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### **UPCOMING EVENTS:**

General Membership Meetings
Postponed Until After May 15, 2020

**UPRO Certification Classes**Postponed Until After May 15, 2020

C.A.M. Certification Classes
Postponed Until After May 15, 2020

CPO Certification Classes
Certified Pool Operator
Wednesday, June 17th and 18th, 2020
9:00 AM – 4:00 PM
UAA Office
www.uaahq.org/cpo







www.rentalhousingjournal.com · Rental Housing Journal, LLC

Official Publication of The Utah Apartment Association – Utah's Leading Advocate for the Rental Housing Industry 801-487-5619 – www.UAAHQ.org

An Important Message from the Chair and Director

# UAA Offers Guidance Regarding Earthquake, COVID-19

### **Dear Members:**

Utah rental operators' resiliency is being tested this month in multiple ways. In this article you will find the following resources:

- 1. Earthquake damage procedures
- 2. COVID-19 guidelines
- 3. How to handle April rent payment/get out of lease issues because of COVID-19

# EARTHQUAKE DAMAGE PROCEDURES

While the recent earthquake could have been a lot worse, and major damages seem few and far between, what should you do if one of your rental properties sustained damage?

First, contact your insurance and/or other professionals to assess damage and determine repairs. Some places are seeing water damage from pipes breaking. Get water turned off and have professionals diagnose the issues. Begin repairs. Communicate and work with tenants. Other places are experiencing gas line breaks; get the gas shut off and contact your local utility company for repairs. Again, communicate and work tenants.

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JEAN SMITH



L. PAUL SMITH, CAE Executive Director, Utah Apartment Association

If tenants are afraid to re-enter the building and want to stay somewhere else, we suggest you be sensitive and work with them. Landlords are not responsible to pay for hotel rooms or other expenses. That should be covered on their renter's insurance.

In the rare case where the building is uninhabitable, landlords can serve a "Landlord's Notice of Uninhabitable Premises." This notice tells tenants they have to move, since the place cannot be made habitable in the required 3 days. All prepaid rent and deposit must be returned. The tenant has 10 days to move.



### COVID-19 GUIDELINES

Apartment Management, staff, and landlords need to be aware of the potential issues relating to the spread of the Coronavirus. Actions taken by local, state, and national governmental agencies should be followed as they may apply to your communities. Obviously, the precautions advised by health

authorities should be strictly adhered to and followed as best as possible.

# Should any general announcements or notifications be made to tenants?

Other than changes in the operation of the community, no general announcements need to be made regarding the coronavirus. As management and landlords, you are not

See 'Guidance' on Page 2



### Good Landlord Classes Now Available Online!

The Good Landlord Class is the base legal class the UAA offers on landlord laws in the state of Utah. Some cities require you to take this class in order to receive a "good landlord discount" on your business license fees. This class is good for all cities in the state and is a wealth of broad knowledge on landlord law.

In these times of social distancing, we are now offering our GLL Class Online so you can still renew your business licenses in compliance with cities Good Landford Program requirements.

The online class will cover:

- Basic guidelines to being a landlord
- Best practices and policies in property management
- Fair Housing basics and landlord/tenant discrimination (including ESA/comfort animals)
- Tenant screening and background checks
- . Evictions and dealing with tenant issues
- Abandoned property and abandoned premises
- Deposits and dealing with damage to property
   As well as a few other rules and guidelines to being a landlord in Utah

REGISTER ONLINE at www.uaahq.org/gll

### An Important Message from the Chair and Director

# Guidance Regarding Earthquake, COVID-19

### Continued from Page 1

experts in this area. Residents should be relying upon the experts to make decisions concerning their activities.

# NOTE FOR HOPA COMMUNITIES

# (COMMUNITIES FOR OLDER ADULTS)

Because it has been determined that the most vulnerable persons to the coronavirus are persons with compromised immune systems and older adults, HOPA communities may want to review activities and uses of community areas. HOPA communities that have interior hallways and other interior common areas may want to increase the cleaning of those areas particularly with emphasis on areas which may be touched frequently (door handles, light switches, etc.).

The primary concerns are the continued proper operation of the communities during this outbreak. Landlords should be concerned about potential residents (applicants), current residents, and staff. The goal should be towards minimizing the potential of exposure to the coronavirus.

### As to employees.

1. Consideration should be given

- to limiting exposure to others by restricting access to the leasing office. Requesting communication by telephone or email. Current residents should be advised of any restrictions and given options for effective communication with management.
- 2. Limiting maintenance to units that have confirmed no sickness or symptoms. When a maintenance request for a unit is made, inquiries can be made to determine if anyone in the unit is sick or has been exposed.
- Management will still need to handle "emergency" or critical repairs. Repairs that can wait, can be delayed.
- 4. Sick employees should be required to go home. Employees who know they have been exposed should be asked to remain home. (It is likely that in the next few weeks MANY of us will be exposed. Most will not know that they have been exposed. Normal precautions should be taken assuming that someone has been exposed.)
- Clean and disinfect work spaces and areas that are frequently touched. Avoid too close of

- contact with each other. Avoid handshakes, and other physical contact. Remind staff to wash hands frequently and avoid touching face.
- Management will still need to function with leasing activities.
   Be cautious with prospective residents and applicants.
- 7. If Management is aware of someone exposed or sick, proper action should be taken to ensure that staff does not have contact. However, Management should be careful to not allow that information to be disseminated outside of the staff that needs to know. Sharing that information could violate privacy laws relating to the individual.

### As to tenants.

- No need for management notices on general information about the coronavirus. If notices are deemed necessary, then keep those notices specific to the community. Discussions about cleaning their unit, use of facilities, etc.
- You can and probably should restrict usage of the leasing office/clubhouse.
- 3. Consideration should be given to closing of fitness facilities. If not closing, at a minimum Management should be posting on fitness room and other amenities that residents/users should clean the equipment themselves before use.
- 4. Management should consider enhancing the cleaning of the amenities (both thoroughness and number of times)
- 5. If you are able to provide cleaning wipes and hand sanitizer in the fitness area, that would be appropriate.
- 6. If you are able to provide hand sanitizers in the clubhouse, leasing office, fitness areas, etc. that would also be appropriate and helpful.
- 7. Management should cancel any parties or gatherings sponsored by management.
- 8. Use of any of the amenities by a resident that might entail a large gathering should be discouraged or cancelled.
- 9. While outdoor amenities can be prepared for summer use, Management should evaluate the timing of the opening those amenities until there is better information on the status and progress of the coronavirus.

There is nothing that would allow for a current resident to use the coronavirus to require more from management than the contract provides. This coronavirus "crisis" does not give any rights to terminate a lease or to require modification of a lease. Management may get a reasonable accommodation request concerning someone that is disabled and might have more

vulnerability to the coronavirus. Those should be discussed with legal counsel to review. It would be an unusual situation where it would apply.

— Provided by the Law Offices of Kirk A. Cullimore 801-571-6611

# How to handle April rent payment/get out of lease issues because of Covid-19

While most tenants will still have the means to pay April rent, there may legitimately be cases where someone was sick or quarantined or lost income because of business closures. In these cases, it is better if we as an industry have a sensitive and reasonable plan in place to avoid government action, such as broader rent waivers or eviction bans that will affect all our customers.

# WHAT WE ARE RECOMMENDING IS THE FOLLOWING:

- 1. If tenants have a problem paying rent, we suggest you have a process to qualify them. More info will be available soon, but your criteria would likely require they be current on rent up till now, that they demonstrate they tested positive for the virus, were quarantined because of the virus, or lost work/income because of the virus. It wouldn't be a blank check for anyone, just those actually affected
- Tenants would sign an addendum outlining how they would pay back the deferred rent. Landlords would have the option of having one lump sum paid by a certain date, or splitting payments up over a period of months.

STUDENT HOUSING – College students are being told to do all studies online for now, and some want to go home and get out of their leases. You are not required, even if you are a part of BYU housing, to release them. However, in the interests of goodwill, and maybe as a condition of signing a new lease next year, we ask landlords to try to work with tenants if possible. Lease buy-outs are an option.

The National Apartment Association has released guidance documents and a webinar that are available on their website: www.naahq.org.

Links below:

https://www.naahq.org/newspublications/guidance-dealingcoronavirus

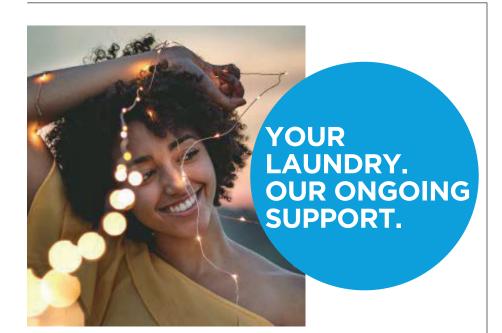
https://www.naahq.org/sites/ default/files/naa-documents/disaster/ novelcoronavirus\_guidance.pdf

https://www.cdc.gov/coronavirus/2019-ncov/index.html

We are committed to providing our members with the resources and support they need in these unique times.

Sincerely,

Jean Smith, 2020 Board Chair L. Paul Smith, Executive Director



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# **Demand for Apartment Jobs Hits Record in 2019**

### NATIONAL APARTMENT ASSOCIATION

Demand for apartment jobs reached record levels in 2019 and the apartment labor market delivered a strong performance by the end of the year, according to the annual report from the National Apartment Association.

Demand for apartments reached record levels during the year, in turn creating a competitive labor market as owners sought out talent to manage, lease, and maintain their communities, the report from the National Apartment Association's Education Institute says.

Monthly job postings, not all of which actually get filled, averaged 10,979.

In August, total job postings in the apartment Industry as a percent of the real estate sector soared to 43.3 percent. A hectic leasing season yielded record level occupancy rates. According to Real Page, U.S. occupancy rates averaged 96.3 percent in August, the highest rate since 2000.

### TOP CITIES FOR DEMAND

Secondary markets Denver, Austin, San Antonio, and Raleigh took the lead for markets with the highest demand for apartment industry professionals.

Apartment job demand for these areas coincided with their strong apartment market fundamentals during the year, most notably with new deliveries.

Denver supplied 4,315 apartment job openings. Bell Partners accounted for 11.1 percent of all apartment job postings in Denver.

Availabilities in Austin totaled 2,954. 9.8 percent of all apartment job openings in Austin were provided by Alliance Residential Company. Another large Texas market, San Antonio posted 1,769 job openings. Lincoln Property Company was the top employer in San Antonio, responsible for 6.5 percent of all apartment job openings.

Raleigh listed 1,413 job openings. Identical to Denver, Bell Partners represented 11.1 percent of all apartment job postings.

### **A**PARTMENT JOBS SALARIES

In a tight labor market, industry employers are faced with the challenge to attract and retain talent, while still managing the bottom-line.

Salary ranges can have a wide variety depending on location, education, certifications, skills, and years of experience. In Raleigh, salaries for property managers and assistant property managers were above the U.S. average. Leasing consultant salaries were particularly competitive in Austin and Denver.

Maintenance technicians were also in high demand in Denver during 2019, which produced salaries well above the national average.

### CITIES WITH CONCENTRATION

Denver and Seattle had the highest concentration of major apartment job titles, with demand for talent averaging 3.1 and 2.8 times the national average, respectively.

Apartment construction has boomed in Denver as large companies such as Amazon have expanded their offices. The tech titan created 400 jobs, generating demand for more housing.

Competition for talent in Seattle was also highly competitive, most notably for leasing consultants and maintenance technicians, location quotients for these positions were about 3.0 times the U.S.

Competition for rental housing labor fared particularly high in both Raleigh and Fayetteville, AR, which experienced job growth well above the U.S. average in 2019.

### SKILLS THAT ARE REQUIRED

Employers are constantly competing for talent in a shrinking pool of qualified candidates.

Strong communication skills were critical across property managers, leasing consultants, and maintenance technicians. Employers agree effective communication with residents, contractors, and other members of the property management team plays an important role in the property's performance.

Microsoft Word and multi-tasking skills had the greatest rise in demand among the many baseline skills required in the apartment industry, increasing by 1.6 and 1.4 percentage points annually.

Experience with sales, customer service, and Yardi Software also saw a significant increase in the percentage of jobs requiring these skills since 2018.

### MOST SOUGHT-AFTER JOBS

Maintenance positions were the most sought after during 2019.

As reported by the Bureau of Labor Statistics, general maintenance and repair occupations are projected to experience an average growth rate of 6 percent through 2028, which is above the average of 5 percent for all jobs.

A high school diploma or vocational training represented 98.8 percent of all minimum education required for maintenance technicians and supervisors. Outside of standard requirements like drivers licenses, certifications in greatest demand for these positions included EPA certification, pool operator certification, and boiler operator license.

### **EMPLOYEE TURNOVER RATE FALLING**

The overall turnover rate fell for the first time since 2016, driven mainly by the 0.7 percentage point decline in leasing positions.

Maintenance technicians continued to be the most challenging to retain with a decade-high turnover rate of 39.2 percent. According to Grace Hill, on-boarding, employee recognition, and career paths are the most effective methods for improving turnover.

Sources: NAA Research; Burning Glass Technologies; CEL & Associates; Real Page, Grace Hill; Bureau of Labor Statistics Data as of December 31, 2019; Not Seasonally



# Apartment Jobs Apartment Association Snapshot 2019:

Year in Review

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

35.0%

**April 37.3**%

38.2%

September

40.3%

41.0%

**40.4**%

Summary: By the end of 2019, the apartment labor market delivered a strong performance. Demand for apartments reached record levels during the year in turn creating a competitive labor market as owners sought out talent to manage, lease, and maintain their communities. Monthly job postings, not all communities which actually get filled, averaged 10,979 in August, total job postings in the apartment Industry as a percent of the real estate sector soared to 45.3 percent. A hectic leasing season yielded record level occupancy rates. According to Real Page, U.S. occupancy rates averaged 96.3 percent in August, the highest rate since 2000.

Top MSAs for **Apartment Job Demand** (Time to Fill)\*

Denver **33.6** Days

Austin **35.1 Days** 

San Antonio **35.8** 

Raleigh 38.9 **Days** 

professionals. Apartment job demand for these areas coincided with their strong apartment market fundamentals during the year, most notably with new deliveries. Deriver supplied 4,315 apartment job openings. Bell Partners accounted for 111 percent of all apartment job posings in Deniver. Availabilities in Austin totaled 2,954. 9.8 percent of all apartment job openings. In the availabilities in Austin were provided by Alliance Residential Company. Another large Texas market, San Antonio posted 1,769 job openings. Lincoln Property Company was the top employer in San Antonio, responsible for 6.5 percent of all apartment job openings. Raleigh listed 1,413 job openings. Identical to Deniver, Bell Partners represented 11.1 percent of all apartment job postings.

### **Earnings** Market Salary 90th Percentile for Top MSAs 2019\*\*

Title	U.S.	Denver	Austin	San Antonio	Raleigh
Property Manager	\$60,153	\$55,849	\$40,273	\$54,758	\$64,965
Assistant Property Manager	\$41,426	\$40,273	\$38,387	\$37,375	\$41,708
Leasing Consultant	\$36,769	\$38,026	\$39,159	\$32,441	\$31,923
Maintenance Supervisor	\$48,536	\$37,641	\$45,114	\$42,611	\$42,556
Maintenance Technician	\$36,960	\$48,195	\$35,688	\$34,737	\$33,900

Salary ranges can have a wide variety depending on location, education, certifications, skills, and years of experience. In Raleigh, salaries for property managers and assistant property managers were above the U.S. average. Leasing consultant salaries were particularly competitive in Austin and Denver Maintenance technicians were also in high demand in Denver during 2019, which produced salaries well above the national average

### Location Quotients (Highest Concentration by Major Titles)\*\*\*

**Property** Manager Raleigh 3.5 2.9 Portland, OR 2.8 2.6

2.6

Consultant Austin 4.0 3.7 3.6 Fayetteville, AR 3.5 Raleigh 3.0

**Maintenance Technician** Fayetteville, AR 4.0 Denver **3.1** Portland, OR 3.0 Seattle 2.8

Jacksonville

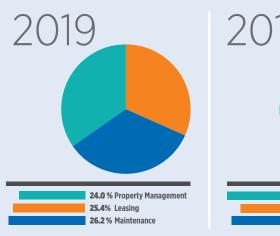
2.8

Summary: Denver and Seattle had the highest concentration of major apartment job titles, with demand for talent averaging 3.1 and 2.8 times the national average, respectively. Apartment construction has boomed in Denver as large companies such as Amazon have expanded their offices. The tech titan created 400 jobs, generating demand for more housing. Competition for talent in Seattle was also highly competitive, most notably for leasing consultants and maintenance technicians, location quotients for these positions were about 5.0 times the U.S. of times the U.S. average. Competition for rental housing labor fared particularly high in both Raleigh and Fayetteville, AR, which experienced job growth well above the U.S. average in 2019.

### **Common Skills** (Percent of Jobs Requiring Skill)

Property Manager		Leasing Consultant		Maintenance Technician		
% Required	Specialized Skills	% Required	Specialized Skills	% Required		
85.3%	Leasing	100.0%	Plumbing	84.2%		
57.8%	Customer Service	53.2%	Repair	77.4%		
35.4%	Property Management	44.1%	HVAC	71.3%		
% Required	Baseline Skills	% Required	Baseline Skills	% Required		
49.2%	Communication Skills	45.8%	Preventive Maintenance	34.4%		
38.6%	Organization Skills	34.8%	Troubleshooting	21.6%		
36.2%	Microsoft Office	28.8%	Communication Skills	21.5%		
	% Required 85.3% 57.8% 35.4% % Required 49.2% 38.6%	% Required     Specialized Skills       85.3%     Leasing       57.8%     Customer Service       35.4%     Property Management       % Required     Baseline Skills       49.2%     Communication Skills       38.6%     Organization Skills	% Required         Specialized Skills         % Required           85.3%         Leasing         100.0%           57.8%         Customer Service         53.2%           35.4%         Property Management         44.1%           % Required         Baseline Skills         % Required           49.2%         Communication Skills         45.8%           38.6%         Organization Skills         34.8%	% Required         Specialized Skills         % Required         Specialized Skills           85.3%         Leasing         100.0%         Plumbing           57.8%         Customer Service         53.2%         Repair           35.4%         Property Management         44.1%         HVAC           % Required         Baseline Skills         % Required         Baseline Skills           49.2%         Communication Skills         45.8%         Preventive Maintenance           38.6%         Organization Skills         34.8%         Troubleshooting		

### Job Postings by Major Category: 2019 vs. 2018 (% of All Apartment Jobs)



Summary: Maintenance positions were the most sought after during 2019. As reported by the Bureau of Labor Statistics, general maintenance and repai occupations are projected to experience an average growth rate of 6 percent through 2028, which is above the average of 5 percent for all jobs. A high school diploma or vocational training represented 98.8 percent of all minimum education required for maintenance testinas and supervisors. Outside of standard requirements like drivers licenses, certifications in greatest demand for these positions included EPA certification, pool operator certification.

26.1 % Property Management

**22.9**% Leasing

25.6 % Maintenance

### Ask the Attorney

# **Terminating the Lease by Text?**



Adobo

920-222-1405

www.adobo.com

**JEREMY SHORTS Attorney** 

Q: "My tenant texted me that they're moving out and terminating the lease, is that legal under Utah

**A:** The quick answer is no, the tenant cannot text a notice to terminate the lease. Similarly, the landlord can't terminate the lease by sending a text to the tenant. To terminate a month to month lease under Utah law, either party needs to provide a written notice of termination. The notice needs to be served the same way an eviction notice is served (personal service, substitute service, posted service or via certified mail). This creates a possibly awkward situation, what if the tenant

texts this notice but changes their mind and doesn't move out? If you receive such a text and want to rely on it, we recommend confirming the move out date by serving the tenant your own written termination notice. In this situation, if the tenant doesn't move out it gives you the option of filing an eviction with the court.

# Welcome New Supplier Members!

Join us in welcoming our newest supplier members of the association and don't forget our referral program: \$50 Visa gift cards to everyone who refers a new supplier member that joins in

2020! For more information on these companies and the services

**Dirt Monkey's Landscaping** 

801-634-2468

www.dirtmonkeyslandscaping.com

they offer, be sure to check them out on the online supplier guide online: https://web.uaahq.org/search We're excited to have these companies as part of the Utah Apartment Association. **WELCOME!** 

**MVP Playgrounds** 

303-645-4213

www.mvpplaygrounds.com

The Domain Companies

312-672-9894

www.thedomaincos.com

# **New Resource Page** on UAA Website

On March 18, 2020, the UAA released an important guidance email regarding earthquakes and COVID-19 (See Chair/ Director Message on Page 1).

In addition, we have added a new page to our website where we will update things property owners and managers need to know about rental housing.

Need to Know? www.uaahq.org/need2know

To advertise in Rental Housing Journal, call Vice President/Sales *Terry Hokenson at 480-720-4385* or email him: Terry@rentalhousingjournal.com



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# 5 Tips To Help Detect Mold Problems

### KEEPE

Mold can not only lead to structural damage to your property, but also cause serious health risks to you and your tenants if not caught and treated in a timely manner.

Because of the severe and broad effects that mold can have, responsible ways to detect mold problems and evaluated them will require both physical examinations of your property as well as open communication with your tenants and/or on-site building manager.

Here are some tips:

# No. 1 – DARK SPOTS OR MOLD SPORES

Let's start with the most severe. If you can see mold, you likely have a significant problem on your hands. Visible mold usually indicates just a small portion of a problem that lies underneath.

# No. 2 -WATER OR MOISTURE COLLECTION

Mold needs moisture and dampness to settle and grow. Elevated moisture levels in building materials can be another sign of possible mold. A common complaint, for instance, may be a water stain on the ceiling. Official assessment will require a professional with the appropriate materials to confirm whether it's just a leak to be fixed, or mold.



# No. 3 – Musty or damp smell

Not all mold has the same scent, so this may be hard to pinpoint. Generally, the scent of mold is unpleasant and as though something is moist in the area. Some compare the smell to rotten wood or wet socks. Bottom line—if it is not a common scent in the building or apartment, it should be investigated.

### No. 4 - FLOODING

If your building or any apartment within it has a history of flooding, you should keep a watchful eye on that space. If the flood was not handled by an appropriate professional, you stand the risk of growing mold on both a

short- and long-term basis.

### No. 5 - HEALTH SYMPTOMS

There are several symptoms that could mean exposure to mold. These can be tricky, because the symptoms alone cannot prove a mold problem. However, if you are evaluating all of the above factors on a periodic basis, any additional health reactions can help you determine whether you have a problem. Signs of health symptoms from residents (or others who spend significant time on your property) that may be problematic:

- A lingering cold or flu-like symptoms;
- Frequent headaches that perpetuate and/or get worse;

Nosebleeds:

- Difficulty breathing or other respiratory issues;
  - Irritated eyes, skin, throat or nose.

Mold detection should be part of your regularly scheduled property inspections.

Keep in mind that problem areas can include places that have the most exposure to moisture and little access to light, such as basements, bathroom ceilings and ductwork of your HVAC systems.

However, if you notice (or your residents report) any of the listed red flags in the interim, don't wait to take action. A mold problem will only get worse and cannot be solved by a simple cleaning.

If you stay proactive, you will be better positioned to minimize your mold risks, keep costs down and keep your tenants happy.

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

## **HUD Settles with CA Landlords Over 2-Person-Per-Bedroom Policy**

### RENTAL HOUSING JOURNAL

Owners and property managers will have to pay \$10,000, abolish any two-person-per-bedroom policy, remove language regarding the two-person-per-bedroom policy from advertising and marketing materials, and have property managers and staff fair housing training, according to a HUD release.

HUD announced the settlement between the Inland Fair Housing and Mediation Board and a group of Upland, CA, property owners and managers "resolving allegations that they discriminated against families with children by refusing to rent to them and by imposing different occupancy terms and conditions to families with children," according to the release.

The complaint alleges the owner and property managers violated the Fair Housing Act by:

- Refusing to rent to families with children;
- Citing different terms and conditions to families with children;
- Implementing and enforcing an unreasonably restrictive occupancy policy.

The Fair Housing Act makes it unlawful to deny or limit housing because a family has children under the age of 18, and to make statements or establish rules and policies that discriminate against families with children. Housing may exclude children only if it meets the Fair Housing Act's

exemption for housing for older persons.

"Families looking for safe, decent housing shouldn't be penalized because they have children," said Anna María Farías, HUD Assistant Secretary for Fair Housing and Equal Opportunity, in the release. The agreement "reaffirms HUD's commitment to ensuring that housing providers meet their obligation to treat all applicants the same."

The case came to HUD's attention when Inland Fair Housing and Mediation Board (IFHMB), a HUD Fair Housing Initiatives Program agency,

filed a complaint based on results from their fair-housing tests.

IFHMB alleged the tests showed the property owners and two property managers refused to rent to families with children and/or offered them different lease terms and conditions.

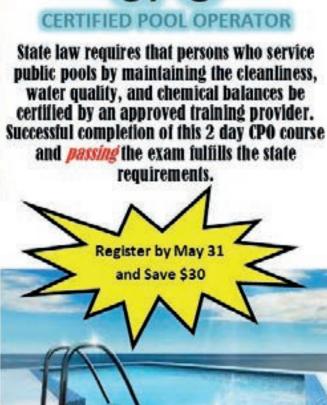


June 17 & 18, 2020 9 AM-4 PM (MUST ATTEND BOTH DAYS) \$235

230 W. Towne Ridge Pkwy #175 Sandy UT 84070

Register: www.uaahq.org/cpo





# 3 Kinds of Rental Housing Owners and How Property Managers Can Best Deal with Them

### BUILDIUM

Property managers have to deal with three kinds of apartment owners, from the regular investor to the accidental landlord – and a third type, according to Buildium's 2020 Rental Owners' Report.

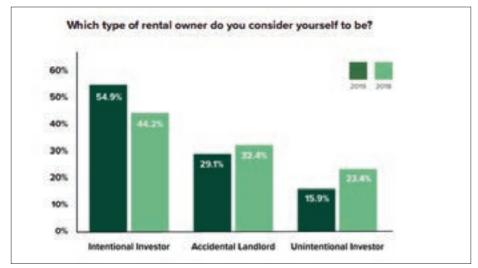
Buildium surveyed more than 600 rental owners across the country "to better understand the motivations and pressures that drive their decisions, as well as the expectations that they have of property managers. We put it all in the context of our research on the property-management industry and the rental market to help property managers turn insights into action," the report says.

The report says the recent seller's market in properties means there has been a change in the type of owner seeking property management. Also the number of "intentional investors" is now "55 percent of rental owners in 2019, an increase 39 percent since 2018."

# 3 KINDS OF RENTAL HOUSING OWNERS

Accidental landlords have been selling, the report says, and are being replaced by the intention investors and a third kind of owner.

"As home prices have begun to recede



from the peaks they've reached over the last two years, interest is growing among a new generation of investors. Property managers will benefit from an ability to prove their value to not only the accidental landlords and intentional investors they've served in the past, but also to a new group of DIY landlords tempted to manage their rentals with apps," Buildium says in the report.

Here are the 3 kinds of rental housing owners:

- Intentional Investors bought a rental property as an investment. These are about 55 percent of the rental housing owners.
- 2. Accidental landlords "fell into rental-property ownership due

### **Chart from the Buildium Report**

to circumstance." These types generally do not plan to buy additional properties. They represent about 30 percent of owners.

3. Unintentional investors "fell into rental-property ownership due to circumstance" and then added additional rental-housing properties. These are about 16 percent of owners, the report says.

### How to deal with rental owners' stress points, goals

"Finding a property manager and

working with them is a consistent source of stress for rental owners, illustrating the importance of providing excellent customer service from the very first interaction," the report says.

Maintenance is listed as the most stressful aspect of owning rental housing by the owners in the survey, followed by finding a property manager and filling vacancies.

Three out of four owners "agree that reliability and trustworthiness are the most important qualities a property manager can have," the report says.

The Buildium report also had a number of quotes from owners offering advice on how best to deal with them.

- "Be a quick communicator, be thorough, and follow up when the owner reaches out. Trust can be broken, but if fostered, can build a great portfolio and relationship."
- "Show in dollars how a property manager will save me money over doing it myself."
- "Stay on top of market conditions to understand rent and vacancy rates. Be prepared to inspect the houses regularly to ensure they're being cared for properly. Keep accurate financial records for cash flow and tax purposes."

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# NAA Statement and Position on COVID-19

Updated February 27, 2020

The Centers for Disease Control and Prevention (CDC) is closely monitoring the outbreak of Coronavirus Disease 2019 (COVID-19) [formerly novel coronavirus 2019-nCoV], which was first detected in Wuhan City, China, and has since spread to 28 additional countries. With 14 cases of coronavirus confirmed in the United States (through February 26, 2020), the National Apartment Association (NAA) believes it prudent for its members and affiliates to be prepared for incidents involving COVID-19 should they occur.

NAA understands that affiliates, members and residents may have concerns about how apartment communities should address the virus and, in an effort to offer preliminary guidance and information to assist with preparations, we have compiled the following material from official sources.

It is important to recognize that NAA, its affiliates and individual members are not health care professionals. The CDC and other qualified health officials should continue to be the primary source of current information and guidance. NAA is offering general, precautionary guidance from officials, and adding some common-sense guidelines for our industry in the interest of promoting a proper amount of caution at this time. Because this is a rapidly evolving situation, NAA will monitor developments and will continue efforts to secure guidance specific to the operation of rental housing from health officials. Additionally, NAA will update its website with new information as it becomes available.

### I. CURRENT POINT OF VIEW:

- Refer most media and key stakeholder inquiries to Centers for Disease Control (CDC) resources at this time.
- NAA, its affiliates and individual members are not health care providers. Providing specific guidance (health tips) beyond general precautionary measures, is not advised. The CDC and other qualified officials should provide this information.
- Continue to monitor the situation, stay tuned to your local authorities and their ongoing communications and keep track of how it affects "higher risk" sectors such as

and the like to see whether efforts here lead to more definitive guidance from health officials.

3. If a resident is confirmed to have COVID-19, do not direct facilities management or maintenance staff to the apartment. Immediately contact the local health department and CDC for guidance regarding appropriate measures to take.

### II. MEDIA GUIDANCE:

NAA recommends that incoming media requests be directed to CDC and/or local health officials, who are better qualified to answer their questions at this time. You don't want to be at risk with liability concerns.

- Ensure your office has the proper contact information of the local health authority and/or the best CDC resources on hand for handling queries from local stakeholders.
- NAA recommends a holding statement be developed. An example: "We appreciate your call. It is wise for everyone to remain current and follow the most recent guidance provided by health officials. That is why we request that you direct your question to [Local Health Official] or the CDC, who are on top of this situation."

### III. OTHER KEY MESSAGES TO CONSIDER:

NAA recommends that guidance from CDC and other officials be treated seriously. At present, CDC prevention information includes:

- Wash hands often with soap and water for a minimum of 20 seconds. If soap and water are unavailable, use an alcohol-based hand sanitizer.
- Avoid touching your eyes, nose and mouth with unwashed hands.
  - Avoid close contact with people who are sick.
- Stay home when you are sick.
- Cover your cough or sneeze with a tissue, then throw the tissue away.
- Frequently clean and disinfect touched objects and surfaces.

NAA encourages all members and affiliates to

travel/tourism, convention centers, sporting events monitor the situation and stay current with advice from CDC and public health officials.

### IV. POTENTIAL QUESTIONS FROM RESIDENTS/MEDIA:

If someone in an apartment community is diagnosed with COVID-19, will other residents become infected? What are the real risks?

According to the CDC, "The virus that causes COVID-19 is spreading from person-to-person. Someone who is actively sick with COVID-19 can spread the illness to others. That is why CDC recommends that these patients be isolated either in the hospital or at home (depending on how sick they are) until they are better and no longer pose a risk of infecting others." However, the CDC further states that, "COVID-19 is an emerging disease and there is more to learn about its transmissibility, severity, and other features and what will happen in the United

[In the event of a confirmed case of COVID-19]

Did the building owner and property management team collaborate with CDC to disinfect an apartment and any other parts of the building?

What was done to isolate the virus to the patient's apartment?

How was the patient's apartment cleaned and sanitized?

How did the building owner and manager address sanitizing the public spaces of the building that the patient may have come in contact with?

Is my apartment safe? I live on the same floor as they did – am I in danger of contracting COVID-19?

We understand your concerns. Your questions are best handled by the local health officials and the CDC. We are cooperating fully with CDC/local public health guidance and are taking all necessary precautions to ensure the safety of all residents. We encourage you to visit the CDC website for updated information and safety precaution tips.

\*\*If you are involved in a COVID-19 case with a resident, please contact NAA to apprise us so that we may provide further guidance.

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