saying potential rent increases and other statements by officials, such as removing "free from discrimination" from the HUD mission statement, were troubling.

Eudaly began by saying, "The federal government is not going to save us. The state government is not going to save us. The market is not going to save us. We need to take ongoing action to assert our local power on multiple fronts to solve our housing crisis."

She said robo-calls that went out in Portland during May were disappointing and spread misinformation. "I am requesting we stick to the facts and debate this on its merits."

RHJ Rental Housing Journal — Insight for Rental Housing Professionals — METRO

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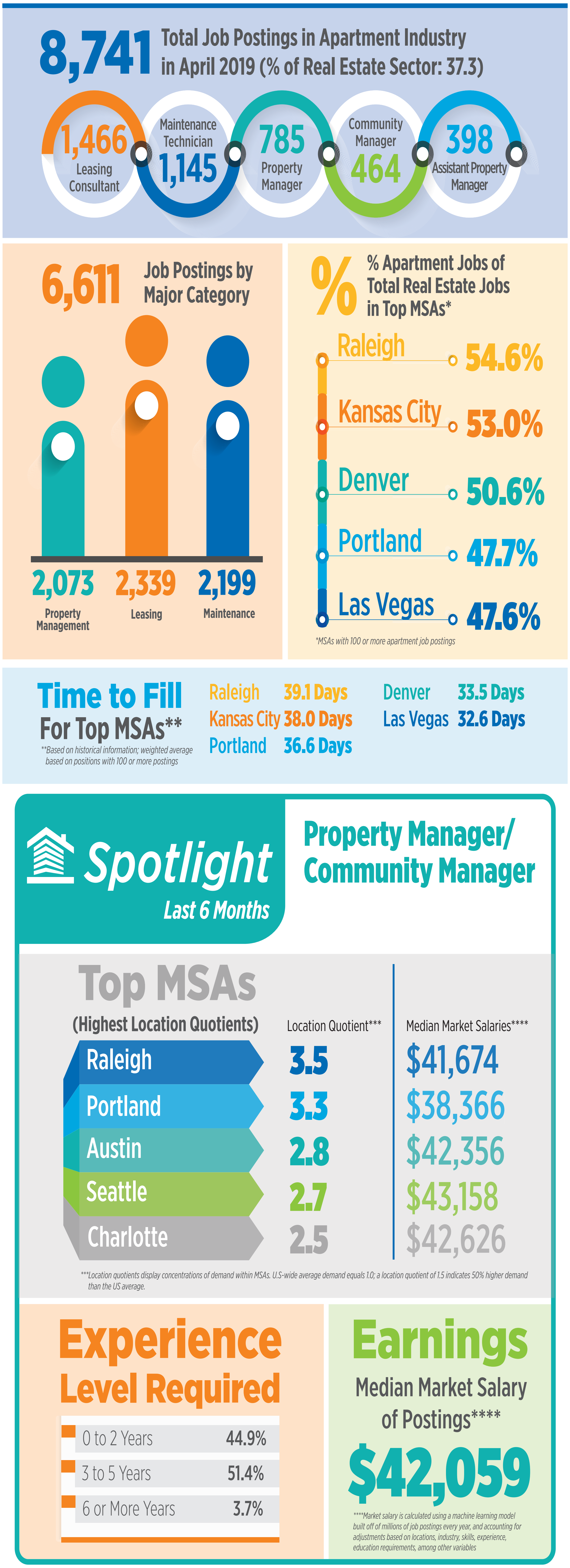


Many Real Estate Jobs During April Focused in Apartments

NAA
NATIONAL APARTMENT ASSOCIATION
Education Institute
Apartment Jobs Snapshot
April 2019

National Apartment Association

In the latest jobs report from the National Apartment Association, Denver is near the top in the country with more than 50 percent of real estate jobs driven by openings in the apartment industry.

Nationwide, in preparation for the impending leasing season, over 8,000 apartment jobs were available during April, accounting for 37 percent of the broader real estate sector.

Open positions were driven primarily by Denver, Raleigh, Kansas City, Portland and Las Vegas.

April's edition highlights Property Manager/Community Manager positions, with a median salary of $42,059.

In addition to property management experience, employers are seeking candidates with strong budgeting skills, staff management skills, and experience with property management software.

The recent influx of new supply in the Raleigh MSA has contributed to the high concentration of demand for property managers.

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.

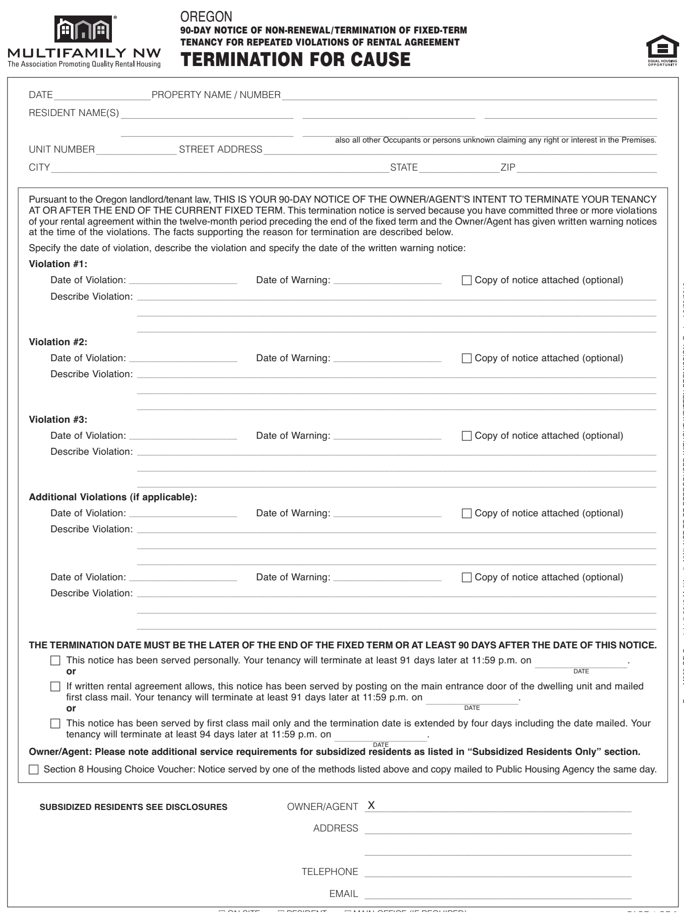
"Our education institute is a credentialing body for the apartment industry. They hear often that one of the biggest problems keeping our industry leaders up at night is the difficulty in finding talent, attracting talent and retaining talent," Munger said. "Labor-market issues are happening in a lot 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 April 30, 2019; Not Seasonally Adjusted

FORM OF THE MONTH

M083 OR Oregon Termination For Cause: 90-Day Notice of Non-Renewal/Termination of Fixed-Term Tenancy for Repeated Violations of Rental Agreement



MULTIFAMILY NW
The Association Promoting Quality Rental Housing

OREGON
90-DAY NOTICE OF NON-RENEWAL/TERMINATION OF FIXED-TERM TENANCY FOR REPEATED VIOLATIONS OF RENTAL AGREEMENT
TERMINATION FOR CAUSE

EQUAL HOUSING OPPORTUNITY

DATE ______ PROPERTY NAME / NUMBER ______
RESIDENT NAME(S) ______ ______ ______
______ ______ also all other Occupants or persons unknown claiming any right or interest in the Premises.
UNIT NUMBER ______ STREET ADDRESS ______
CITY ______ STATE ______ ZIP ______

Pursuant to the Oregon landlord/tenant law, THIS IS YOUR 90-DAY NOTICE OF THE OWNER/AGENT'S INTENT TO TERMINATE YOUR TENANCY AT OR AFTER THE END OF THE CURRENT FIXED TERM. This termination notice is served because you have committed three or more violations of your rental agreement within the twelve-month period preceding the end of the fixed term and the Owner/Agent has given written warning notices at the time of the violations. The facts supporting the reason for termination are described below.

Specify the date of violation, describe the violation and specify the date of the written warning notice:

Violation #1:
Date of Violation: ______ Date of Warning: ______ ☐ Copy of notice attached (optional)
Describe Violation: ______

Violation #2:
Date of Violation: ______ Date of Warning: ______ ☐ Copy of notice attached (optional)
Describe Violation: ______

Violation #3:
Date of Violation: ______ Date of Warning: ______ ☐ Copy of notice attached (optional)
Describe Violation: ______

Additional Violations (if applicable):
Date of Violation: ______ Date of Warning: ______ ☐ Copy of notice attached (optional)
Describe Violation: ______

Date of Violation: ______ Date of Warning: ______ ☐ Copy of notice attached (optional)
Describe Violation: ______

THE TERMINATION DATE MUST BE THE LATER OF THE END OF THE FIXED TERM OR AT LEAST 90 DAYS AFTER THE DATE OF THIS NOTICE.

☐ This notice has been served personally. Your tenancy will terminate at least 91 days later at 11:59 p.m. on ______ (DATE).
or
☐ If written rental agreement allows, this notice has been served by posting on the main entrance door of the dwelling unit and mailed first class mail. Your tenancy will terminate at least 91 days later at 11:59 p.m. on ______ (DATE).
or
☐ This notice has been served by first class mail only and the termination date is extended by four days including the date mailed. Your tenancy will terminate at least 94 days later at 11:59 p.m. on ______ (DATE).

Owner/Agent: Please note additional service requirements for subsidized residents as listed in "Subsidized Residents Only" section.

☐ Section 8 Housing Choice Voucher: Notice served by one of the methods listed above and copy mailed to Public Housing Agency the same day.

SUBSIDIZED RESIDENTS SEE DISCLOSURES

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ADDRESS ______
TELEPHONE ______
EMAIL ______

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This is a new form created out of the changes from SB 608 being signed into law on February 28, 2019. The law now allows for a fixed-term tenancy to be terminated (non-renewal) when three or more violations notices have been served in the last 12 months. This form finalizes that termination/nonrenewal citing the pattern of violations. The termination date on this form must the later of the end of the fixed-term, or at least 90 days after the date of this notice.

The Multifamily NW Forms Collection is available immediately and electronically at www.RentalFormsCenter.com, via electronic subscription software through www.tenanttech.com & by mail or pick-up of printed triplicate forms at www.multifamilynw.org.

Multifamily NW Schedule

Date	Course	Time
JUNE 6	HOW TO GET THE MOST OUT OF TENANTTECH	1:00 PM - 3:00 PM
JUNE 11	LANDLORD/TENANT PART II	1:00 PM - 5:00 PM
JUNE 12	FAIR HOUSING STEREOTYPING AND BIAS	9:00 AM - 12:00 PM
JUNE 12	HR ISSUES: MARIJUANA IN THE WORKPLACE	12:00 PM - 1:00 PM
JUNE 13	SB 608 UPDATE CLASS (SALEM)	1:00 PM - 3:00 PM
JUNE 14	NEW HIRE	9:00 AM - 1:00 PM
JUNE 14	IT'S THE LAW: PAPER THE FILE	12:00 PM - 1:00 PM
JUNE 20	MWV CHARITY PUTT-PUTT GOLF TOURNAMENT	1:30 PM - 5:00 PM
JUNE 21	CURB APPEAL - EUGENE	11:30 AM - 2:00 PM
JULY 8	LANDLORD/TENANT PART I	1:00 PM - 5:00 PM
JULY 9	PDX CHARITY GOLF TOURNAMENT	7:00 AM - 5:00 PM
JULY 10	HR ISSUES: THE GREEN WORKPLACE	12:00 PM - 1:00 PM
JULY 12	IT'S THE LAW: HABITABILITY DISPUTES	12:00 PM - 1:00 PM

Perspective

A Landlord's Open Letter: Why I'm Leaving The Business

EDITOR'S NOTE: Here is one landlord's open letter on why he's getting out of the rental property business, and therefore no longer needs Rental Housing Journal's newsletter. It is something he thought we should share with our readers.

By Carlos Garcia

I no longer have any rental units in Oregon and would prefer not to receive the newsletter any longer. It's just too depressing reading about how landlords are being trampled by the city, county and state.

I have to say, at this time, I'm delighted to not own any rental properties in Oregon.

Three years ago, I owned and operated four apartment complexes in Portland, Salem and Keizer that totaled 180 units.

Although some of the rental rules and regulations at that time were starting to become burdensome, I was able to tolerate the continued intrusions and changes that the county, city and or government agencies imposed on us landlords.

Sadly, because of politics and where the bulk of the votes come from, Oregon appears to be headed into an extremely "tenant-friendly" state that basically is handcuffing landlords' ability to place qualified tenants in their properties.

It seems like any rejected or non-qualifying applicant is free to claim discrimination and or harassment by the "bully landlord." To me, that's just legislatures, council members and/or city officials looking for votes. Shame on them.

I sold my properties just in time, and that's 180 units of families that had a great landlord taking care of them. I didn't just let anyone in (as the "government" is pushing for) so I carefully screened all applicants, because it wouldn't have been fair to the good tenants if I had just turned a blind eye and start accepting non-qualified applicants.

I feel for my previous tenants, but I couldn't be happier to have moved on.

I truly believe landlords will soon take heed and go elsewhere where they are appreciated as the "real" taxpayers and not just people the state can walk all over.

Thanks again, and best of luck with those liberals of Oregon.

I sincerely hope my message will inspire landlords in Oregon to challenge the regulatory agencies that are continuously punishing landlords just because some tenant feels wronged.

Good Landlord Pac Backs Efforts of Policy Makers

By Ron Garcia

In Oregon, tenant regulations have created new business management realities. Have they gone too far?

My name is Ron Garcia. I am an Oregon landlord and property manager. I am the Past President of The Rental Housing Alliance Oregon and currently serve as its Legislative Director. Several years ago I co-founded "The Good Landlord PAC" (www.goodlandlordpac.com) which has supported pro-landlord lobbying efforts locally and statewide. I have worked many hours both in the background and in the foreground for local and statewide property rights in a highly charged political climate.

As I read Carlos Garcia's "A Good Landlord's Open Letter on Why He Is Getting Out of Business" in the *Rental Housing Journal* digital newsletter, I felt compelled to respond. Although he and I are unrelated and we have never met, we seem to share some common background and sentiments. But we have some differences.

I applaud his commitment to being a "good landlord;" I empathize with his frustration towards new tenant protection laws; and I congratulate him on his decision to sell.

I am equally certain that he (like so many other property owners today who are making that same decision to liquidate), has been able to cash in on the substantial gains and profits accumulated due to the great residential investment market Oregon has experienced in recent years.

This is a far cry from what we landlords and property owners were experiencing 10 years ago while in the midst of the "great recession." In 2009 anyone would have sold to any buyer for any price that would have pulled them out from being under water in their real estate investments. Today we can casually reflect on the notion (or cliché) that "real estate is cyclical" and chalk up our newfound wealth to some inherent truth that financial gains in real estate are a "divine right" and are ours to be expected.

From a tenant-advocate's viewpoint, landlords have been the entitled class for too long. Now they want to inject parity into the marketplace. Tenant advocates have the attention of the liberal party. The liberal party has a Super-Majority in our state government. They see a housing crisis in what owners view as a great housing market. They believe it needs to change. Government affects change through legislation. All legislation has "unintended consequences." And as our society continually learns through the empirical science of economics, the market makes corrections.

I was told years ago that there is no such thing as a bad real estate investment.... But there is such a thing as bad real estate timing.

We are seeing many landlords today who are following Carlos Garcia's reasoning and are getting out of the business - at least in Oregon. It is a rising tide and it will have an effect. The question is, to what end?

For every unit we see go on the market, we see a new buyer ready, willing and able to perform. Our core issue of housing supply and demand is heavily weighted on demand with no relief in sight. Landlords have exasperatedly testified against rent control because it ultimately shuts down supply, while demand continues to grow and thus RAISES PRICES. We know this is true! So now we can all experience that truth together. Check every major city that has ever enacted rent control in the past and you will find the highest appreciation rates in the country.

Rent control creates a new reality: cap rates plummet, yet values soar.

In Oregon, tenant regulations have created new business-management realities. Have they gone too far? Most landlords don't need much time to answer that. The real question is ,how will they affect our investments? What time does our real estate clock say it is?

My watch says this: It's time to work in our new reality. It is a hard time to be a rental housing provider and a great time to be a residential housing owner.

Ron Garcia is Principal Broker for The Garcia Group www.garciagrp.com

Portland Putting Housing Crisis On Backs Of Landlords

Continued from Page 1

city now says we must accept applicants who may not be able to afford the rent or are felons in our properties.

Felons are not a protected class, like race, gender, religion, families with kids, sexual orientation, service dogs, disabilities etc. etc. And tenants who are financially vulnerable are a great risk for any landlord.

As property owners responsible for the debts and expenses related to those properties, we should have protected rights to assess the financial risk we are willing to take. We pay taxes, mortgages, repairs, legal and all other costs. It takes several years to break even on most properties. For most of us, the big financial rewards come only at the end of our careers and are part of our retirement.

There are more equitable, broader-based solutions that the city should consider.

I was asked what broad-based ideas I suggest so here is my list:

- Check out how Mercy Housing does affordable housing. Provide job resources, job training, life skills classes, budgeting help etc., so tenants are successful and have long-term tenancies.
- Provide more housing. Incentivize developers, especially "impact investors," (community-oriented investors who take smaller returns and no public subsidies, but still provide affordable units in their projects). City should give commitments priority in development, decreased development costs and hurdles, or tax credits.
- Spreading this housing solution throughout the city is a much better result than just building large tenements in "poor" neighborhoods, destined to be future ghettos, and shunned by all. Europe has this kind of model; it works well and makes for a healthier and more diverse city.
- City should create more home ownership. Help residents become or stay homeowners. Award grants for down payments, repairs, and to develop ADUs (alternate dwelling units).
- City should legislate that employers follow same rules as landlords; hire felons. The State could expunge felony records when there have been no new offenses after 3 or 7 years.
- Legislate ways to reign in price increases at grocery stores, pharmacies, health insurances, and schools doing business in our city or state.
- Encourage/incentivize subsidized tenants to respect the properties they live in. Encourage them to work more, or volunteer, or when successful, perhaps do peer counseling. This would leave more money to help others.

Build more housing. Stop rent control; it's only driving out investors.

About the author:Sue Scott owns 25 rental housing units in Portland and lives in Happy Valley.


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Take Precautions to Avoid 'Source-of-Income' Bias

By Ellen Clark

Many states and cities have laws against source-of-income discrimination, meaning a property owner cannot choose to reject an applicant based on where his income comes from as long as it is a lawful source.

Source-of-income discrimination has been documented by researchers, and advocates say it creates barriers for people struggling to find housing.

Though not prohibited under federal Fair Housing law, it is prohibited by some state, city, and county laws. According to reports, at least 12 states and numerous cities have similar legislation in place so it pays to check your local city and state laws on this issue.

Here are some examples of source-of-income discrimination:

grace hill

TRAINING TIP OF THE MONTH

- Advertising that a person "must have a job" to rent an apartment.
- Requiring documentation, such as pay stubs, that are typically only available to people who are working.
- Advertisements that express limitations as to the source of income of potential residents, such as, "No Section 8" or, "We do not take public assistance."
- Refusing to rent to a person who is receiving public benefits.
- Setting income requirements artificially high in order to exclude applicants who receive public benefits.
- Requiring co-signers or a larger security deposit because of an applicant's source of income.

If discrimination based on the source of income is prohibited in your state or locality, one of the most important things you can do to make sure you do not end up on the wrong side of a fair housing claim is to keep all employees well informed.

Staff members should refresh their fair housing knowledge at least annually and be aware that discrimination based on "source of income" is illegal.

All staff members who come into contact with residents and prospective residents must be trained in fair housing laws. All staff members should refresh their fair housing knowledge at least annually and should be very clear that discrimination based on the source of income is illegal.

Don't forget about vendors and contractors! Anyone who could possibly interact with your residents should be informed of your company's fair housing policy and asked to abide by Fair Housing laws.

Source-of-income discrimination is often directed at people whose lawful livelihoods come from sources other than a paycheck.

Examples of lawful sources of income:

- Housing Choice Vouchers (Section 8)
- Supplemental Security Income (SSI)
- Social Security
- Veterans benefits
- Alimony or child support payments
- Temporary Assistance for Needy Families (TANF)

Ellen Clark is the Director of Assessment at Grace Hill. Her work has spanned the entire learner lifecycle, from elementary school through professional education. 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.

AC Maintenance Best Practices For Summer

Keepe

Air conditioning issues pose one of the top maintenance items in rental housing every year, so now is the time to check your air conditioning maintenance before you get a call from a tenant.

Here are four air-conditioning maintenance best practices for the upcoming summer from rental property maintenance company Keepe.

1. Don't Defer Maintenance

Prevention is key to keeping your air conditioning in working order.

Don't defer regular inspections and maintenance requests. Deferred maintenance issues are more expensive to repair later down the road.

It's best to keep up efficient operation and ensure your property is performing well by having an expert take a look at problems you may have otherwise missed.

2. Strive for Energy Efficiency

Energy efficiency is a key indicator for determining your air conditioning system's performance.

Increasing the energy efficiency of your systems will extend the life cycle of your infrastructure and keep energy-related utility costs under control.

3. Add a Smart Thermostat

Consider adding a smart thermostat to allow your tenants to program the temperature settings in their units. This can save energy over time.

A programmable thermostat makes it easy to match your cooling needs to your schedule, offering more flexibility and ease for tenants to minimize air conditioning use.

4. Remove Obstructions Around the Exterior System

Regularly inspect the air conditioner system outdoors at least twice a month to remove any loose vegetation, yard waste, and other debris from the system.

A clear zone allows your air conditioner to pull in the air it needs to control the temperature in your property.

A simple maintenance checkup can make all the difference in the world.

Utility bills jump in the summer as tenants increase their air conditioning system use.

Be ready.

Put in place efficient systems and processes in your maintenance strategy to ensure optimal efficiency.

Keepe is an on-demand maintenance solution for property managers and independent landlords. The company makes a network of hundreds of independent contractors and handymen available for maintenance projects at rental properties. Keepe is available in the Greater Seattle area, Greater Phoenix area, San Francisco Bay area, Portland, San Diego and is coming soon to an area near you. Learn more about Keepe at https://www.keepe.com.

1 in 5 Millennials Living With Parents

Rental Housing Journal

The number of millennials age 23 to 37 living with mom or both parents has more than doubled since 2001 from 6.8 million to 14.3 million, according to a Zillow® analysis.

Nearly 22% of American millennials – more than 14 million in total – live with their mom or both parents, the highest share for this age group since at least 2000. Nine percent of millennials live with their moms, nine percentage points higher than those of the same age in 2005.

A much larger share of those living with mom have jobs than in 2010, highlighting affordability challenges even as the economy has recovered.

While the economy has recovered since the housing bust and recession of the mid-2000s, young people living with their parents has continued to rise.

The share of those living at home who are unemployed has fallen to 10.3% from 19.5% in 2010, indicating that more young people are struggling to afford independent housing even while holding a job.

"While it might be tempting to stereotype these young adults as lazy millennials bumming off of mom, the data paints a different picture," said Zillow Senior Economist Sarah Mikhitarian in a release.

"When the housing market went bust and the economy unraveled into a recession, young adults increasingly returned to their childhood home. And, despite a strong labor market and fairly robust economic recovery, this trend has continued in the face of rising housing costs and deteriorating affordability."

Recent Zillow research found today's renters need an extra year and a half to save for a down payment than their parents' generation did 30 years earlier.

Those that choose to live with their parents and build up their savings may have a leg up. An analysis from HotPads showed that living rent-free with parents can allow you to afford a down payment on a home nearly three years sooner. And a small share of this young adult population is actually hosting mom in their own home – perhaps to take care of her as she ages or to have help raising children of their own.

Among large housing markets, Riverside, Miami, Los Angeles and New York have the highest share of millennials living with one or both parents – at least 31%. These four metros are all among the seven least affordable rental markets in the country.

Tips for Protecting Pet-Friendly Properties

Continued from Page 1

there are strategies to protect your rental properties, and any of the five suggestions below will help.

1. Take Precautionary Measures

Even a minor adjustment to the interior of a rental is enough to prevent damage. When you replace a set of longer curtains with thick blinds, you stop curious kittens from testing their claws. Here is a long list of precautionary measures to reduce risk.

To provide another example, you can encourage your tenants to place a waterproof mat beneath their pet's food and water dishes. It's a relatively simple addition that will guard against moisture and preserve the condition of your properties.

2. Install Scratch-Resistant Flooring

You may feel like your flooring's at risk in a pet-friendly rental, which is perfectly rational. An overexcited dog can cause an enormous amount of destruction if they hear a doorbell. However, you have a variety of methods to mitigate the damage.

If you're interested in a long-term solution, scratch-resistant flooring is effective. You have many things to consider of course, like traction, comfort, resistance and appearance, but it's a reasonable option. Laminate boards have particular appeal for their durability and broad spectrum of styles.

3. Organize a Screening Process

No two dogs are exactly alike. They may share similar qualities if they're the same breed, but their personalities can dramatically differ. One of them may have an enormous amount of energy, while another may prefer to sleep most of the day.

Naturally, you want to ensure your tenants' pets won't cause any problems. You can't afford to generalize just because the bulldogs you've met in the past were docile and friendly. Instead, you can implement a screening process with these questions.

- What is the pet's size?
- What is the pet's breed?
- How old is the pet?
- Is the pet trained? Is it house- or litter-box trained?
- Does the pet have its vaccinations?
- Does the pet have any history of aggression?

You'll gradually gain a better understanding of the tenant's pet, allowing you to make an informed decision.

4. Look into Renters' Liability Insurance

Your tenant's pet is a potential liability. A dog could bite another tenant without warning, and you have to prepare for the possibility. To reduce risk, you should require your tenants to carry renters' liability insurance, assuming your local and state laws allow it.

Concerning the insurance itself, it's best to check for a dog-bite exclusion or similar limitation. Though it may cover damage from pet accidents, you should search for that additional detail to preempt any problems to ensure the security of your rentals.

5. Request an Additional Payment

You can offset the higher costs of pet-friendly rentals with an additional charge. Your options include pet rent, a pet deposit or a nonrefundable pet fee. Depending on your set of circumstances, one or more of the following charges may seem appropriate.

- Pet rent: A monthly charge that falls between $20 and $100. You add it to the baseline rent price.
- Pet deposit: A refundable fee to cover any pet-related damages. Research state laws before you proceed.
- Nonrefundable pet fee: An up-front cost for allowing the tenant to keep a pet on your property.

As you evaluate these options, keep in mind that some states have restrictions on this type of practice. Also, if the fee you impose is too high, a judge may not enforce it if a tenant chooses to challenge you. Keep the costs within reason.

Even with the risks of pet-friendly rentals, they're well worth the extra investment. Sure, you may have to pay more for maintenance and handle similar issues. But the benefits of a pet policy are just as important to acknowledge.

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.

How to Interview and Select a Property Manager

Dear Landlord Hank:

What are tips for interviewing property managers? What are key things to establish in the beginning of the relationship that help both parties? Are there standard responsibilities that all property managers can be expected to oversee, like communicating with tenants? Are some responsibilities dependent on the individual agreement, like overseeing unit remodels, meeting contractors, etc? What should an out-of-state landlord consider? **– Audrey**

Dear Landlady Audrey,

A great way to find a really good property manager is through a referral.

If you don't have any friends with rental property, maybe you or a friend know a well-respected Realtor.

Most Realtors concentrate on sales and not rentals, but they normally know a good rental person.

I would interview the property manager in person, if possible, to see how they present themselves. Do they come across as a professional, etc?

When you find a good property manager make sure you have a written agreement of what the property manager will do and what it will cost for services. If you have

questions, I'd ask via email so you have a written log of communication. Avoid the "he-said, she-said" with no proof.

If something is not covered in the agreement, then have it written in and initialed.

Property managers should take care of the property like they own it

Property managers should take care of the property like they own it themselves.

The property manager should take the owner out of the situation of day-to-day management. However, the property manager should communicate in writing with the owner regarding maintenance needs, complaints, how they were dealt with, and accounting.

The property manager will deal with all the following:

- Tenant relations-complaints
- Questions
- Rent payment
- Late fees
- Maintenance repairs
- Scheduling
- Follow up – making sure good repairs were completed in timely manner
- Leasing and re-leasing before current lease is over if tenants aren't renewing

What is NOT the property manager's job

It is NOT the property manager's job to oversee a remodel of a unit.

You should employ a general contractor for that purpose.

The general contractor will get subcontractors in and out of the unit after he hires them and gives them specific jobs for an upfront estimate.

Now if you mean property maintenance instead of remodeling, the property manager should handle that.

You want your unit to be well maintained at all times.

Sometimes painting is required when a tenant leaves. Also patching holes in walls, carpet repair/replacement, leaking plumbing, etc. These issues are something a property manager should take care of for you.

If you are an out-of-state landlord, then this process is even more important since it's not easy nor convenient for you to check on your property yourself.

I would have someone you know and trust check on the property from time to time and walk the property. Don't just do a drive-by.

You personally should inspect the property once in a while too, if you can. You can also have the property manager video chat with you as he or she walks around the property and shows you your place.

"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.

6 Ways to Upgrade Apartment Common Areas

Keepe

What are six ways to upgrade the look and feel of apartment common spaces you can take to keep tenants happy? Here are some tips in this monthly maintenance feature.

Community living has become a growing trend in multifamily housing, especially among younger people, including millennials and Generation Z renters.

Co-living spaces allow residents to have room to spend time, meet with others and work professionally outside of their units. Dedicated shared spaces are easy to incorporate into existing properties.

If you currently have a common space or have room in your building to dedicate to a community space, you may want to consider the following:

Lighting can be very inviting

Add indoor lighting throughout your property to brighten up the rooms. If you have outdoor spaces, light fixtures can elevate the space of a walkway, or a larger communal area such as a shared outdoor patio.

Add new furniture

Installing new pieces of furniture in an existing communal space in your building can attract new groups of people. Be aware of how you arrange your furniture. Don't space the pieces too far apart, since you want to make the space intimate and approachable for groups of people.

Bring in some plants

Greenery can add a lot to a shared space. Add artificial or real plants and flowers in traditional areas, such as on a coffee table, in the kitchen or on the sides of a hallway.

Use textiles with some color

Layer accessories like pillows, cushions, and rugs to add extra warmth to a space. Use spots of color to pull more eyes into a specific space.

Add wall decoration

Shelves, paintings, and mirrors are great additions that can bring your empty walls to life. Keep it personal, not commercial-looking. Think about how you would decorate your own home or apartment.

Accessories rule

Think about adding kitchenware in shared kitchens, books in a shared library or workroom, and similar small details and accessories to make communal spaces more resourceful and more like home. Residents will appreciate these little details and potentially spend more time due to these small amenities.

These quick fixes are easy to incorporate into any size space.

When brainstorming what features to include in your property, ask yourself what sorts of finishing touches would make you feel welcome. And whenever you add new features to your property, be sure to communicate these features to your tenants so that they are aware and more likely to explore the living spaces.

The small investments you make in your property can go a long way toward tenant morale and can become incentives to renew their leases.

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Sponsored Content

Dryer Vents: Inspection and Cleaning

Portland Chimney & Masonry Inc.

The vents of dryers serve the same purpose as the chimney of a fireplace: A way for exhaust to be allowed to get out of the building.

Usually these are vented through the roof or out the side of your buildings. Either way, there must be a clear passage for the exhaust to get out.

Structural: Under no circumstances should these vents be allowed to vent anywhere inside the building, such as an attic or the like. This is simply allowing the exhaust and flammable lint to be vented into an enclosed, often unattended area. This is a fire waiting to happen.

Cleaning: The lint that is built up in these vents is highly flammable and must be cleaned out on a regular basis, as should the chimneys for fireplaces. If this lint were to catch on fire, it could cause severe damage to your property.

According to the USFA (U.S. Fire Administration):

“An estimated 2,900 clothes dryer fires in residential buildings are reported to U.S. fire departments each year and cause an estimated 5 deaths, 100 injuries, and $35 million in property loss.

“Clothes dryer fire incidence in residential buildings was higher in the fall and winter months, peaking in January at 11 percent.”*

Clogs: Plus, the more these vents clog, the more time is needed to dry the clothes in the dryers. This can waste a great deal of money on electricity and is also why these vents should be cleaned out on a regular basis. Extremely clogged vents are harder to clean and may require extensive measures to gain access to the clog, which can be costly.

Inspection: It is vital as the first step of servicing the dryer vents to inspect the air flow.

If there is no air flow or low air flow it is an indicator of:

Clog in vent system

Or ....

Pinched transition (accordion-style vent that connects the dryer to the rigid venting in the wall).

Dryer not connected.

Damaged dryer.

A Certified Dryer Vent Technician should inspect the air flow to determine the air flow, as noted above, as part of the annual maintenance of the dryer vents.

So, protect your property and protect your tenants. Ensure your dryer vents are properly vented and cleaned for maximum safety and efficiency. You can always call a chimney professional to inspect the venting and to clean the vents when needed.

Top 5 Maintenance Emergencies versus Maintenance Requests

Keepe

What counts as a maintenance emergency in an apartment property?

Any situation that threatens the safety and well-being of tenants.

The five events listed below are cases that would need immediate attention. Educate tenants on these common – but serious – issues and make a proactive plan on how to deal with these emergencies to ensure safety and to stay ahead of repairs.

No. 1 – Gas Smell

This should be No. 1 on your list. Natural gas is a huge hazard. Educate tenants by letting them know the importance in identifying this issue, and staying away from inhaling potentially poisonous gas. Address this issue over all others because this issue can be fatal.

No. 2 – No Heat or Air Conditioning

A broken heating or cooling system is cause for an emergency. If the HVAC system in your property fails to function, have the issue inspected quickly to ensure tenants stay safe from potential mechanical failures. Know who you are going to call ahead of time to fix this type of issue, and who you can count on to help if this maintenance emergency happens. Be prepared.

No. 3 – Power Out

Whether it's just inside a unit or outside as well, electrical failure is another important reason to contact a maintenance professional. A power outage can quickly lead to safety issues. Property managers can become liable for power-outage issues surrounding untimely repairs or if the issue occurs frequently.

No. 4 – Plumbing Issue

If it's more than a small leak, it is an emergency. Issues with plumbing can grow exponentially. In any case, turn the water valve off to ensure no further flooding ensues until a plumber checks out the issue.

No. 5 – Septic Tank Failure

A backed-up septic tank will overflow and allow toxic waste to flow near or even into a property, which is dangerous and damaging. Septic tank failures are extremely important to address immediately to avoid the countless safety issues that may arise. Septic tank failures are also a larger and time-sensitive project to take on, so be sure to enlist an emergency maintenance professional for the job.

As a property manager, your top priority is to keep everyone in your building safe. A sure way to address maintenance emergency issues is by keeping a list of potential maintenance vendors ready for your or have someone on-call at all times to manage maintenance issues. Regardless of your tactic, be sure to remain aware of these five possible emergencies.

Keepe is an on-demand maintenance solution for property managers and independent landlords. The company makes a network of hundreds of independent contractors and handymen available for maintenance projects at rental properties. Keepe is available in the Greater Seattle area, Greater Phoenix area, San Francisco Bay area, Portland, San Diego and is coming soon to an area near you. Learn more about Keepe at https://www.keepe.com

Multifamily Rent Growth Remains Consistent

Rental Housing Journal

Multifamily rents were up a healthy 3.0 percent year-over-year in April and year-to-date, rents are up 0.8% across the U.S., according to the latest Yardi Matrix report.

"Multifamily rents continue to increase at a steady rate, albeit slightly slower than in recent years," the report says. And, the latest "is a solid number although less than the growth rate during that period in recent years."

"With the prime rent growth season just starting, it remains to be seen whether this year's gains will be stellar or merely average, but in any event there seems to be no reason to think the multifamily juggernaut is going to hit the pause button," the report says.

"Absorption is strong, as the national occupancy rate for stable properties is 94.8% and has dropped only 10 basis points year-to-date despite the delivery pipeline adding some 300,000 units per year," the report says.

Report Highlights

- U.S. multifamily rents increased by $5 in April to $1,436. Year-over-year growth fell to 3.0%, down 30 basis points from March, as the growth was less than in previous years.
- Market performance has been remarkably consistent over time and across geographic zones. Growth continues to be highest in lifestyle metros in the Southwest, Southeast and California, but other than Houston there aren't many markets in which growth trails long-term averages by any significant degree.
- Multifamily absorption remains robust, as the economy continues to pump out jobs and demographic factors are still positive.
- On the metro level, the Southwest is king, as Phoenix caught up to Las Vegas for the highest growth rate at 7.3%.
- Rents increased 3.0% year-over-year, marking a 30-basis-point decline from March and a 60-basis-point reduction from the beginning of the year. Most markets are regressing toward the national mean, and 22 of our top 30 markets have rent growth between 2% and 4%.
- Las Vegas and Phoenix (tied at 7.3%) top the overall rankings. Both markets also led rankings by asset class. Phoenix Renter by Necessity (RBN) increased 8.0%, compared to 6.3% growth for Lifestyle. In Las Vegas, however, Lifestyle units (7.5%) outpaced RBN units (6.8%), and it is one of the only markets in the nation where luxury rents are growing faster than workforce rents.
- Rents increased in all of the top 30 markets over the past year. At 0.6%, Houston was the only market with a gain of less than 1.4%.
- Fannie Mae and Freddie Mac originated $30.3 billion of loans in 1Q19, up nearly 20% from the same period a year ago.