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

Multifamily Transactions Down, But Appear to be Set to Rebound

RENTAL HOUSING JOURNAL

The impact of the pandemic was not felt evenly across the county as multifamily transactions in 2020 were down and sales plunged in due to COVID-19, according to a new report from Yardi Matrix, after record multifamily transaction volume in 2019.

A few summary points from the report:

- Much of the change could be described as a "filtering" effect: investors moving from urban cores to inner-ring suburbs, from primary to secondary metros and from secondary to tertiary metros. This phenomenon results from several factors, including owners putting fewer properties on the market, disagreement between buyers and sellers about prices, the composition of buyers, and the competition for assets.
- Sales recovered in the third quarter after hitting a trough in 2Q20, but like so much about the economy, a return to "normal" transaction activity is hard to predict. Until the pandemic recedes and people can return to daily activities with the help of an effective vaccine, uncertainty will linger.
- Despite worrying economic signals—U.S. unemployment numbers remain high, gateway-market occupancy rates and rents

"The upshot is that demand for multifamily properties is high and should remain so for the foreseeable future."

—Paul Fiorilla, Director of Research, and Casey Cobb, Senior Analyst

See 'Multifamily' on Page 6

Emergency Repair vs. Maintenance Request

KEEPE

Being a responsible property manager means responding to your tenant's emergency repair and maintenance requests promptly. Every property manager's priority is to keep the property in its best condition to make sure the tenants are happy and satisfied. This will add value to their stay and motivate them to stay longer.

But when they make these requests, how would you classify which are emergency repairs and which are simple maintenance requests? Knowing how to respond to each type of maintenance request will both save you money and improve your tenants'

See 'Not' on Page 5

Compensation Fund for Landlords Passed by Oregon Lawmakers

RENTAL HOUSING JOURNAL

The Oregon State Legislature special session passed a $150 landlord-compensation fund that provides up to 80 percent of rent due for landlords, but requires them to forgive the remaining 20 percent.

The legislature also extended the current eviction moratorium to June 30, 2021. The landlord-compensation fund money was part of the overall $800 million set aside by the special session to address several COVID-19 relief issues.

Overall, the legislature allocated $200 million in rent assistance to support tenants and landlords, which includes the $150 million for the Landlord Compensation Fund. The Oregon Housing Stability Council will be developing program materials "in the coming weeks as we prepare to launch the Landlord Compensation Fund in late January," the council said in a release.

See 'Compensation' on Page 7

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What Properties Can be Used in a 1031 Exchange?

By The Kay Properties Team

If you are interested in selling your real estate, the phrase “1031 Exchange” has certainly come up once or twice in your research, as an outright sale can trigger large tax consequences. The capital gains and depreciation recapture taxes can be a serious dent in the return you expected to earn from the sale of your real estate. A 1031 exchange is a process by which an investor can defer the taxes they would pay upon sale of their investment property. It is important to understand how the 1031 exchange can be utilized.

A 1031 exchange may be performed if the property sold and the following property or properties purchased are both considered investment property. Investment properties are those that are used for business or investment purposes. Raw land, land with mineral rights, multi-family, and commercial real estate can all qualify as “like-kind” for the purposes of a 1031 exchange. Any property that falls outside that definition would not qualify. A primary residence or any property in which one stays more than two weeks in a year is NOT considered an investment property.

Again, an investment property must be exchanged for another investment property. Properties can only be exchanged if they are used for investment purposes like residential rentals, multifamily, condominiums for rent, commercial, industrial, retail etc. Furthermore, there are many 1031 exchange alternatives one may consider. A Delaware Statutory Trust is a great example. With DST real estate, an investor is able to exchange into properties and own a fractional interest in the real estate. Instead of investing the entirety of the proceeds into another property, one for one, an individual is able to invest in multiple pieces of property as a fractional and passive owner. Under the DST structure, fractional real estate ownership is still considered eligible for 1031 exchange. This is a helpful way to potentially diversify into a portfolio of properties, thereby buffering the risk of having “all your eggs in one basket” by buying a single property. Utilizing the DST structure, one can own fractional interest of multiple properties with the opportunity for several geographic locations as well as with various asset managers running each real estate investment as part of a diversified 1031 solution into DSTs.

These are illustrative examples of 1031 DST offerings. Future available 1031 DST offerings and tenants may be different. Diversification does not guarantee profits or protect against losses.

About Kay Properties and www.kpi1031.com

Kay Properties is a national Delaware Statutory Trust (DST) investment firm. The www.kpi1031.com platform provides access to the marketplace of DSTs from over 25 different sponsor companies, custom DSTs only available to Kay clients, independent advice on DST sponsor companies, full due diligence and vetting on each DST (typically 20-40 DSTs) and a DST secondary market. Kay Properties team members collectively have over 115 years of real estate experience, are licensed in all 50 states, and have participated in over 15 Billion of DST 1031 investments.

This material does not constitute an offer to sell nor a solicitation of an offer to buy any security. Such offers can be made only by the confidential Private Placement Memorandum (the “Memorandum”). Please read the entire Memorandum paying special attention to the risk section prior investing. IRC Section 1031, IRC Section 1033 and IRC Section 721 are complex tax codes therefore you should consult your tax or legal professional for details regarding your situation. There are material risks associated with investing in real estate securities including illiquidity, vacancies, general market conditions and competition, lack of operating history, interest rate risks, general risks of owning/operating commercial and multifamily properties, financing risks, potential adverse tax consequences, general economic risks, development risks and long hold periods. There is a risk of loss of the entire investment principal. Past performance is not a guarantee of future results. Potential cash flow, potential returns and potential appreciation are not guaranteed.

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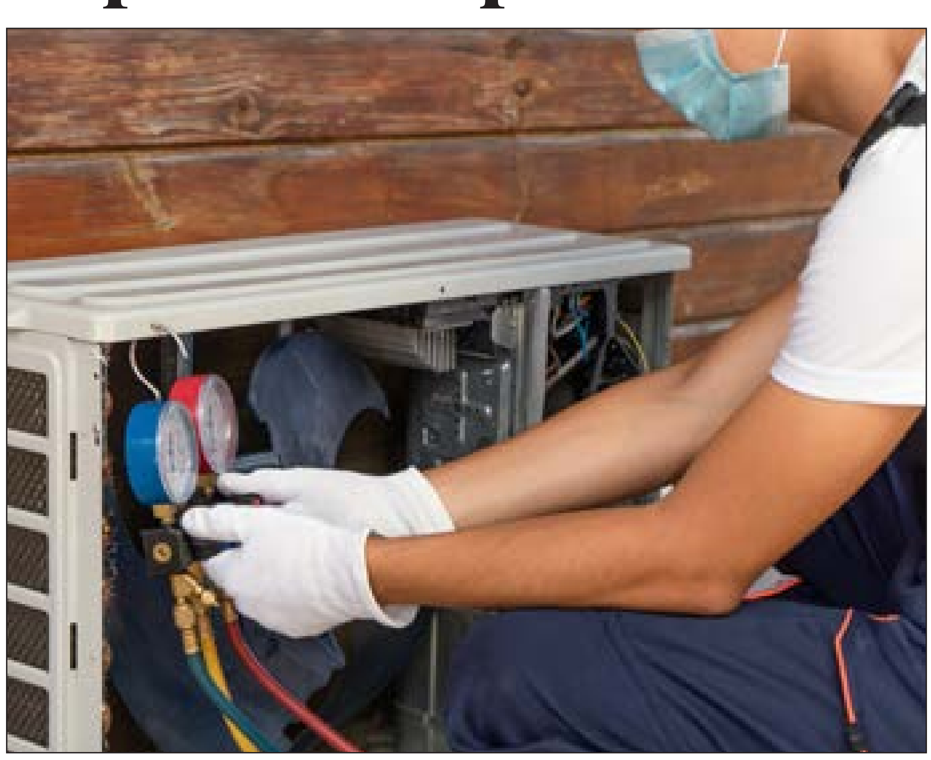
COVID-19 Impact on Apartment Service Calls

By Jacie Good and Kris Servidio
Mark-Taylor Properties



The multifamily industry has been challenged to pivot in many ways since COVID-19 hit the United States early in 2020. One area most affected has been onsite service and facility-management teams.

The pandemic is now approaching the one-year mark of changing the way apartment communities handle service requests, and our teams have found a new routine that works for both residents and employees at our more than 60 luxury apartment communities in Arizona and Nevada.

Asking residents to vacate the apartment while service work is being completed has kept everyone safe as we continue to social distance as much as possible while still providing the best assistance we can. In some cases, for simple service requests like an air-filter change or a light bulb change, we have been able to drop the supplies at the resident’s door if the person feels comfortable doing it on their own.

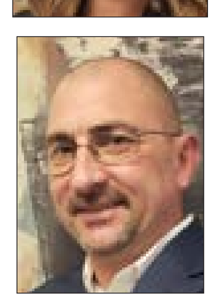
All service technicians wear masks and gloves when entering an apartment unit, as well as being the only person in the unit during the time of service. Also, prioritizing service requests by the level of urgency has helped to keep wait times to a minimum. The team has created a weekly schedule that involves tackling major issues on Mondays, Wednesdays and Fridays, like appliance repairs, heating or cooling issues and plumbing leaks. They set aside time on Tuesdays and Thursdays for more minor issues or routine maintenance.

For several months, pre-move out inspections were cancelled due to social distancing and health and safety concerns. We have resumed them now, with additional COVID-19 precautions in place.

In addition to prioritizing safety on property, Mark-Taylor decided as a company to make an investment in employee health. We have contracted with a healthcare company and are providing rapid COVID-19 tests to all employees at no cost. Employees can be tested and get immediate results any day. Additionally, service teams are cross-trained in community clusters, so they are very familiar with each other’s community processes. This allows them to be available for temporary reassignment if a staffing shortage occurs at a sister community because a team member needs to quarantine.

The team is working hard to stay safe and “work together but stay apart.” We know that people are under more pressure and stress these days, so it’s important to put each resident at ease and fulfil all service requests in a timely, safe manner.

As we continue to navigate what will be the new normal, superior and constant communication, as well as meeting residents where they feel most comfortable, is vital for any company who wants to provide the highest level of service.



Jacie Good is the associate director of facilities and service and Kris Servidio is the associate director of facilities and support for Mark-Taylor Residential. Established in 1985, Mark-Taylor Companies is a privately held, Scottsdale, Ariz.-based developer, owner and investment manager of multifamily communities. The company ranks as the largest apartment developer in Arizona’s history and the second largest owner of rental communities in the state, and is the investment manager to more than $3 billion in multifamily real estate on behalf of numerous third-party owners. For more information, visit www.mark-taylor.com.

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Reap the Benefits of Owning Rental Property through a Retirement Account — Tax-Free or Tax-Deferred

By Stephanie Fryar
for Preferred Trust Company

Real estate is one of the most popular investments to leverage within a retirement account, also known as a Self-Directed IRA (SDIRA). It is a familiar asset if you own your own home or other type of property, it offers diversification from traditional investments, and the rental income and/or capital gains funnel in tax deferred or tax-free depending on the type of account. While the general concept of investing in a rental property through a SDIRA may be similar to investing outside of a qualified account, there are a handful of rules enforced by the IRS that makes the management of this investment quite a bit different. The reason being that your retirement account is meant to benefit you when you retire, not before. Below is a quick overview of the similarities and differences of owning a rental property in a Self-Directed IRA.

What makes it similar?

A SDIRA gives you the opportunity to make investment decisions in areas based on your knowledge and expertise. In other words, you are not limited to residential real estate. Your IRA can hold various investment property types, including commercial buildings, retail properties, raw land, and acreage (improved or unimproved), single family or multi-unit homes, condos or townhomes, mobile homes, apartment buildings and much more. Your IRA may also purchase foreclosure property as long as the property has already been foreclosed upon.

What is the difference?

One of the main differences is that all transactions are processed through your SDIRA, from the purchase of the property, to rent collection, expense payments, proceeds from the sale, etc.

Other disparities are driven by IRS regulations, including the prohibition of using of your SDIRA assets in what the IRS considers "self-dealing" transactions. This means that you must utilize 3rd party services for everything from realtor services, to property management, cleaning/landscaping/pool cleaning services, repairs, home improvements, etc. You also cannot use the property for personal use nor rent the property to disqualified persons, which includes family members of "lineal" relation to you such as your parents or your children.

As a custodian, Preferred Trust Company cannot give advice about specific investments or strategies, but we can provide educational resources and point out the legal issues to consider for your real estate transaction(s). Knowing the rules associated with owning real estate in an IRA is essential and conferring with a legal and tax advisor is recommended.

Preferred Trust has 10 years of experience specializing in Self-Directed IRAs that hold alternative assets. In the industry, they set the standard for quick processing times, fewer transaction fees, personalized customer service, and the highest standard of compliance. Preferred Trust is currently waiving the establishment fee and first year administration fee for all new Self-Directed IRA accounts through December 31st, 2021. Learn more about this offer by clicking here or calling 888.990.7892 today!

Stephanie Fryar is the Content Creator for Preferred Trust Company. All content she produces is to help educate savvy investors and current clients about Self-Directed IRAs. Stephanie specializes in original content and market research related to alternative investments, but more specifically, real estate investments.

Oregon Landlords File Suit Against City, County, State

Rental Housing Journal

Several landlords have filed suit in federal court in Oregon alleging the legislature has failed to responsibly address the housing crisis.

The lawsuit was filed in the Federal District Court naming Gov. Kate Brown, the State of Oregon, Multnomah County and the City of Portland as defendants, according to John DiLorenzo, attorney for the landlords.

DiLorenzo said according to Multifamily NW, Oregon renters are currently in arrears to a total of between $800 to $900 million in unpaid rent.

"Yet, the state has opted to make available only a fraction ($200 million) of the overall need to benefit renters who reside in only certain types of housing owned by certain types of providers," DiLorenzo said. "Sadly, the state had a chance to address this issue during the third special legislative session by taking up LC 881, a proposal designed to make it easier for all housing providers to provide rent forgiveness for existing tenants in exchange for credits against future Oregon income tax.

"Instead, it adopted a new law (HB 4101) that fails to equitably address the growing crisis and simply kicks the can down the road."

The suit alleges the actions of the defendants violate the contracts clause of the U.S. Constitution, the prohibition on takings without just compensation in the Fifth and 14th amendments to the U.S. Constitution, and the prohibition against seizures of property in the Fourth and 14th Amendments to the U.S. Constitution.

The plaintiffs request that the Federal District Court either declare the moratorium declarations, executive orders and laws invalid and void or, in the alternative, require the state, city and county to design and implement a plan to adequately compensate all private housing providers for their losses incurred in addressing the consequences of the governments' response to COVID-19.

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Not All Maintenance Requests Created Equal

Continued from Page 1

satisfaction rate.

What's the Difference between Emergency Repair and Maintenance Request?

Tenants should also be aware of what type of request they send to you. Some tenants think that all requests they make are emergencies. Both of you should have a clear understanding of what is an emergency repair and what is a maintenance request. That way, issues like a broken doorknob or a toilet that won't flush are categorized properly and necessary actions are done. This will also save you time, as you know what is a priority issue and a when there is a need for a contractor to be dispatched.

Routine/Non-Urgent Maintenance Requests

Routine maintenance requests are issues that are non-urgent and can be handled during normal business hours. Routine maintenance issues can include:

- Slow-draining tub or sink
- Running toilet
- Backed-up shower diverter
- Blinds won't open/close properly
- Burner on the stove isn't working

Because these issues don't threaten the health or safety of your tenants, there's no need to treat them like an emergency. You'll want to get them taken care of quickly, but there's no need to deal with them immediately or outside of your normal business hours (so if a tenant calls at 11 p.m. and wants someone to fix their blinds, don't worry — it can wait until the morning).

Emergency Maintenance Requests

Emergency maintenance requests are the maintenance issues that can place your tenants in harm's way — and they need to be dealt with immediately, whether they happen at 2 p.m. on a Tuesday or 2 a.m. on a Saturday. Emergency maintenance issues can include:

- Flooding
- Fire
- Inoperable windows (which could prevent the tenant from escaping in an emergency)
- Broken or inoperable door locks
- Gas leaks
- Electrical issues

If your tenant makes you aware of any of these issues, it's imperative for you to deal with them immediately and ensure your tenants are safe.

Final Thoughts

There are more items that could be added to these lists. As a responsible property manager, you have to make sure that your rental property is habitable – and you should check your local requirements of what that means. You should prioritize maintenance requests that can cause any health and safety concerns, as well as damage to your property.

Routine maintenance inspection of the property at least every six months can help lessen the unexpected tenant calls. Be mindful of the changing season, too. For example, in the winter seasons, inspect door and window seals properly and make sure your property sidewalks are safe.

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.

Determining Competitive Rent in a Class C Building

By Hank Rossi

Dear Landlord Hank: I'm having trouble determining a competitive rent for my vacant three-bedroom in Kenmore. We are a class C building with remodeled upgrades, but no amenities such as an exercise center. **– Larry**

Dear Landlord Larry: Let me tell you how I find market rent, as a Realtor, and how I used to do so as a private landlord.

The first data base I check is MLS. I look in the subject property subdivision or if large condo building, I'll check that, for properties that are actively advertised and that have rented in the last six months.

I want to find a similar unit, so in your case, I'd be searching for a three bedroom with the same number of bathrooms, same square footage, give or take 300 square feet either way, with similar finishes.

First I look at what has actually rented, and if I find a few like the subject property, I'll be very close to market rent. Then I look at what is advertised but not rented yet. I look at the rate, then how long this equal property has been on the market.

It may be priced too high if it is just sitting there. If the rate is equal to similar properties that have rented or is just a little higher, then I know I have found the market rate for my property.

If there are very few properties to rent in my development or subdivision, I'll check back to see what has rented in the last year. If not enough are available, I'll check to see what has rented in the last two years. If I still don't have good comps, I'll go outside the subdivision and choose similar properties within one mile; again, if I don't find enough good comps, I'll check properties within two miles.

Hopefully, you'll be able to find adequate comps looking within two miles of the subject property and going back two years.

As a private investor, I used to check what was available in my property area on Craigslist and Facebook marketplace, and I also used to drive the neighborhood and see what my competition looked like.

I'd check the units for rent, terms (first, last and security up front), what was included in the rent, the unit finishes, state of the property and the neighborhood. I was always able to determine my market rent from these sources.

Hank Rossi started in real estate as a child watching his father take care of the family rental maintenance business and was occasionally his assistant. In the mid-'90s he got into the rental business on his own, as a sideline. After he retired, Hank only managed his own investments, for the next 10 years. A few years ago Hank and his sister started their own real estate brokerage focusing on property management and leasing, and he continues to manage his real estate portfolio in Florida and Atlanta. Visit Landlord Hank's website: https://rentsrq.com

Denver Rents Declined Over Past Month, Year

Across the Greater Metro Area, Rents are Rising

Rental Housing Journal

Denver rents declined sharply by 0.8 percent over the past month, and are down sharply by 5.3 percent year-over-year, according to the latest report from Apartment List.

Denver has seen rents falling steadily over the past nine months.

Median rents in Denver are $1,254 for a one-bedroom apartment and $1,536 for a two-bedroom. Denver's year-over-year rent growth lags the state average of -1.6 percent, as well as the national average of -1.5 percent.

Why are rents going down?

"As we enter the New Year, our national rent index has begun to stabilize after a wild 2020. Rents are down 0.4 percent month-over-month nationally, a seasonal dip consistent with what we've seen in prior years," said Igor Popov, chief economist for Apartment List.

"That said, there has been significant regional variation in the impact of the COVID-19 pandemic; while our national rent index is down by a fairly modest 1.5 percent year-over-year, many markets are experiencing greater volatility. The urban cores of San Francisco, Seattle, Boston, and New York City continue to see rent prices fall rapidly, while many smaller markets and suburbs are actually getting more expensive," Popov said.

Rents rising across the Denver Metro

While rent prices have decreased in Denver over the past year, the rest of the metro is seeing the opposite trend.

Rents have risen in seven of the largest 10 cities in the Denver metro for which Apartment List has data.

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

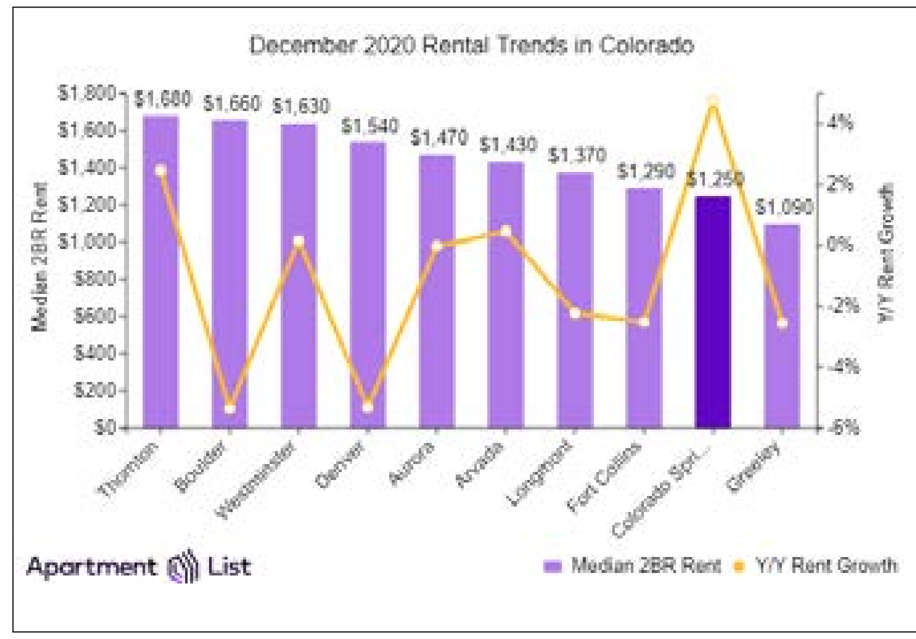
- Lone Tree has the most expensive rents in the Denver metro, with a two-bedroom median of $2,066; the city has also seen rent growth of 1.1 percent over the past month, the fastest in the metro.
- Over the past year, Denver proper has seen the biggest rent drop in the metro.
- Arvada has the least expensive rents in the Denver metro, with a two-bedroom median of $1,428; rents decreased 0.3 percent over the past month but were up 0.5 percent over the past year.
- Thornton is the most expensive of all Colorado's major cities, with a median two-bedroom rent of $1,678.

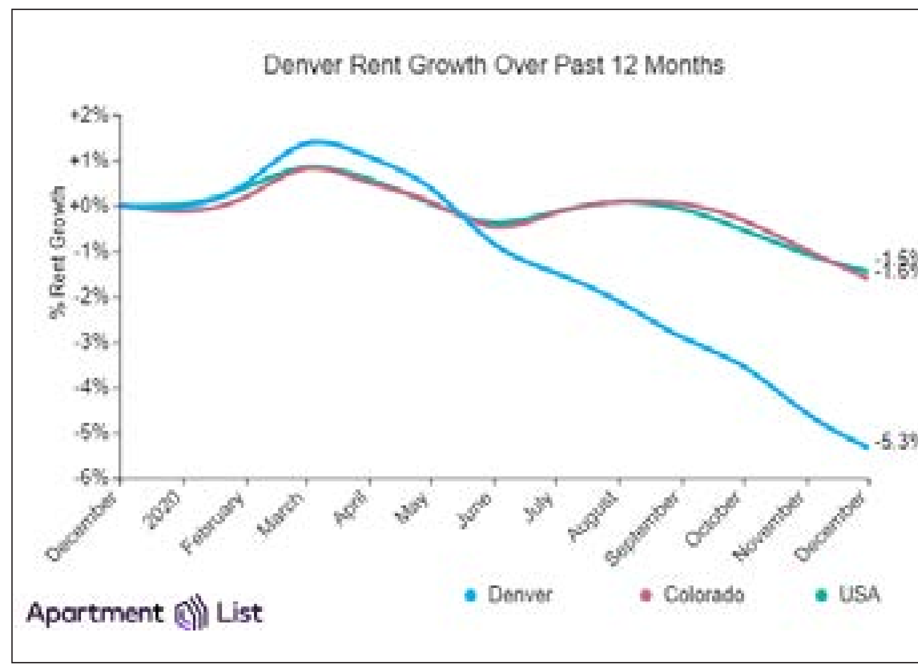
Colorado Springs rents up for the year

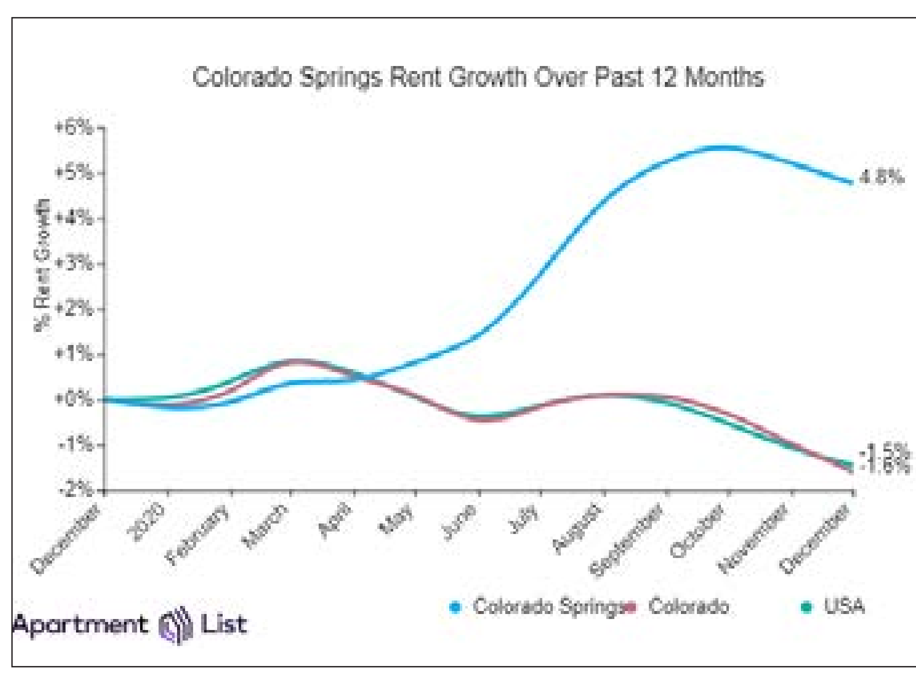
Colorado Springs rents are up significantly by 4.8 percent year-over-year, despite a slight recent decline.

Median rents in Colorado Springs are $982 for a one-bedroom apartment and $1,247 for a two-bedroom. This is the second straight month that the city has seen rent decreases after an increase in October.

Apartment List is committed to making its rent estimates the best and most accurate available. To do this, they start with reliable median rent statistics from the Census Bureau, then extrapolate them forward to the current month using a growth rate calculated from their listing data. In doing so, they use a same-unit analysis similar to Case-Shiller's approach, comparing only units that are available across both time periods to provide an accurate picture of rent growth in cities across the country. Apartment List's approach corrects for the sample bias inherent in other private sources, producing results that are much closer to statistics published by the Census Bureau and HUD. Their methodology also allows them to construct a picture of rent growth over an extended period of time, with estimates that are updated each month.







Multifamily Transactions Expected to Rebound

Continued from Page 1

- have plummeted, and December rent payment data shows more tenants not making payments—multifamily fundamentals have held up better than in other commercial property segments, and loan delinquencies remain low.

"Multifamily transaction activity abruptly hit a wall when shelter-in-place orders started in March. Transaction volume fell to $9.4 billion in the second quarter, the lowest quarterly total since the first quarter of 2011 and a decline of 62 percent from 1Q20 and 67.2 percent year-over-year," according to Yardi Matrix data.

"Deal flow picked up to $16.5 billion in the third quarter, though that is still 51.1 percent below 3Q19 volume of $33.8 billion. Through three quarters of 2020, total volume was $50.6 billion, down 41.7 percent year-over-year.

Transactions by Region

Region	2019 Full Year (Mil)	2020 Jan-Sep (Mil)	2020 YTD % Change
Midwest	$9,278	$4,221	-32.6%
Southeast	$44,750	$20,532	-34.1%
Southwest	$25,495	$10,853	-39.7%
National	**$127,762**	**$50,603**	**-41.6%**
West	$34,900	$11,099	-51.0%
Northeast	$13,340	$3,898	-54.6%

Source: Yardi Matrix

"But the impact is not being felt evenly across the country. On a regional basis, the Northeast (-54.6 percent) and West (-51.0 percent) had the biggest declines, while the Midwest (-32.6 percent) and Southeast (-34.1 percent) fell the least. Urban and suburban multifamily sales have dropped by roughly the same percentage, but there has been a difference by region."

The report says the trend of corporations allowing employees to work from home has contributed to the migration from bigger urban areas to more suburban areas and from urban submarkets in the most expensive metros to suburban markets or even secondary markets.

And equity investors still see multifamily as a highly appealing investment product. "Apartments typically produce 4-6 percent dividend yields, which is a better return than sovereign bonds or investment-grade corporate bonds," the report says.

5 Signs an Applicant Will Be a Good Tenant

Keepe

We all strive to find a good tenant, so here are five signs that an applicant will be a good tenant for your rental property from Keepe, the on-demand maintenance and repair company.

When you're receiving lots of applications for tenant positions at your rental properties, sometimes it can be difficult and overwhelming trying to sift through everything.

After all, with so many applications in front of you, where do you begin? How do you know which applicants will make good tenants?

There are a few telling signs as to whether or not your applicants will be good tenants. You just have to know what to look for to easily identify the good from the bad and put your mind at ease.

No. 1: They Fill Out the Application Properly

A sign of a good potential tenant is that they properly fill out the application.

That may sound overly simple, but this means that they include the appropriate documents that are asked for and fill out everything correctly.

A potential good tenant will be able to fill out an application completely and correctly.

Completing some simple paperwork properly is a good sign that they're responsible and reliable, whereas if the applicant can't even fill out the application correctly or doesn't provide the appropriate documents, that's a bad sign — especially in the very beginning stages of the application process.

No. 2: They Don't Move Too Often

Along with knowing the reason why your applicants want to move, it's also important to know how often they've moved in the past.

One of the main (if not the main) qualities you should be looking for in a tenant is stability and financial responsibility.

If they haven't moved around too much in the past, that's a good indicator that they got along well with their previous landlords and didn't have anything disruptive happen while they were living there.

No. 3: A Good Tenant Has Good References

References are a great way to predict how a tenant will behave. Good references show that a tenant paid rent on time, didn't damage the property and stayed in communication with the property manager.

If a reference from a past landlord says that the tenant did thousands of dollars in damage to their last rental, well, obviously that should be an immediate red flag. Also be sure you are getting the reference from a real landlord and not someone posing as a landlord to help the tenant.

No. 4: A Clean Background Check

During the tenant screening process, of course you'll want to conduct a background check. A good tenant will have no past discretions and a clean criminal record.

If they have a history of drug use or brush-ins with the law, chances are it will become a problem you'll have to deal with, so it's advised to kindly decline and move right along to the next applicant. However, some jurisdictions have restrictions around criminal background checks, so be sure to check your local ordinances.

No. 5: A Good Credit Report

Don't skip or underestimate the credit check; It's a good indicator of the character and payment habits of your applicant.

Neglecting the credit check is the most common mistake landlords make. Not paying their current bills? It's likely they won't pay the rent.

Final Thoughts

Finding a good tenant does take some patience, but it's worth it for later peace of mind. Careful tenant screening is one of the most important tasks for a landlord or property manager, but with these specific screening tips, you'll be on your way to a happy and easy renting experience.

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

Compensation Fund for Landlords Passed in Oregon

Continued from Page 1

The landlord-compensation portion of HB 4401 says, " The Housing and Community Services Department shall make distributions to compensate residential landlords for 80 percent of the past-due rent of qualified tenants that the landlord has not collected after April 1, 2020, if the landlord or the landlord's designee" meets the following criteria:

- Submits an application to the department for all of the landlord's tenants who have not paid rent and have delivered to the landlord a signed declaration under section 7 (1)(b) of this 2020 third special session act;
- Includes in the application a copy of the tenants' declarations;
- Provides the department with a description of the unpaid rent for all current tenants;
- Agrees to forgive the remaining 20 percent of the unpaid rent due from qualified tenants that has accrued between April 1, 2020, and the date of the application, upon receiving a distribution under this subsection;
- Agrees to repay to the department any amount that was forgiven by the landlord or that was paid to the landlord under this section and the landlord later receives from the qualified tenant or on the tenant's behalf, within the period requested by the department;
- Is not a member of the tenant's immediate family as defined by law;
- During the pendency of the distribution application, agrees to not give a termination notice without cause or for nonpayment.

Rep. Mark Meek, D-Oregon City, echoed the testimony of many smaller landlords that they are struggling to pay their mortgages. Meek noted many landlords continue to have to pay property taxes, insurances and all the other bills related to their property, and many have now said they are at risk of losing their properties.

"Why is it that Oregon housing providers are being forced to forgo 20 percent of their revenue and waive all their rights just to access relief?" Meek said to Oregon Public Broadcasting. "No other industry has been asked to bear such a heavy burden in this pandemic."

The bill will require tenants to sign a sworn statement in order to benefit from the new relief. It also frees up landlords to more easily evict people "for cause," such as when they are planning to demolish a property.

For the rent-relief portion, the bill also says landlords may have to provide "any other information or materials required by the department," which will develop an online application for landlords to apply for distributions.

Protection for smaller landlords

The bill says the department "may establish any qualifications, priorities, restrictions or limits on the distributions made under this section, to prioritize landlords with fewer units and landlords with a higher percentage of unpaid rents."

The restrictions and limits the department may put in place include:

- Limits per tenant, per landlord or per time period;
- The number of units a landlord must own;
- The percentage or amount of total rent unpaid.

"The department may coordinate with local housing authorities to administer this section, including through making distributions to landlords. The department or local housing authority shall mail to tenants copies of a notice of distribution to their landlords and the amount of rent forgiveness agreed to by their landlords. The department may conduct outreach to landlords and tenants, including outreach to non-English speakers."

Rental assistance must serve financially distressed households, and payments must be made directly to the landlord.

The extension of the eviction moratorium also extended the requirements for both landlords and tenants.

The Benefits of Being Pet-Friendly are Many

By Justin Becker

The dog is humankind's best friend, and this explains why it is the most domesticated pet. According to statistics in the United States, 63.4 million households own a dog, followed by 43 million households that own a cat. Today, pets are an integral part of most families. Even rental property owners are now integrating pet-friendly amenities in their apartments to allow renters to keep their favorite animal companions.

So, what's the benefit of your apartments being pet-friendly?

Being Pet-Friendly Means Higher Rent

Just as in the law of demand, fewer housing facilities means higher rent for the few available. Of course, it will cost you more to set up the necessary facilities to make your apartment pet-friendly, but you can compensate for this with a slightly higher rent.

Rental property owners can also set non-refundable pet fees, and because renters want to keep their family together, they will willingly pay the amount. They can again ask for a damage deposit to ensure the property is covered in case of damages, or demand compensation for pet damages.

Besides, you don't have to worry much about your property. People committed to keeping their pets tend to be careful with their animal companions and ensure they do not become a threat.

Pet-Friendly Apartments Mean Trust

In the traditional tenancy agreements or where pets are not allowed, the relationships between renters and landlords tend to feel tense. A total ban on pets creates the feeling that the landlord mistrusts tenants or believes they will leave the property in bad shape.

On the other hand, allowing pets indicates that you trust the tenants and believe they can take good care of their pets. Renters will obviously feel happy about a landlord who accommodates their lifestyles rather than limiting them.

Prolonged Tenancy

It is challenging to find pet-friendly apartments, making pet owners want to stay longer in your rental property if it is pet-friendly. While they may only be there for lack of other housing options, you still earn your income at the end of the month.

Further, some pets, such as dogs, get fond of the surroundings and will recognize the apartment as home. As such, even the owners will be unwilling to shift to a new residence.

Strained landlord-tenant relationships are also a common cause of residence shifts by renters. Since marking your rental property pet-friendly means trusting your tenants' level of responsibility, you may have more healthy relationships, so they are less likely to want to shift.

Happier and Healthier Tenants

Pets have many health and non-health-related benefits. They provide protection, help ease stress, and provide company, among other advantages. These benefits help landlords to have healthy and happy tenants, thus reducing the chances of strained relationships. The pets keep them relaxed, and your apartment feels like home for the renters.

Also, a pet-friendly apartment means there are no chances of tenants trying to sneak in their pets. The policy may not allow all kinds of animals, but it probably covers the most obvious pets. Attempting to sneak in unauthorized animal companions is among the issues that could strain tenant-landlord relationships.

In addition, pet owners, and especially dog owners, know the importance of exercise. The animals can play around with toys, but a morning run or walk goes a long way. Most owners prefer to take them out for these walks and runs so they benefit from the exercise.

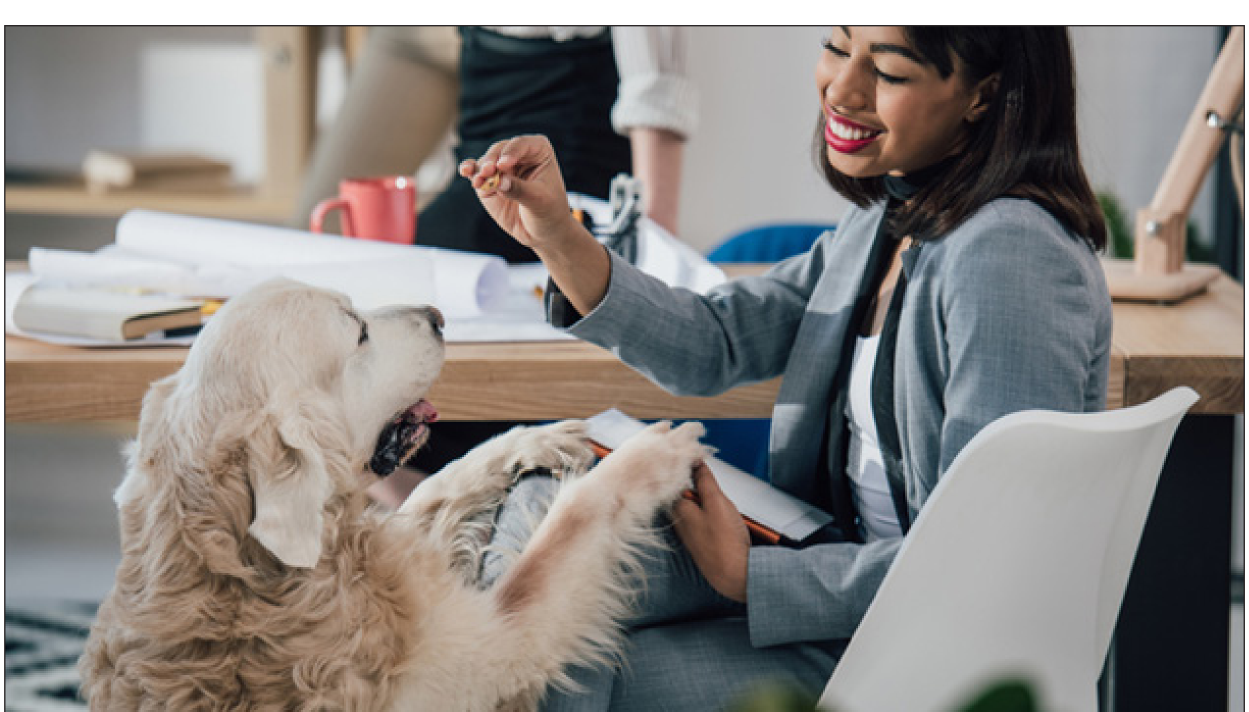
Happy and healthy tenants will feel free to communicate. They can speak out their grievances and allow you to take action rather than opting to find other low-income apartments.

Allowing Pets Gives You an Upper Hand

It's easy for tenants to try to get their pets into an apartment under the radar with the hope of not getting caught if your policy restricts them. Of course, this creates a tense mood, even if you are yet to find out.

However, allowing pets and setting out a clear policy will enable you to be notified of the pets coming in and have a chance to screen them. You can take note of aggressive animals that could be a threat and decide whether to allow them or which safety measures to take.

You can inspect the health of the animals and ascertain that they have the necessary vaccinations. Also, you could take the initiative and provide some services, such as spraying before entry.



You Will Have More Tenants

Given that over 70 percent of renters own pets, making your apartments pet-friendly opens them up to more tenants. Further, it means there will be fewer vacancy times since tenants will be unwilling to relocate, and so you can earn a steady rental income year-round.

Your Property will Attract Millennials

It's already a fact that millennials are favoring pets to children. This demographic is a significant proportion of the current consumers, and most property owners want them as part of their tenants.

Besides, companies are also applying this trick, and you are likely to find more pet-friendly offices in the corporate world than ever.

The Business Insider released a report in February 2020, claiming that millennials want financial freedom or homeownership. Homeownership comes with the freedom to do what they want, so a restriction on pet ownership would probably not trend well with them.

It Could Mean More Safety

One of the reasons dogs are our best friends is their ability to provide the owner with protection. Trained dogs can detect strangers with ill motives or trespassers, especially at night, and react quickly. They are intelligent animals that can quickly learn and interpret voices and body language.

The skill can help them interpret a situation and know when the owners are in danger or when something is not right. As such, allowing tenants to keep pets will provide safety not just to them, but to your property as well.

Having dogs and other pets around can also help you drive away dangerous animals that find their way into the compound. For instance, cats will keep destructive rodents out of your complex.

Wrapping Up

Although making your rental property pet-friendly might need additional resources that can be a bit costly, it will pay off at the end. Most renters will prefer renting where they feel the landlord understands their needs and gives them the freedom they deserve. Moreover, property owners who make their rentals pet-friendly are likely to increase the rent without experiencing a protest from the tenants.

Given the many benefits associated with making rental properties pet-friendly, owners should include the resources. That way you can be guaranteed of all your rentals being full throughout the year.

Justin Becker is a property owner in the state of Michigan and has a passion for managing communities. He owns apartment complexes and mobile home communities, and has been writing his own blogs for his properties for several years.