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RHJ RENTAL HOUSING JOURNAL
INSIGHT FOR RENTAL HOUSING PROFESSIONALS

ARIZONA

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Circulated Monthly To Thousands Of Apartment Owners, Property Managers, On-Site & Maintenance Personnel

Survey Shows Job of Property Management is Changing Fast

Rental Housing Journal

How the job of property management is changing "came through loud and clear" in this year's annual survey of property managers, said Chris Lister, CEO of Buildium, in a recent webinar.

Lister presented the 2020 State of the Property Management Industry Report along with National Association of Residential Property Managers (NARPM) CEO Gail Phillips.

The survey was actually three surveys in one, including 1,738 property managers, 217 community managers, 1,118 tenants and 603 owners and investors in more than 50 cities.

"What we heard loud and clear is that property management has changed," Lister said. "Property management is complex, yes, but what has changed is the environment around it."

He cited five substantial elements in the property management environment, macro trends that have caused the changes:

- **Cost of housing**
- **Legislation and regulation**
- **Industry consolidation and owner mix**
- **Changing tenant demographics and generations**
- **How technology is changing everything**

Property managers offering more services

Across the board, property managers are offering more services than ever before. ,This is a way for property managers to diversify their revenue streams and find new ways to demonstrate their value to clients in a shifting market.

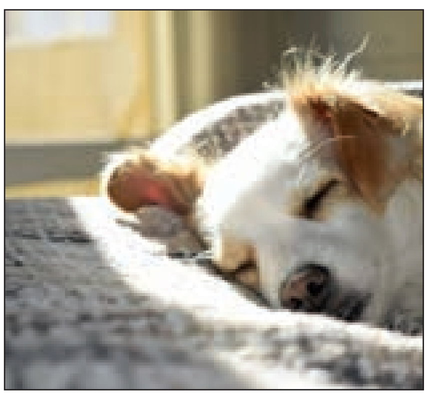
Of particular note are services like property sales and brokering, financial reporting, building renovation, and investment advice, which have experienced average gains of 14 points over the last three years.

These are the types of services that are taking on new importance as landlords sell rentals, investors acquire rentals, and owners of all types keep a close eye on their properties' profitability.

Growth Opportunities

The survey shows that 48 percent of

See 'Survey' on Page 10



5 Amenities for Raising Your Profits

By Holly Welles

Tenant-friendly amenities, those that attract and keep high-paying tenants, are a must in today's rental housing world – but some features cost so much to add that it's difficult to recoup your investment.

Fortunately, there are some attractive elements you can include in your rentals that won't cost a fortune.

In recent years, the cost to rent an unfurnished apartment increased by about 50 percent over a 10-year period. In some big cities such as New York, nearly half a person's salary goes to paying rent.

Sure, high prices are good for landlords. However, since renters are paying so much, they expect a lot in return. Discover tenant-friendly amenities that will attract new renters and secure higher rent rates.

1. Offer High-Speed Internet

If you're leasing a commercial space,

See '5' on Page 5

Tempe Seeing Fastest Rent Growth

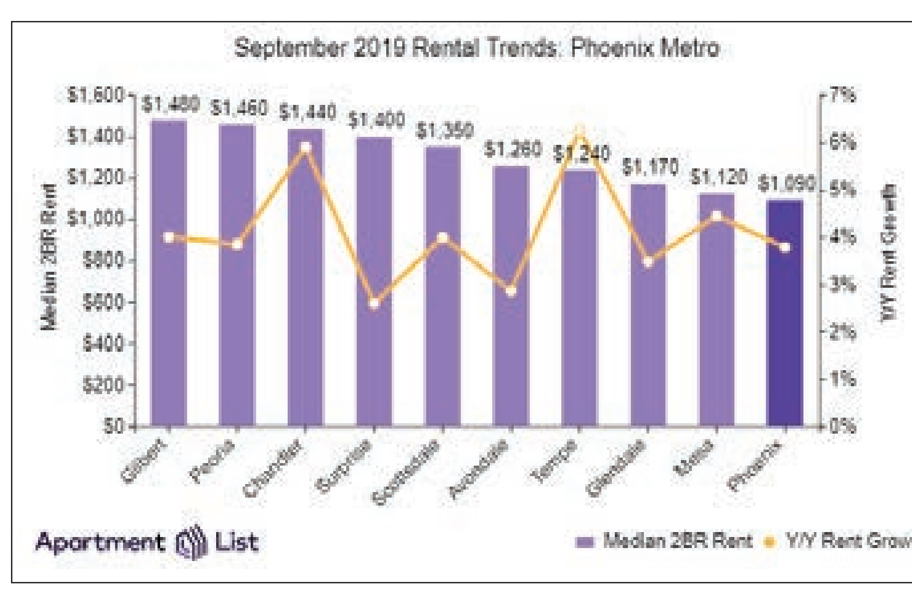
Apartment List

Tempe has seen the fastest rent growth in the Phoenix metro, with a year-over-year increase of 6.2 percent, according to the latest report from Apartment List.

Also this past month, rents were up substantially in Tempe, increasing 0.6 percent over the past month in addition to the year-over-year increase of 6.2 percent.

Now, median rents in Tempe stand at $992 for a one-bedroom apartment and $1,236 for a two-bedroom.

The city has seen nine straight months of rent increases. Tempe's year-over-year rent growth leads the state average of 3.5 percent, as well as the national average of 1.4 percent.



East Valley Report

Gilbert rents in decline

Gilbert rents continued their three-month decline and dropped by 0.7 percent over the past month, but are still up a respectable 4.0 percent in comparison to the same time last year.

Now, median rents in Gilbert stand at $1,186 for a one-bedroom apartment and $1,477 for a two-bedroom.

This is the third straight month that the city has seen rent decreases after an increase in June.

Chandler rents also down

Chandler rents were down 0.3 percent over the past month, but up strongly by 5.9 percent in comparison to the same time last year.

Chandler median rents stand at $1,152 for a one-bedroom apartment and $1,436 for a two-bedroom.

This is the second straight month that the city has seen rent decreases after an

See 'Tempe' on Page 6

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The Fundamentals of 1031 Exchanges

By Dwight Kay and the Kay Properties Team

Welcome to 1031 101! If you've come to our metaphorical class here, you likely have a few questions. Chief among them: what is a 1031 exchange? What Qualifies for a 1031 exchange? Why should I do a 1031 exchange? What should I 1031 exchange into? Is there an option if I have a failed 1031 exchange?

WHAT IS A 1031 EXCHANGE?

A 1031 exchange is a procedure that allows the owner of investment property to sell and acquire another "like-kind" property while deferring capital gains tax. The name comes from IRS Section 1031 and has morphed into a verb in the investment real estate world — as in, "Let's 1031 this property for that one."

WHAT QUALIFIES FOR A 1031 EXCHANGE?

While the idea is a simple one, the execution is a bit more complex. There are very specific definitions and timeframes to which users must adhere to qualify for a 1031 exchange.

The most important thing to keep in mind just might be how to define a "like-kind" property. That doesn't mean you must exchange one apartment complex for another; there's actual considerable flexibility there. For instance, you can sell an apartment complex and purchase a retail building, you can sell a retail building and purchase and industrial building, you can sell an industrial building and purchase raw land, etc. However, you can't exchange a property for a business, for example. It's also worth noting that a 1031 exchange can only involve property held for investment, not personal use and, to maximize the benefits of a 1031 exchange, the replacement property should be of equal or greater value than the original.

What's often forgotten in the lead-up to an investment property's sale is how quickly the 1031 clock starts. After that sale, you have 45 days to choose aka identify a property with your qualified intermediary (the escrow like company that holds your exchange proceeds after you sell your relinquished property). From there you must close on that property within 180 days of the sale to qualify for the 1031 benefits.

WHY SHOULD I DO A 1031 EXCHANGE?

You know the saying about death and taxes? Well, at least you can defer one of those with a 1031 exchange. Typically, when you sell an investment property, you're subject to several different taxes. But by trading one like-kind property for another via a 1031 exchange, the IRS lets you defer a considerable amount of taxes.

Without a 1031 exchange, you can be taxed at a rate of 25 percent on all depreciation recapture. Depending on your taxable income, you would owe federal capital gains tax of at least 15 percent and as high as 20%. On top of that is the state capital gains tax which is anywhere from 0-13.3%. Lastly, there is a 3.8 percent Medicare surtax as well.

WHAT SHOULD I 1031 EXCHANGE INTO?

We've already established that you must exchange your investment property for a like-kind property. However, there are many different options for you to execute a 1031 exchange.

The most obvious is trading one property you manage for another. An example: you sell a duplex and purchase a commercial building. In that instance, you're maintaining your role as landlord, which comes with responsibilities such as repairing issues, dealing with individual tenants, property management, asset and property level accounting and processing rent. The role of the investor is very involved.

A slightly more passive approach is to exchange into a triple-net property. In this case, you're leasing your property to a tenant who often agrees to pay the majority of expenses associated with the property. Which can include taxes, insurance and maintenance. But it does not mean the investor just gets to kick back. You are still often responsible for those many needs of a property — including coordinating and paying for repairs, paying property tax bills, processing invoices. The difference from a standard lease is that you are then billing the tenant for those expenses and now tasked with the fun job of tracking down the tenant and getting them to actually reimburse you for them. Our firm has owned many triple net properties over the years and we have to have full time asset management, accounting and legal teams to look after the triple net properties and run them efficiently. For an investor to think that the triple net property option is a passive endeavor is wishful thinking!

If, as an investor, you are looking for a fully passive exchange option, Delaware Statutory Trusts (DSTs) are potentially a good option. A DST is an entity that holds title to a piece of real estate and investors are able to buy in for typically 100k minimum investments. DSTs are used by investors to build a diversified portfolio for their 1031 exchanges whereby they can, for example, on an exchange with $1,000,000 of equity purchase 5 different DSTs in 200k increments. The investor may purchase 200k in a DST that owns a long-term net leased FedEx building, 200k in a DST that owns a long-term net leased Amazon building, 200k in a debt free multifamily DST apartment building in the Nashville metro area, 200k in a DST that owns 1,000 multifamily units among 3 properties in 3 different states and lastly 200k in a DST that owns a long-term net lease industrial building.

Additionally, the trust's sponsor is the asset manager of the property, which involves handling reimbursements from tenants and daily needs, repairing issues, processing rent and invoices, etc. This provides investors with a truly passive approach to their 1031 exchange and a change in lifestyle from the active duties of property management. DSTs are also a great backup plan to keep in mind due to the 1031 exchange's tight timeframe. Because the trust already owns the properties, transactions can often be completed within just a few days.

IS THERE AN OPTION IF I HAVE A FAILED 1031 EXCHANGE?

If a 1031 isn't on the table for you (for whatever reason that might be), the Tax Cuts and Jobs Act of 2007 created a new way to defer, reduce and, in some cases, eliminate long-term capital gains taxes: Opportunity zones. There are more than 8,700 qualified tracts scattered around the country. By investing your capital gains in one of those via a Qualified Opportunity Zone Fund, you will be able to defer any taxable gain until the fund is sold or Dec. 31, 2026, whichever comes first. Five years in, you receive a 10 percent step-up in tax basis with an additional 5 percent step-up after seven years. Hold the fund for at least 10 years and the new capital gains taxes generated from the opportunity fund investment are slashed to zero.

The 1031 exchange is a valuable tool in the real estate investors toolbox and with proper planning and understanding the investor can utilize the features of this piece of the tax code which has been around since 1921. To learn more about 1031 exchanges and your 1031 exchange options utilizing DST, NNN and Opportunity Zones please visit www.kpi1031.com. You will also, upon registering, be sent a free book on 1031 exchanges.

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, D.C. 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.

KAY PROPERTIES & INVESTMENTS LLC

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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.

Securities offered through WealthForge Securities, LLC. Member FINRA/SIPC. Kay Properties and Investments, LLC and WealthForge Securities, LLC are separate entities.

National Apartment Association
Education Institute

Apartment Jobs Snapshot

Q3 2019

Strong Demand for Apartments Mirrored in Jobs

National Apartment Association

The strong demand for apartments across the country is well-illustrated in the echo demand for apartment jobs, according to the latest report from the National Apartment Association.

More than 41 percent of available real estate jobs in the United States were in the apartment sector, increasing from 34.9 percent in the third quarter in 2018, according to the NAAEI's Apartment Jobs Snapshot.

Occupancy up to 96.3 percent

A hectic leasing season yielded 118,000 move-ins during the third quarter.

Also, occupancy soared to 96.3 percent, as reported by RealPage.

Maintenance positions remained in greatest demand during the third quarter, increasing by 0.8 percentage points since the second quarter of 2018.

Leasing-consultant jobs in high demand

Leasing-consultant job postings had the largest growth in demand year-over-year with an increase of 1.5 percentage points.

In fact, leasing consultants had the highest growth in demand over the past five years, increasing by 1.7 percentage points.

Compared to five years ago, there has been an increase in employers seeking candidates who are skilled in Yardi Software, Microsoft Office and teamwork/collaboration.

Consistent with third quarter of 2018, Dallas, Los Angeles, and Washington D.C. had the greatest demand for apartment jobs in 2019.

National Apartment Association jobs report background

The NAA 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.

Total Q3 Job Postings in Apartment Industry (% of Real Estate Sector)

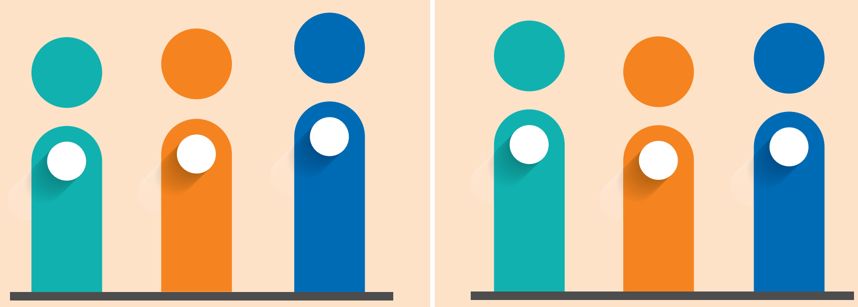
Q3 2019: **41.6%**

Q3 2018: **34.9%**

2013-2018 Average: **33.4%**

Summary:
More than 41 percent of available real estate jobs in the US were in the apartment sector, increasing from 34.9 percent in Q3 2018. The demand for apartments continues to show commanding results. A hectic leasing season yielded 118,000 move-ins during the third quarter. Occupancy soared to 96.3 percent, as reported by RealPage.

Job Postings by Major Category (As a percent of all Apartment Jobs)



	Property Management	Leasing	Maintenance
Q3 2019	23.2%	24.8%	26.4%
Q3 2018	25.9%	23.3%	25.6%

Summary:
Maintenance positions remained in greatest demand during the third quarter, increasing by 0.8 percentage points since Q2 2018. Leasing job postings had the largest growth in demand year-over-year with an increase of 1.5 percentage points.

Top MSAs* (As a percent of all U.S. Apartment Jobs)

Q3 2019		Q3 2018	
Dallas	6.0%	Los Angeles	6.3%
Los Angeles	5.4%	Dallas	5.9%
Washington, D.C.	4.2%	Washington, D.C.	3.7%
Seattle	3.7%	Seattle	3.5%
Phoenix	3.5%	Phoenix	3.5%

Summary:
Dallas, Los Angeles and Washington, D.C. had the highest concentration of apartment jobs during the third quarter of 2019. Phoenix continues to rank as one of the top preforming apartment markets. According to RealPage, Phoenix led the nation in annual rent growth with an increase of 8.2 percent.

September 2019: % Apartment Jobs of Total Real Estate Jobs

Raleigh	54.4%
Houston	54.3%
Portland	53.9%
Jacksonville	53.4%
Minneapolis	52.1%

Summary:
Raleigh, Houston, Portland, Jacksonville, and Minneapolis ranked the highest in concentration of available apartment positions as measured against the entire real estate sector. Demand for apartments in the Minneapolis market continues to strengthen. Multifamily permits in the twin cities totaled 8,134 units at the end of August, a year-over-year change of 33 percent, according to Census.

The Evolution of Titles & Skills 2019 vs. 2014

Top Increases in Job Titles in 2019
(percentage point change in postings)

Leasing Consultant	+1.7
Maintenance Supervisor	+1.4
Assistant Property Manager	+1.3

Top Increases to Skills Desired in 2019
(percentage point change in postings requiring skill)

Yardi Software	+6.6
Microsoft Office	+6.4
Teamwork/Collaboration	+6.1

Summary:
Leasing Consultants had the highest growth in demand over the past five years, increasing by 1.7 percentage points. Yardi software skills were up 6.6 percentage points. Positions requiring experience with Microsoft Office and team collaboration increased significantly since 2014.

Competing Sectors (Highest Location Quotients)**

Apartments		Retail Trade		Hospitality	
Austin	3.6	Seattle	2.2	Las Vegas	3.6
Denver	3.1	Denver	1.9	Napa	3.2
Seattle	2.8	Portsmouth, NH	1.9	Reno	3.1
Phoenix	2.6	Burlington, NC	1.9	Nashville	2.7
Portland, OR	2.6	Reno	1.7	Flagstaff	2.6

Common Skills (Percent of Jobs Requiring Skill)

	Apartments	Retail Trade	Hospitality
Specialized Skills			
Customer Service	31.6%	45.0%	25.3%
Sales	19.8%	47.2%	10.4%
Scheduling	15.5%	18.5%	18.0%
Baseline Skills			
Communication Skills	40.0%	41.1%	34.5%
Organizational Skills	28.9%	25.5%	20.5%
Detail-Oriented	23.1%	14.7%	13.5%
Teamwork/Collaboration	15.9%	20.3	23.2%

Summary:
The apartment industry often competes with the hospitality and retail sectors, all of which require strong customer service, communication, and organizational skills. Denver and Reno experienced tight labor markets with unemployment rates of 2.6 and 3.2 percent respectively, both below the national rate of 3.5 percent.

Sources: NAA Research; Burning Glass Technologies, RealPage, Census, Bureau of Labor Statistics

* MSAs with 100 or more apartment job postings.
** Location quotients show how concentrated demand is within a particular geography. US-wide average demand equals 1.0; an LQ of 1.2, for example, indicates 20% higher demand than the US average (or 1.2 times the US concentration).

5 Tenant-Friendly Amenities for Raising Your Profits

Continued from Page 1

fast internet is a must. A high-speed connection as part of your rental package will attract those who work from home, such as busy professionals.

Is fiber optic available in your area? If so, extend the offer to the entire building so each unit is wired and ready to connect. You can even include free internet as part of your rental package or add an up-charge for the service.

2. Include Pet Deposits

There are millions of families with some type of pet. Even busy singles often have a dog or cat for companionship. However, as much as we all love those furry critters, they can create thousands of dollars in damage to your building. Cats with claws may dig at the carpet and leave a frayed mess. Dogs may have accidents or chew through doors if they have anxiety.

Many building owners find it essential to charge a pet deposit and monthly fees to offset costs. A deposit is typically not refundable, and you can customize the amount based on the type of animal. Some landlords charge fees based on their experience with similar pets. You should also consider insurance, as some dog breeds and animal species will ramp up your rates.

3. Install a Laundry Center

Most renters expect to have on-site laundry facilities to wash clothes and bedding. It's much more convenient than dragging everything to an off-site location. For landlords, this is an opportunity to make additional money. You can invest in modern machines that are coin-operated. Add a vending area with laundry soaps and softeners, plus snacks for those doing their laundry.

If you have the staff and want to ramp up your profit-making potential, offer a dry-cleaning delivery service. You can run dry-cleaning items to a local store, pick them up when finished and deliver to tenants' front doors. This type of add-on is particularly attractive to those who work long hours. Plus, it adds a nice side income to your real estate business.

4. Vet New Tenants

The people you rent to can save or cost you money. Look for people who will treat the rental as their own home and take good care of it. You can earn a profit from people who pay rent on time, don't damage the property, and offer reasonable complaints. Low-maintenance renters are a landlord's dream come true. You won't have to spend money on costly repairs or invest in a lawyer to start eviction proceedings.

While it isn't possible to avoid every bad tenant, running background checks and conducting an interview process helps. You should also ask for references from previous landlords. Just make sure you follow state and federal laws to ensure you don't discriminate based on age, race or other important factors.

5. Install Desirable Finishes

If you want to demand higher rent on your units, you must compete with similarly priced buildings in the area offering quality amenities. While you don't need to transform your property into a luxury complex, take a look at competitors to see what they provide. Do they have a gym or 24/7 doorman? In 2018, the top amenities included dog parks, bike storage, workshop areas and more.

Make any apartment look pricier by adding a coat of fresh paint to the walls. Install granite countertops, add a backsplash in the kitchen and swap old carpet for beautiful hardwood floors. Upgrade one unit at a time until they're all completed. Remember, however, buying materials in bulk can save you money.

Choosing Amenities That Increase Your Profits

The upgrades above are a good start, but you should also consider what your tenants want. For young people, a social outlet, like shared common areas, is particularly important. You can also implement small things that tenants appreciate, such as green plants and beautiful artwork.

Determining which amenities your renters want most is key to keeping profits high. You don't have to go over budget to provide luxury amenities in a market that doesn't support it, but there are great ways to provide an improved living experience for your tenants while maximizing the revenue you bring in.

Tempe Seeing Fastest Rent Growth in Metro

AZREIA Meeting Marks 17th Annniversary

Come join the Arizona Real Estate Investors Association

on Monday, Nov. 11, 2019, at Celebrity Theatre, 440 N. 32nd Street in Phoenix as the club celebrates its 17th anniversary.

Be sure you come early to enjoy the Investor Social. Raffle tickets will be on sale for valuable prizes.

It wouldn't be an AZREIA meeting without doing the business of real estate investing, so there'll be no skimping on the Market Update or Market Newss.

The evening's special featured speaker, Gene Guarino, will educate attendees on how to significantly increase cash flow on a single-family rental.

He will discuss how to turn one single-family house into a monthly $5,000 - $15,000 cash flow with Residential Assisted Living Care Homes.

This month's agenda times are different than a normal month, so check the schedule below.

- 5:15 Workshop
- 6:00 Trade Show, Networking & Guest Orientation
- 6:45 Main Meeting – Market Update and Featured Speaker
- 9:00 Adjourn

Visit AZREIA's website at www.azreia.org for more information.

Guest fee is reduced to $20 for pre-registering online. Walk-in guest fee is $30.

Continued from Page 1

increase in July.

Mesa rents climb

Mesa has shown a slow, steady rent growth for 22 straight months and has not seen a recent decline since 2017.

Over the past month, Mesa rents were up 0.2 percent and have increased by 4.4 percent in comparison to the same time last year.

Now, median rents in Mesa stand at $902 for a one-bedroom apartment and $1,124 for a two-bedroom.

Scottsdale matches Mesa's growth pattern

Matching Mesa's 22 straight months of rent growth, Scottsdale rents were up 0.2 percent over the past month, and up 4.0 percent in comparison to the same time last year.

Currently, median rents in Scottsdale stand at $1,084 for a one-bedroom apartment and $1,350 for a two-bedroom.

Phoenix rents continue steady upward march

Phoenix rents have increased 0.3 percent over the past month, and are up moderately by 3.8 percent in comparison to the same time last year.

Currently, median rents in Phoenix stand at $876 for a one-bedroom apartment and $1,092 for a two-bedroom.

Much like Mesa and Scottsdale in the East Valley, Phoenix proper has seen rents increase every month for 22 months.

Phoenix's year-over-year rent growth leads the state average of 3.5 percent, as well as the national average of 1.4 percent.

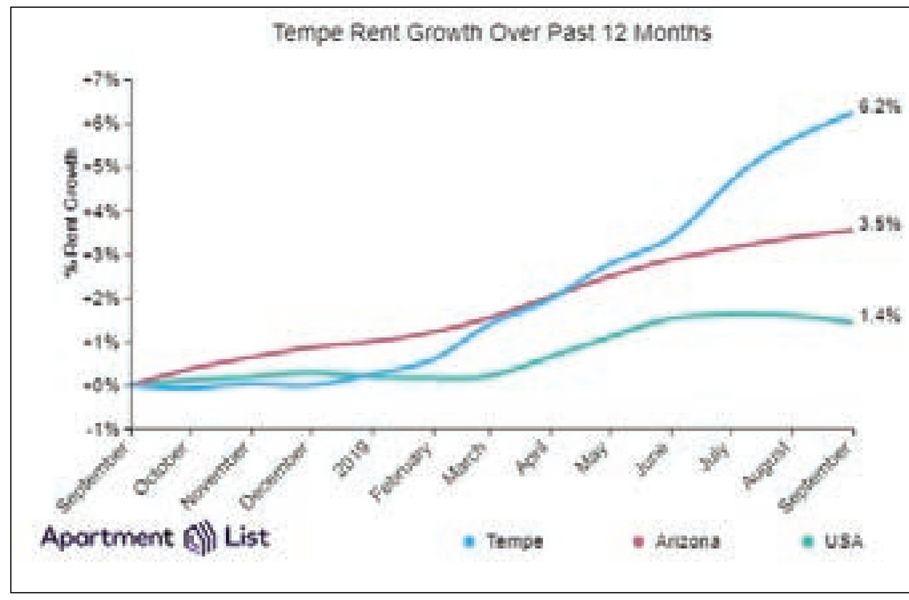
West Valley Report

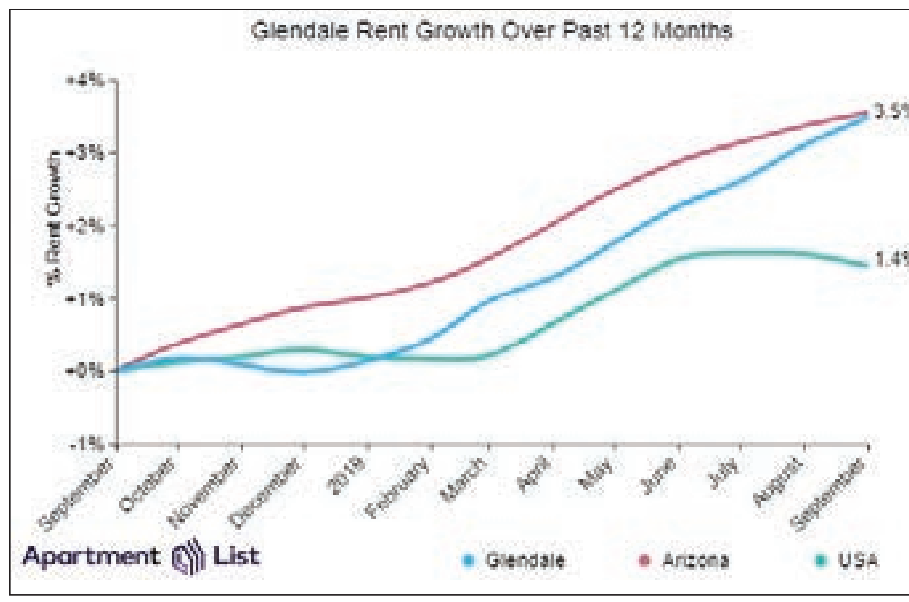
Peoria, Glendale rents both up for past month

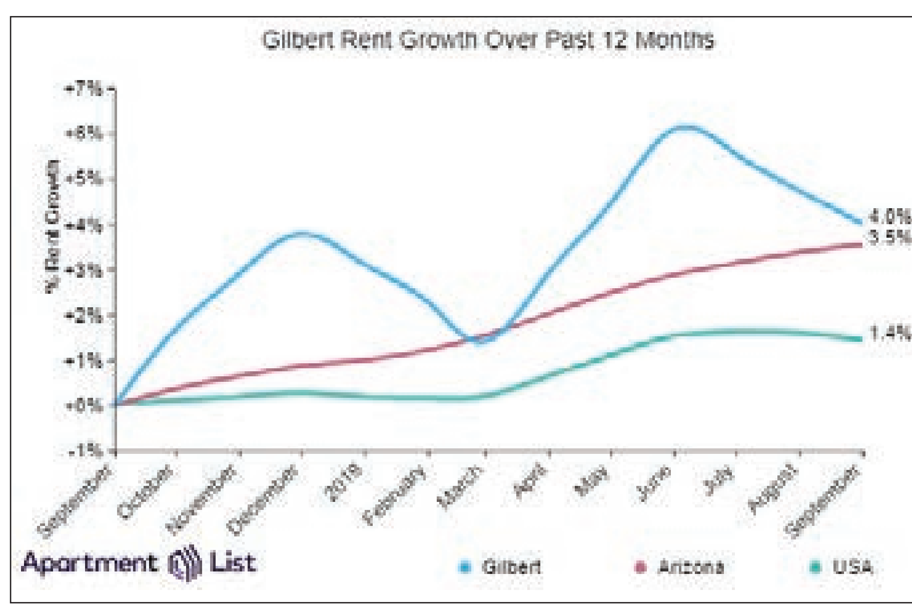
Peoria rents were up 0.3 percent and Glendale up 0.4 percent over the past month, as both cities continued to see good rent growth.

Peoria rents are up 3.8 percent in comparison to the same time last year, while Glendale is up 3.5 percent compared to same time last year.

Median rents in Peoria are $1,170 for a one-bedroom apartment and $1,458 for a two-bedroom. In Glendale, median rents are $937 for a one-bedroom apartment and $1,168 for a two-bedroom.







More Rental Trends on Page 8

RHJ Rental Housing Journal ARIZONA

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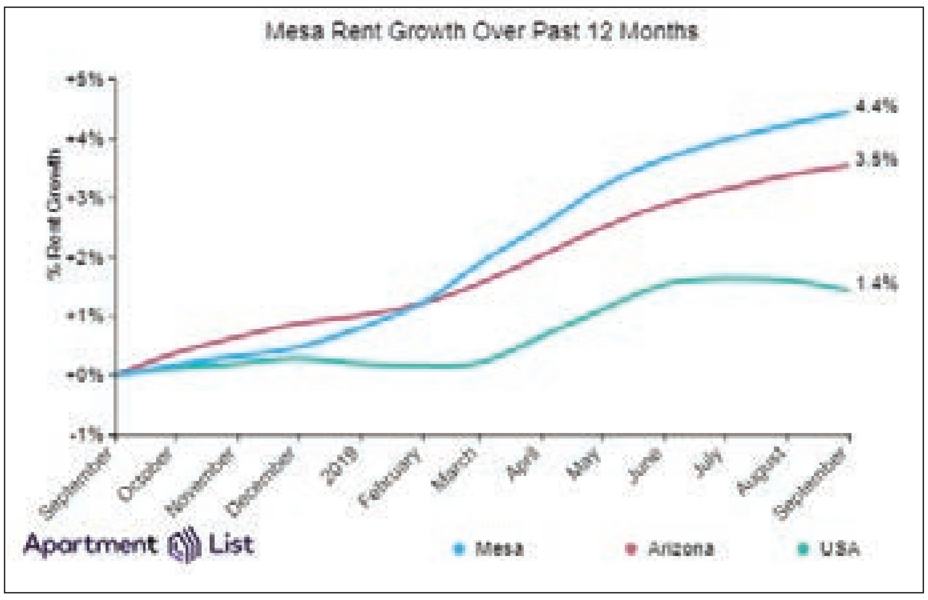
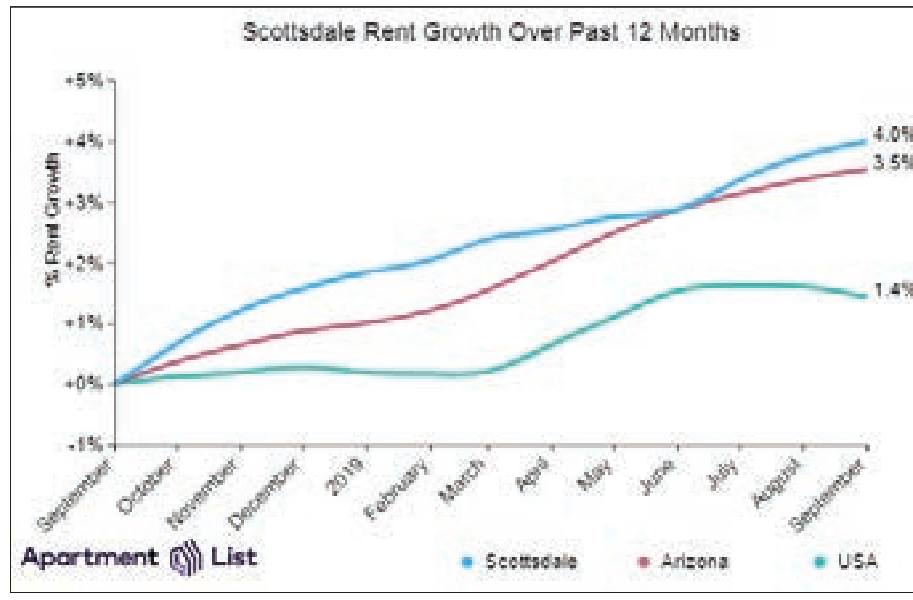
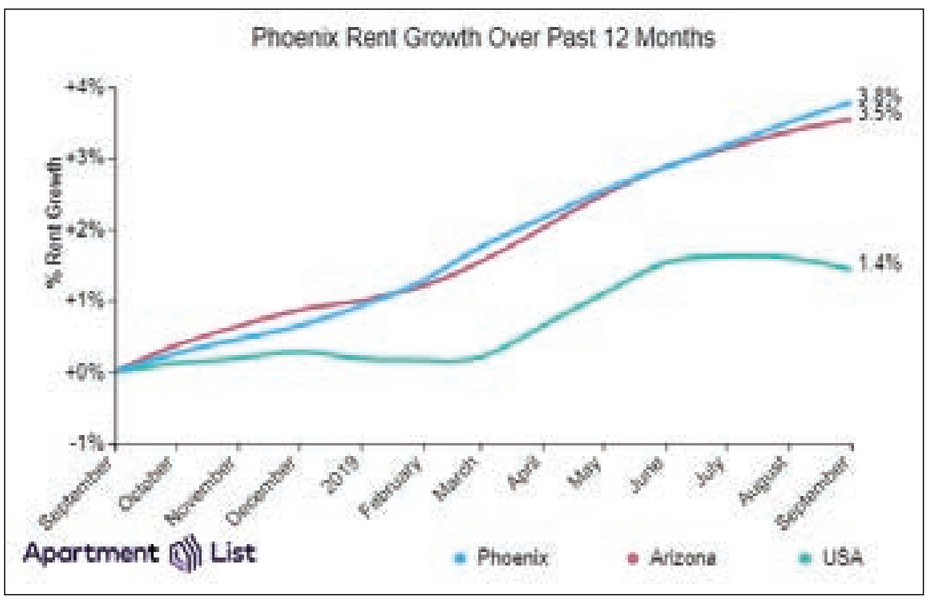
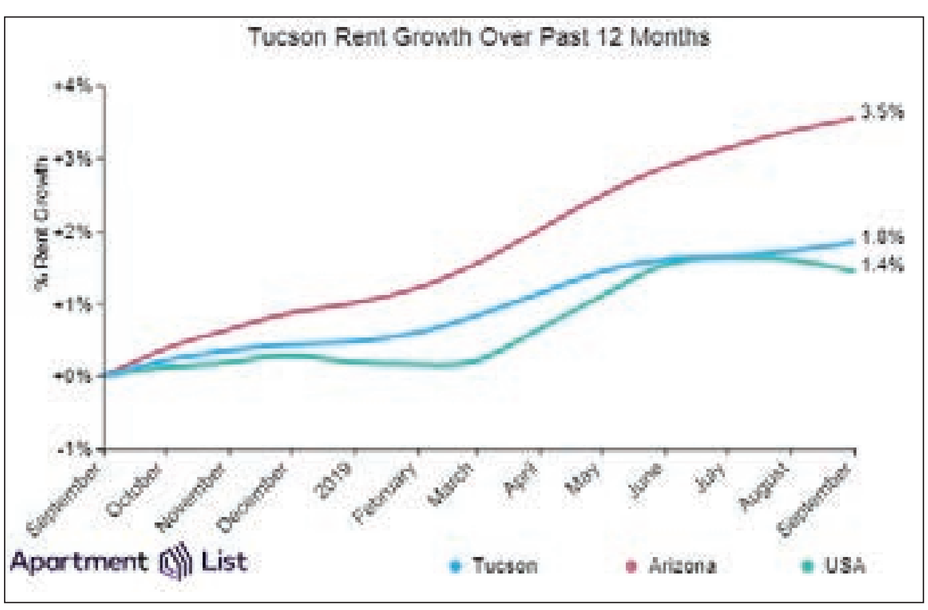
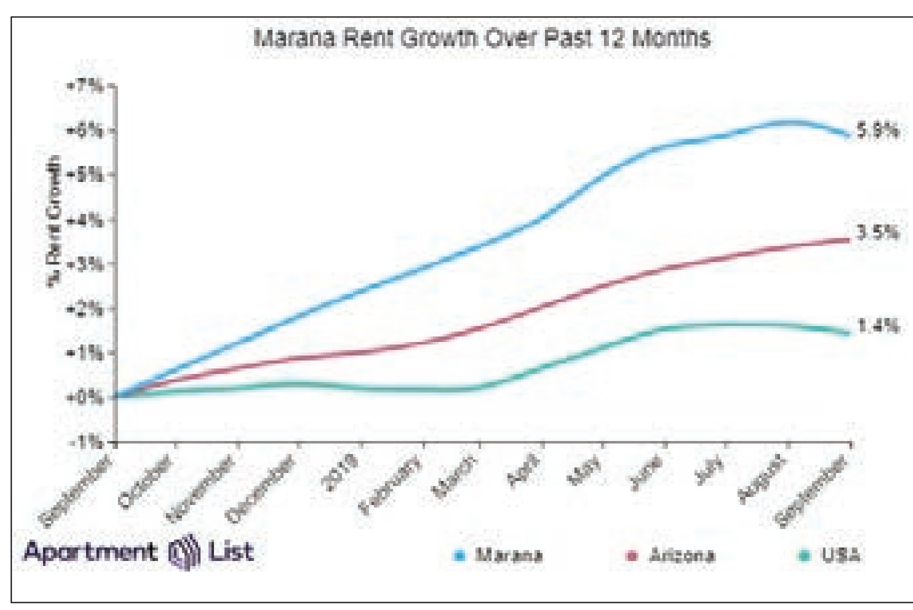
Tempe Seeing Fastest Rent Growth in Metro Phoenix











City	Median 1BR price	Median 2BR price	M/M price change	Y/Y price change
Phoenix	$880	$1,090	0.3%	3.8%
Mesa	$900	$1,120	0.2%	4.4%
Chandler	$1,150	$1,440	-0.3%	5.9%
Glendale	$940	$1,170	0.4%	3.5%
Scottsdale	$1,080	$1,350	0.2%	4%
Gilbert	$1,190	$1,480	-0.7%	4%
Tempe	$990	$1,240	0.6%	6.2%
Peoria	$1,170	$1,460	0.3%	3.8%
Surprise	$1,120	$1,400	0.9%	2.6%
Avondale	$1,010	$1,260	0.1%	2.9%
Goodyear	$1,140	$1,420	0.1%	1.3%
Buckeye	$970	$1,200	-0.1%	0.9%
Casa Grande	$800	$1,000	-0.7%	4.5%
Sun City	$920	$1,140	1.6%	2.5%
Apache Junction	$580	$730	0.4%	1%
Queen Creek	$1,300	$1,620	-0.9%	5.6%
Fountain Hills	$1,020	$1,270	-1.1%	0.8%

ADVERTISEMENT

Winterize Your Pool Furniture

How to make your pool and patio furniture 'winter-ready'

The key element to long-lasting furniture is keeping it clean. We suggest using mild soap and water with a soft cloth on all frames, cushions and slings.

Some stains may be very difficult to clean. Never use harsh chemicals or high-pressure washers on your patio furniture.

Before you use anything on your fabrics or frame finishes ask yourself if you would use the same products on your brand-new Chevy Corvette? If the answer is NO, it's a good indicator of what not to use.

Quite often I have found properties as well as commercial refurbishing companies using wood, glass and stainless steel cleaners, among many other strange products on aluminum frames to make them shine. These products are designed to be used on interior wood, glass and stainless steel furniture and appliances. Some people use even worse cleaning products on fabrics. What most people do not understand is, yes, it looks nice the day you do it, but the overspray of some products hits the fabric on the furniture and causes the fabric to burn and discolor. Over time, the frames will oxidize. Dust and dirt will adhere to the furniture, creating a buildup which really takes a toll on the finish.

Knowing the right products to use and how to use them is important especially when furniture is exposed to the extreme elements.

Once the furniture is clean, all frames should be inspected for any damage such as cracked welds, bends in the frame, missing glides or any issues with the finish. All fabric should be checked for premature fading or sun rot, as well as seams that are coming apart or tearing. We recommend using a soft cloth and a

CMS Commercial Furniture

Jeannie Flynn
President

rubbing compound or correctional compound to buff the frames as a finishing touch. This will bring back the luster and help make your furniture look new again.

Most outdoor furniture manufacturers recommend deep cleaning your furniture several times a year. Fall is the perfect time to wax your frames and buff tabletops.

CMS Commercial Furniture offers the highest quality solution in cleaning and provides service you can trust. Our goal is to make your furniture look new again.

Our cleaning program is designed to clean, protect and extend the life of your furniture.

We personally inspect each piece of furniture for wear or damage and make a list of what you need to repair or replace.

Please contact us about scheduling our "How To Maintain Pool Furntiure 101 Class." It's amazing what you will learn and how much money you will save on replacement costs.

CMS Commercial Furniture offers the finest selection in commercial-rated outdoor furniture and accessories. We partner with artists and designers to bring exciting and new products to our market. Diversity and flexibility are what make CMS Commercial Furniture a leader in this industry. We sell, serivce and maintain outdoor furniture. For more information about winterizing your pool furniture or for a free estimate on cleaning or replacing your furniture, contact us at 480-892-3212 or visit our website at www.cmsfurniture.com.

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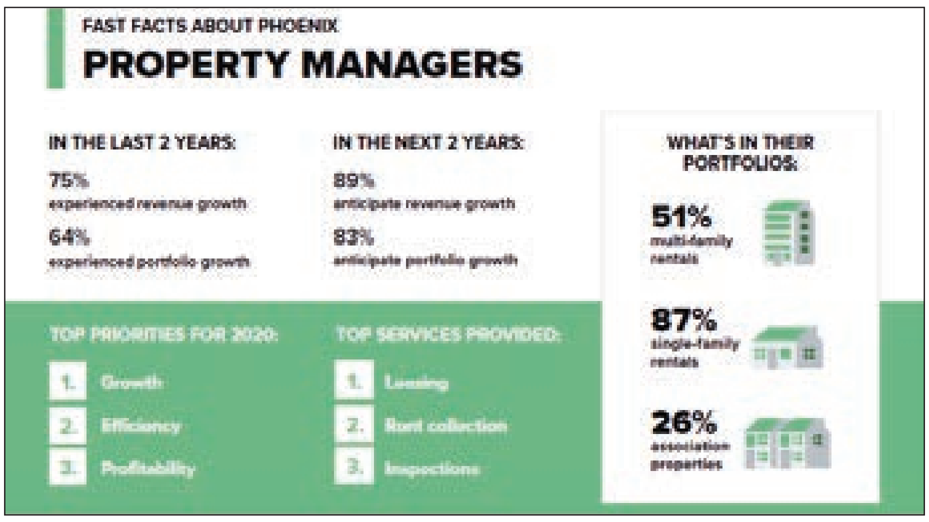
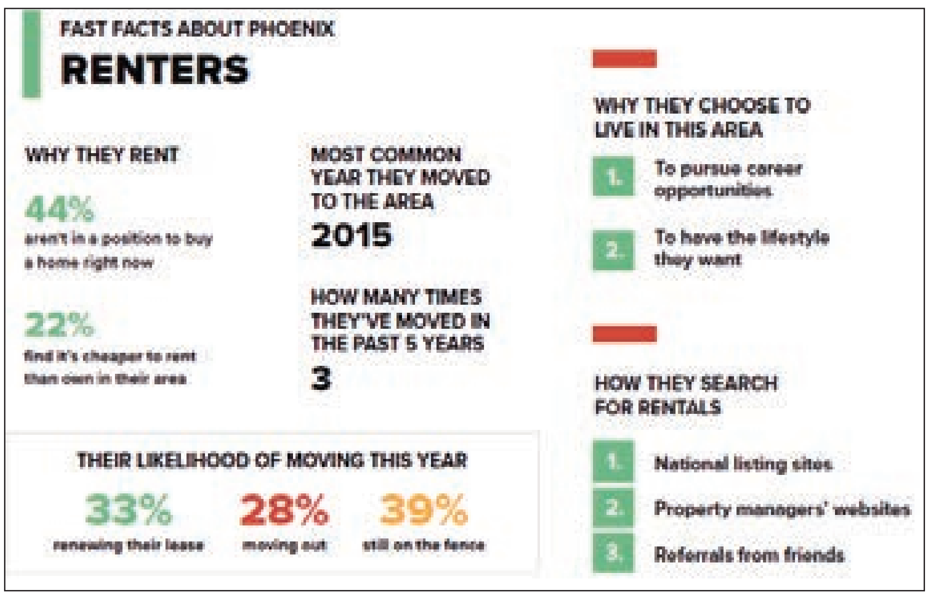
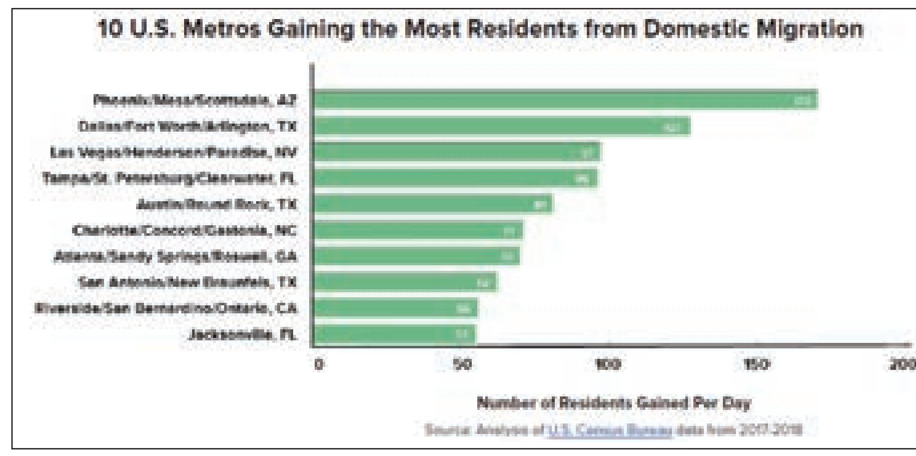
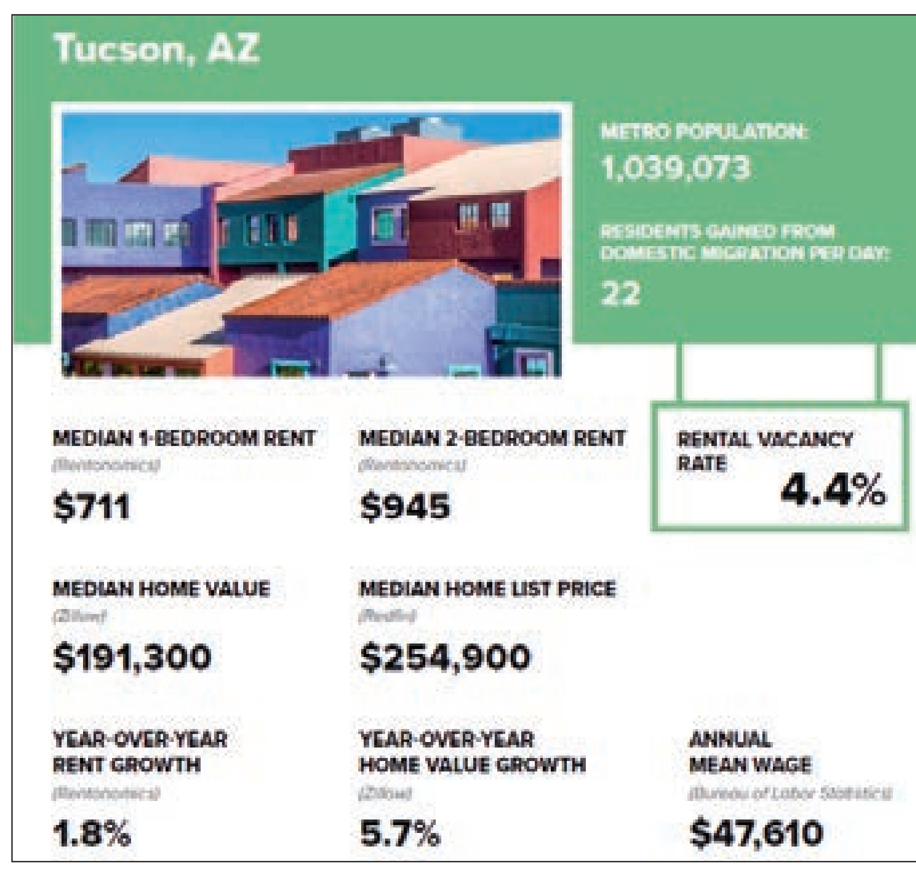
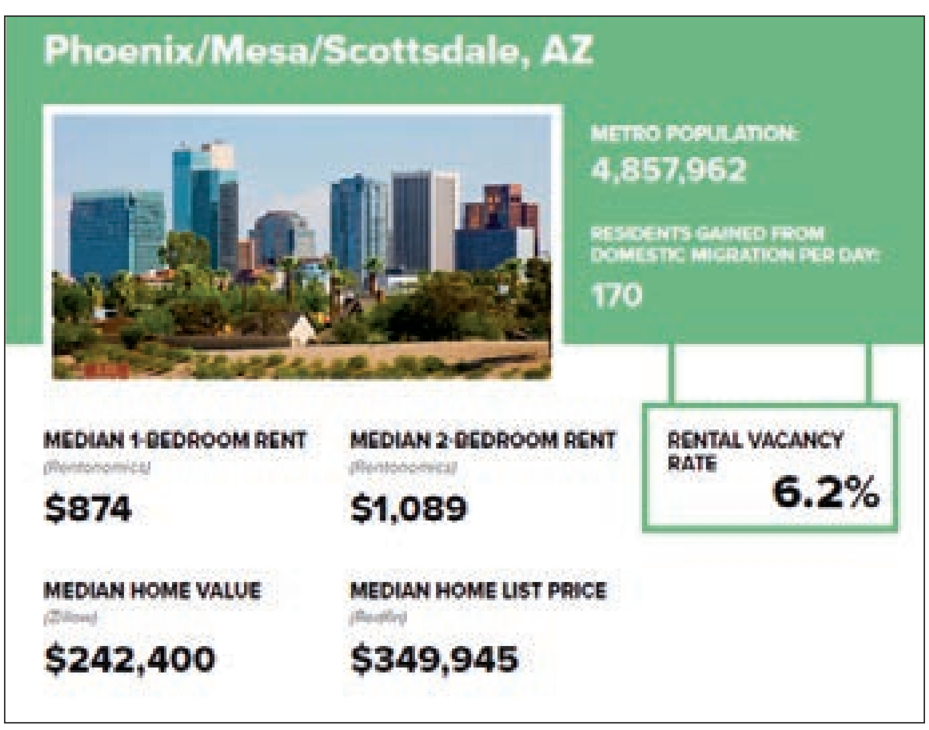
Survey Shows Job of Property Management Is Changing











Continued from Page 1

property managers named growth a top priority this year—an increase of nine points since 2017.

"Growth is the top priority," Phillips said, and "the importance of efficiency has rebounded this year." Profitability expectation was lower.

Though fewer property managers reported portfolio growth in 2019 than in years past, 70 percent did add new properties to their portfolios in the last two years.

Portfolio loss has prevented many property managers from achieving significant growth recently, with a strong seller's market motivating some rental owners to sell their properties. In response, property managers have found innovative ways to generate more revenue without adding new doors, from expanding their services to retooling their fee structures and more.

"However, another piece to the profitability question that has really exploded is legislation and regulation," Phillips said. "There are a lot of changes that are going on here and I just want to note we are looking through the lens of how it impacts our industry. This is not about politics. This is how these policy changes impact our economy. "

Phillips read a response from a participant in the survey that said, "So as laws become more restrictive we are forced to take additional precautions in our leasing processes and resident-retention policies. This is not always perceived well by owners and residents."

Phillips said in an effort to combat housing-related issues NARPM is seeing "a lot of new regulations pop up, and we are trying to work with our localities. This is just the beginning."

Top priorities for property managers

Property managers are laser-focused on growth and efficiency above all else—as they have been for four years straight, according to the survey

In our recent seller's market, growth hasn't come naturally, the survey says.

Property managers have had to fight to maintain their profitability and client base—their third and fourth most-selected priorities for the coming year. In addition, many have renewed their focus on effective communication with their residents, owners, and employees, needed in this fast-moving era where technology both facilitates and hinders relationships.

The future of property management

"Property management increasingly resembles the hospitality industry," Phillips said in the webinar. "The role is becoming more of a consultant, especially as regulations complicate things for the landlords. Relationships are still the most important thing despite all prop-tech hype," she said.

"Customers are drawn to high-touch, personalized experiences," she said. "It should all be in service to a strategy that creates great tenant experience and customer experience," she said.

In addition, a few takeaways:

"First and foremost, make sure you ground every decision you make in the experience and relationships you are seeking to create with your owners and managers.

"Remember, focus on your local expertise. Property management cannot be handled on a national level. Awareness of local market trends matter.

"Diversify your revenue stream, and most of all keep learning and stay connected and take advantage of the learning opportunities out there for you," Phillips said.