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SEPTEMBER 2021

WHAT'S INSIDE:

UPCOMING EVENTS:

General Membership Meetings —9 a.m. Sept. 21, 2021 — Virtual Meeting via Zoom: Market Update - State of the Multifamily Economy Moving into 2022; 7 p.m. Sept. 23, 2021 — Live Meeting: Market Conditions, Rental Rates and Other Market Data

C.A.M. Certification Classes — Virtual Courses via Zoom— 9 a.m. Sept. 14, 2021 — Resident Experience; 9 a.m. Sept. 28, 2021 — Property Maintenance (www.uaahq.org/cam)

UPRO Certification Classes — LIVE: 9 a.m.-1 p.m. Sept. 9, 2021; 9 a.m.-1 p.m. Sept. 23, 2021 (www.uaahq.org/upro)

Good Landlord Classes — 9 a.m. Oct. 8, 2021 — LIVE: Full/Refresher Class

RENTAL HOUSING JOURNAL
INSIGHT FOR RENTAL HOUSING PROFESSIONALS

UTAH

UTAH APARTMENT ASSOCIATION

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Official Publication of The Utah Apartment Association – Utah's Leading Advocate for the Rental Housing Industry
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Nominations Being Accepted for Revamped Topaz Awards

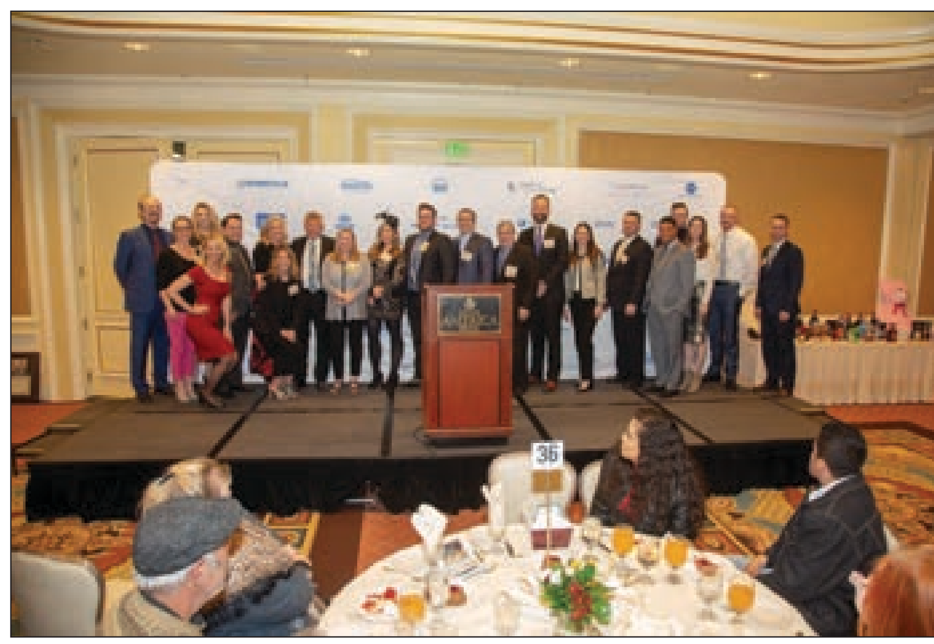
Welcome to the kickoff for the 2021 Topaz Awards, an event designed to celebrate excellence in the rental housing industry! We are now accepting nominations for some 30 awards that will recognize you and your peers.

After a revamp of the judging and nominations processes and a rework of the event by our events committee and their Awards Task Force, this event will be a must-attend affair for the entire rental housing industry.

How are these awards different?

There will be a nomination fee for all nominations. Every award category has publicly disclosed criteria for judging, including nominee questionnaires, shopper

See 'Join Us' on Page 5



7 Renewal Incentives to Consider

By Justin Becker

As a landlord, having good tenants gives you great peace of mind. Having decent people on your property gives the assurance that they won't be causing any intentional damage. Plus, getting rent on time means that you have a steady income stream.

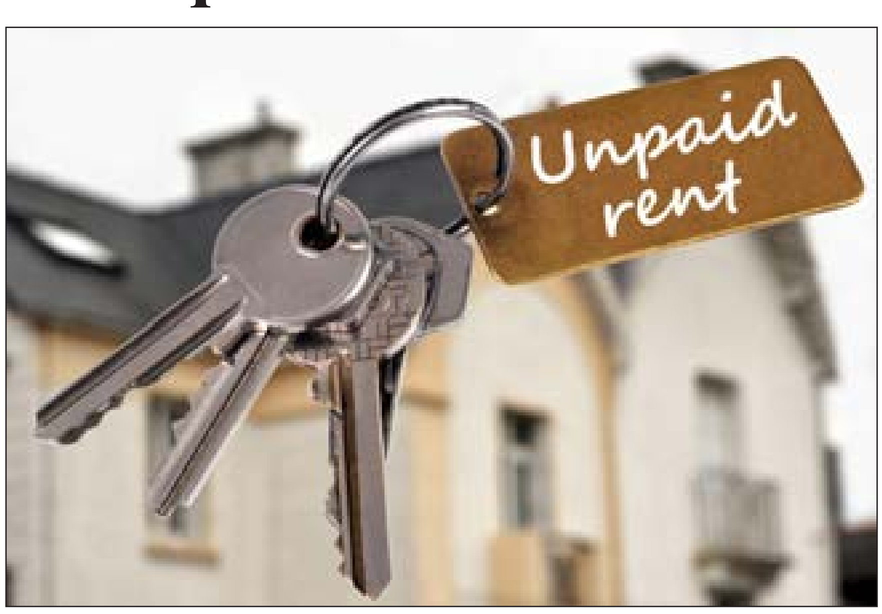
It's not even about the money you earn, it's also about the money you don't lose. A vacant apartment or house is costing you in terms of maintenance, upkeep, taxes, and trying to find new tenants. At the same time, you're not getting any income from your real estate investment.

So, when you get reliable tenants, you naturally want them to stick around as long as possible. The lease renewal can be a tricky business, especially with the housing market being so unpredictable right now.

Ultimately, you want to re-sign those quality renters; for that, the following

See 'Lease-Renewal' on Page 9

Delinquencies Hit Smaller Landlords Harder



Rental Housing Journal

A research study shows that of small landlords with three or fewer properties, 56 percent are dealing with delinquent renters, according to a release.

The research from Nevada Realtors (NVR) was only for the state of Nevada, but points out how small landlords, often called "mom-and-pop" landlords, are carrying a heavier burden than larger corporate landlords. The National Multifamily Housing Council (NMHC) found that only 19.8 percent of tenants in professionally managed apartment units had not made a full or partial payment as of Aug. 6, 2021.

John Restrepo, owner of RCG Economics said his research, commissioned by Nevada Realtors, shows smaller landlords had to deal with greater disadvantages including higher vacancy rates,

See 'Smaller' on Page 6

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Why Real Estate Income Funds Have Distinct Benefits for Investors

By Steve Haskell
Vice President, Kay Properties and Investments, LLC

The recent fluctuations in the United States stock market have many investors looking for more conservative and less volatile investments. On top of that, traditional investment instruments like stocks and bonds are similarly not looking very attractive because of their lackluster yield performances. Therefore, more and more investors are attracted to Real Estate Income Funds.

While Kay Properties & Investments is best known for its expert-level knowledge of Delaware Statutory Trust 1031 exchange investment strategies and opportunities, the company also has a great reputation for working with nationally recognized real estate sponsors to source and structure All-Cash/Debt-Free Real Estate Income Funds for accredited investors.

What is a Real Estate Income Fund?

In general terms, any “income fund” is simply a pool of capital that has been assembled on behalf of a group of investors. There are literally tens-of-thousands of different types of investment funds, including equity funds, bond funds, money market funds, mutual funds, and hedge funds. While direct ownership of real estate has been a popular investment for centuries, recently many investors have also started investing in real estate through participation in a fund.

A Real Estate Income Fund is a specific subset of funds that is focused exclusively on investing in potentially income-generating real estate. Real estate income funds provide another entry point for those looking to invest in large commercial or multifamily real estate portfolios. Real Estate Income Funds are particularly appealing to retail investors who want to own institutional quality real estate that would normally be out of reach for them. A Real Estate Income Fund pools capital from many investors, and then the fund’s sponsor oversees all the fund’s activities, including performing due diligence, underwriting, and property management. Investing in a Real Estate Income Fund is a great way to potentially generate passive income, gain access to institutional level assets, and avoid the responsibilities of direct ownership.

An Example of a Typical Real Estate Investment Fund Exclusively Offered by Kay Properties

Net Lease Income Fund 18 LLC: Focused on acquiring, owning, and actively managing a portfolio of single-tenant, Long-term, NNN lease, income producing tenants operating in the industrial, medical, and retail spaces throughout select United States markets.

This Real Estate Income Fund targets an 8% preferred return* for investors with monthly distributions generated through corporate backed leases. The offering size of this fund is $50,000,000 with a minimum investment of $50,000.

Example properties the funds seeks to acquire include those leased to recessionary-resistant, essential businesses that remained open and paying rent during the pandemic, such as: Amazon, FedEx, Davita Kidney Care, Frito Lay, Walgreens, UPS, CVS, Coca-Cola, In-N-Out Burger, and 7 Eleven.

*Preferred return is not guaranteed and is subject to available cash flow. Past performance is not a guarantee of future results. For further information about cash flow distributions from operations and capital events, please refer to the Private Placement Memorandum.

Three Distinct Benefits of Investing in a Real Estate Income Funds

1. Diversification

The ability to diversify in real estate funds has attracted conservative investors that want to avoid the concentration risk that often accompanies purchasing one piece of real estate. Typically, real estate investing requires a large down payment in order to obtain a loan with reasonable terms, tying up a significant portion of investors’ wealth in a single asset. Funds allow an investor to often place a smaller amount of cash into a highly diversified portfolio, therefore mitigating risk through diversification. Not only do funds allow investors to diversify in different pieces of real estate all over the country but investors can also diversify their investment by asset type and tenants. Funds may hold multifamily apartments, net lease commercial assets, medical, industrial, etc. Asset types can have varying market cycles.

Diversifying one’s investment across asset types and geography can potentially insulate their investment from market volatility.

*Diversification does not guarantee profits or protect against losses.

2. Depreciation

An additional benefit to real estate income funds is the potential for depreciation. Many real estate income funds allow investors to depreciate their basis in the fund. The non-cash expense lowers the taxable income incurred from fund’s distributions. This may hold significant benefits for investors in high tax states such as California and New York.

Investors should speak to their CPA to determine their own potential tax efficiencies from investing in real estate income funds.

3. Ablity to Optimize Both Inflationary and Deflationary Market Cycles

Finally, the ability for funds to continue to purchase real estate over time allows investors to optimize both inflationary and deflationary market cycles. An inflationary market will theoretically drive up the value of the fund. In a deflationary cycle, the fund may continue acquiring assets, cost dollar averaging as the market retreats. Funds have the flexibility to pick up these assets at a discount.

Cap rates often expand in a deflationary market, which will allow investors to potentially realize higher distributions as they wait for the market to turn around.

Additional Potential Benefits of Real Estate Income Funds

- Passive income and/or distribution potential
- May provide monthly cash flow and/or distributions
- Capital appreciation/equity growth potential
- Tax advantages
- Typically low minimum investment amounts ($25k - $50k)
- Professional asset management
- Elimination of day-to-day management headaches

While it is almost impossible to predict what the economic future will look like, many prudent investors are posturing their portfolios to mitigate risk while optimizing their upside potential no matter which direction the market turns.

As more investors learn about the potential benefits of Real Estate Income Funds, their popularity will continue to grow throughout the coming years.

ABOUT THE AUTHOR:

Steve Haskell is Vice President and DST 1031 specialist at Kay Properties and Investments where he works with 1031 exchange and direct investment clients throughout San Diego County and the rest of the United States.

Prior to coming to Kay Properties and Investments, Steve served for seven years as an officer in the United States Air Force in the special operations community where he led small teams as well as a large staff of hundreds of military and civilian personnel. He has served in numerous locations around the world, including multiple deployments to Afghanistan and locations throughout Africa. Though Steve has retired from active duty, he still serves in the Air Force Reserves.

Prior to his military service, Steve worked in sales and marketing for multiple businesses, which included providing energy management solutions to institutional multifamily apartment owners.

Steve holds a Master’s Degree from the American Military University and a Bachelors in Accounting from Point Loma Nazarene University where he graduated as International Development Student of The Year for his work providing business education to entrepreneurs in impoverished areas in Mexico, Nicaragua, and San Diego.

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 $21 Billion of DST 1031 investments.

KAY PROPERTIES & INVESTMENTS LLC

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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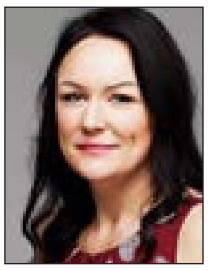
Chair's Message

The Topaz Awards



Holly Sanford
Chair,
Utah Apartment Association

Every year about this time, the UAA events committee undertakes an enormous project. The goal of the Topaz Awards Task Force and events committee is to honor the excellence, innovation, and talent in our industry.

The first step is soliciting nominations for our thirty-something awards. This involves soliciting nominations from major property management companies, vendors, and others. The committee strives diligently to identify a diverse and eclectic group of both individuals and properties. While there will only be one winner per category, a side goal of the processes is to honor many deserving individuals and properties in addition to the winner.

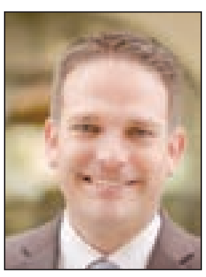
The Topaz Awards processes will involve hundreds, if not thousands, of hours from UAA staff, committee members, and volunteers. In the end, over 30 winners and hundreds of others will be recognized for their talents, skills, and achievements.

The event, on January 14th, 2022, will be at Little America Hotel and will have a red carpet, a master of ceremonies, and thousands in prize giveaways. We hope you will participate.

I want to thank the awards task force, events committee, the volunteers, and the staff for their monumental efforts to honor the best in our industry. For more information, go to www.topazawards.com.

Ask the Attorney

How to Respond to Resident's Notice of Deficient Conditions



Jeremy Shorts, Esq.
Utah Eviction Law

Q: I just received a notice of deficient conditions from my resident, what do I do now?

A: Begin by reviewing the notice carefully. It should state a few critical pieces of information, including a description of the problem and the deadline to work on correcting the problem.

You need to decide whether to (1) fix the problem or (2) terminate the lease.

If you decide to terminate the lease, you must (1) give them a written notice prior to the corrective period deadline, and (2) refund pro-rated rent and the deposit. The tenant then has to leave after 10 days.

If you decide to correct the problem, you have to take substantial action toward correcting the problem within the corrective time period listed in the notice. This does not mean that you have to correct the problem by the deadline, but you must take substantial action toward correcting the problem by the deadline.

As with most problems, communication is key. We recommend that you report to the resident at the end of the corrective period, in writing, that outlines (1) what you have accomplished within the corrective period, (2) what still needs to be done, and (3) the plan to continue to work on what needs to be done.

Jeremy Shorts, Esq.
Utah Eviction Law
Phone: 801-610-9879
Fax: 801-494-2058
Email: info@utahevictionlaw.com

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Publisher/General Manager
John Triplett

Editor-in-Chief
Linda Wienandt

Associate Editor
Diane Porter

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Terry Hokenson

Accounting Manager
Patricia Schluter

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

Website
www.RentalHousingJournal.com

Email
info@rentalhousingjournal.com

Phone
(480) 454-2728 - main
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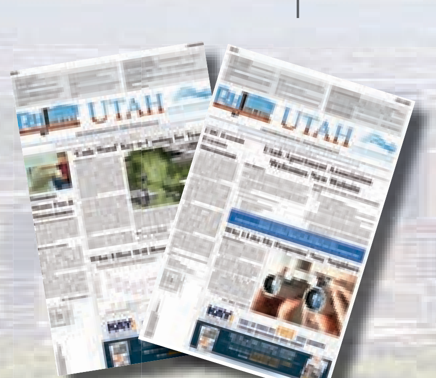
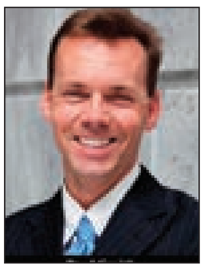


Director's Messsage

Supporting Those Who Support You and Member-Get-a-Member Program



L. Paul Smith, CAE
Executive Director, Utah Apartment Association

One of the advantages of associations is that they create a network of people who can help each other. As part of the UAA, we have a category of member that are suppliers and service providers who work for landlords and property managers. We encourage you to support these companies because they contribute hundreds of thousands of dollars to the association so we can support and protect you.

In the next month or so you, will be receiving the 2022 supplier directory with information on these companies. When you are looking for a supplier or service provider we urge you to look here first.

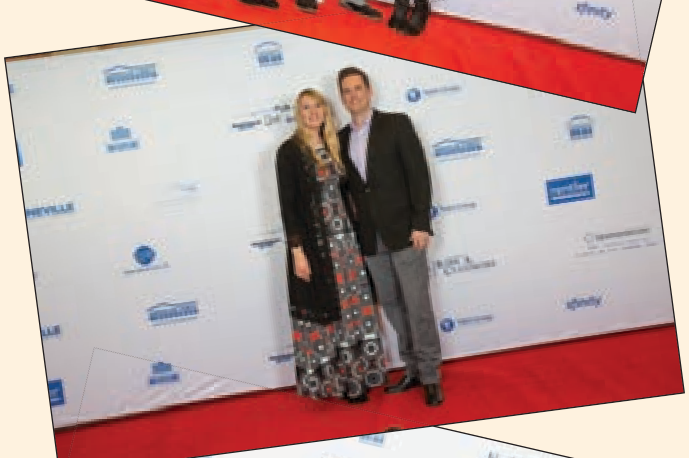
If you are doing business now with someone who is not yet a member of UAA I want to tell you three things:

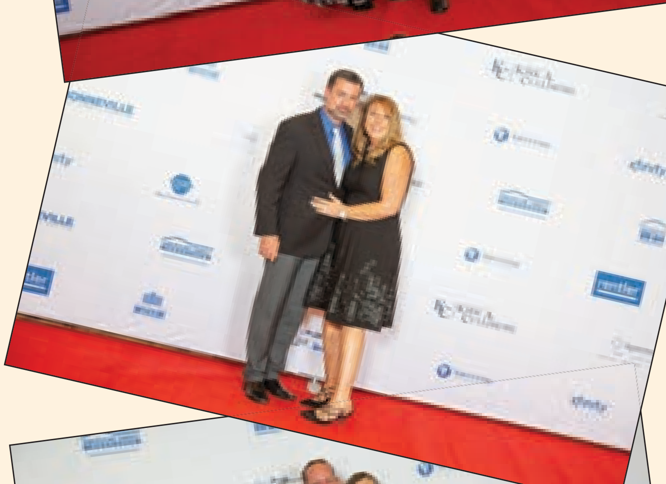
First, they should be a member and support your support system. I encourage you to ask them to support your association. Or give us a call and ask us to contact them. We have a great membership committee and staff who can help them join.

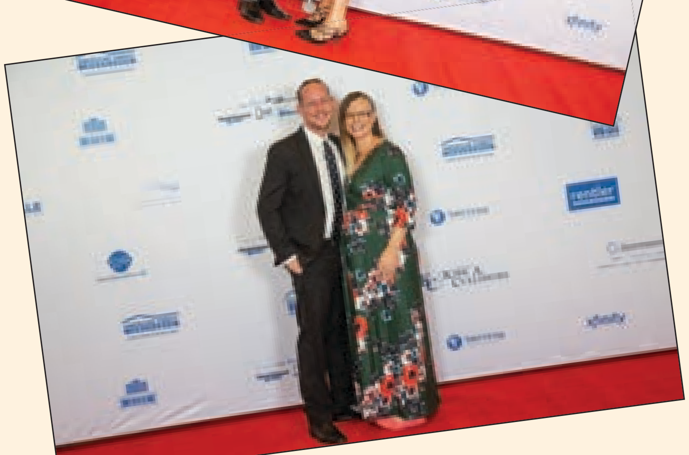
Second, when they join you will be their hero because they can leverage their membership to grow their business, get more clients and make more money. For about $300 a year they will receive promotion to our 3,500 members plus thousands of other decision makers. There are many additional opportunities to teach classes, write articles or sponsor events to get them an even higher profile.

Lastly, when you refer a new member, you receive benefits - a $25 credit you can use on any UAA service or class and an entry in our drawing to win a $1,000 grand prize. That will be given away at our annual movie night that everyone who refers a new members is invited to. This year the movie will be "Marvel Eternals" on Tuesday, November 16th. So far there are about 100 entries so you have great odds.

So support those who support you and encourage those you support to participate and benefit from the UAA.







Join Us for the Topaz Awards

Continued from Page 1

checklists, interview questions, and scorecards. All of these may be found at www.topazawards.com.

We are excited to have you and your nominee as a part of our 2021 Topaz Awards! Nominate excellence within your own company, or from a company that provides support and/or service to the rental housing industry.

Nominations may be submitted for these categories:

Individual Awards:

(nominees will fill out a questionnaire and be interviewed)

- Regional Manager
- Property Manager of the Year Over 250 Units
- Property Manager of the Year 150-250 Units
- Property Manager of the Year Under 150 Units
- Assistant Manager of the Year
- Leasing Agent of the Year
- Maintenance Supervisor of the Year
- Maintenance Technician of the Year
- Independent Rental Owner of the Year
- Rookie of the Year

Property Awards:

(nominees will fill out a questionnaire and be shopped)

- Property of Excellence Northern Utah
- Property of Excellence Salt Lake County
- Property of Excellence Southern/Central Utah
- Outstanding Senior Property
- 100% Section 42 Property of the Year
- Mixed Section 42 Property of the Year
- Development of the Year
- Overall Renovation of the Year
- Best Landscaping
- Best Leasing Office or Clubhouse
- Best Model
- Best Website
- Outstanding On-Site Team
- Single Family Management Company of the Year

Associate Member Awards:

(nominees will fill out a questionnaire and be interviewed):

- Outstanding Customer Service
- Supplier of the Year
- Service Provider of the Year
- Industry Partner of the Year

Sponsorship Opportunities Available

As sponsors of this event, you show your support of all areas of the rental housing industry and celebrate your peers and the industry members you serve. Visit www.topazawards.com to learn more!

Walk the Red Carpet

Come walk the red carpet with the best and the brightest of the rental housing industry!

This will be a dazzling event that keeps all of its attendees enthralled. Dress up to celebrate excellence with your peers.

We're excited! Are you?

Apartment Construction Steady Despite Obstacles

Rental Housing Journal

The pandemic, a shortage of workers and soaring materials costs have not deterred the apartment construction market, which has maintained a steady pace despite these challenges, according to a study from RentCafe.

"The pandemic shifts and resurgence of the residential-rental market brings new residential supply into focus," said Doug Ressler, manager of business intelligence at Yardi Matrix, in the report.

"Lack of entry-level housing supply and rising home prices will show the multifamily rental market demand increasing as new renters enter the market and millennials extend their rental commit-ments," Ressler said.

"More precisely, 334,000 units are projected to be opened in the U.S. by the end of this year, according to Yardi Matrix estimates. These figures reflect the striking difference between the after-math of the pandemic crisis and that of the housing crisis of 2008.

"In 2021, there were nearly three times more apartments under construction than there were in 2011," the report says.

Here are the main drivers of apartment construction this year:

- Eight metro areas out of the top 20 are expected to hit a five-year high in apartment con-struction. Among these are two newcomers to the top builders' club – the metro areas of Kansas City, Mo., (4,967 units), and Raleigh, NC (4,836 units).
- There's a trend shift compared to last year. In 2020, 13 metros out of the top 20 experi-enced decreases in apartment construction. This year, only six out of 20 metros are seeing drops.
- The Dallas-Fort Worth metro area is the torchbearer of apartment construction for the fourth year in a row. Renters can rejoice knowing there are 21,173 new units in the pipe-line, to be available on the market by year end.
- A welcoming sight: New York metro returns to pre-pandemic levels, with 19,375 projected units. The area is expected to see an 11 percent increase in apartment construction compared to last year.
- Phoenix is one of the surprising markets this year, claiming the No. 3 spot nationally. A much-needed supply of 15,846 units is planned here, creating 76 percent growth com-pared to 2020.
- Charlotte, NC is witnessing a boom, with a 100 percent increase in apartment construction. The projections show 10,723 apartments to be delivered this year. Orlando, FL is another promising market, with 78 percent growth, projections at 8,211 units.

Of all the metros analyzed, eight are set to hit their peaks in apartment construction this year compared to their totals from the last five years.

First up is Phoenix, the most notable metro, which is projected to build 15,846 new units this year — considerably more than its deliveries in past years. Currently witnessing a housing boom and a population increase of 2.1 percent, the metro is set to meet the demand for new apartments in the area.

Smaller Landlords Hit Harder by Delinquent Renters

Continued from Page 1

higher rates of delinquent payments, and more renegotiated leases.

"So, the impacts are pretty significant on these mom-and-pop landlords," Restrepo said in the release. "It was really striking to us how much more they were affected by the moratorium."

The survey, while small and confined only to the state, did include 140 property owners representing nearly 22,000 residential units across Nevada.

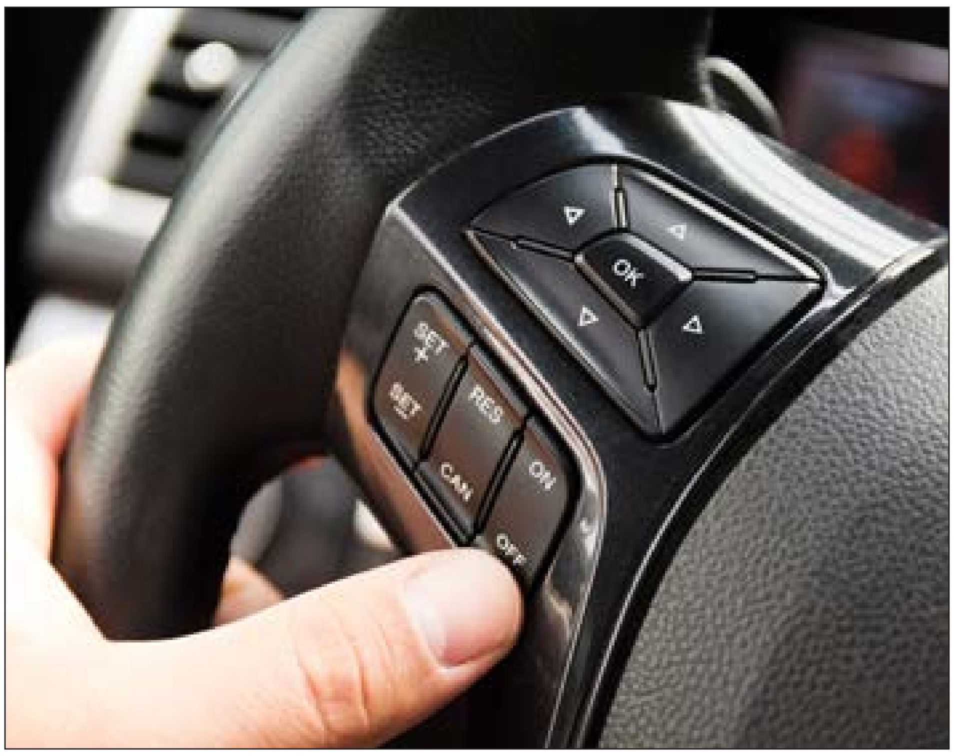
NVR President Brad Spires said small landlords have suffered more than their share of these economic hardships and typically have fewer resources than owners of multiple-unit developments and apartment communities.

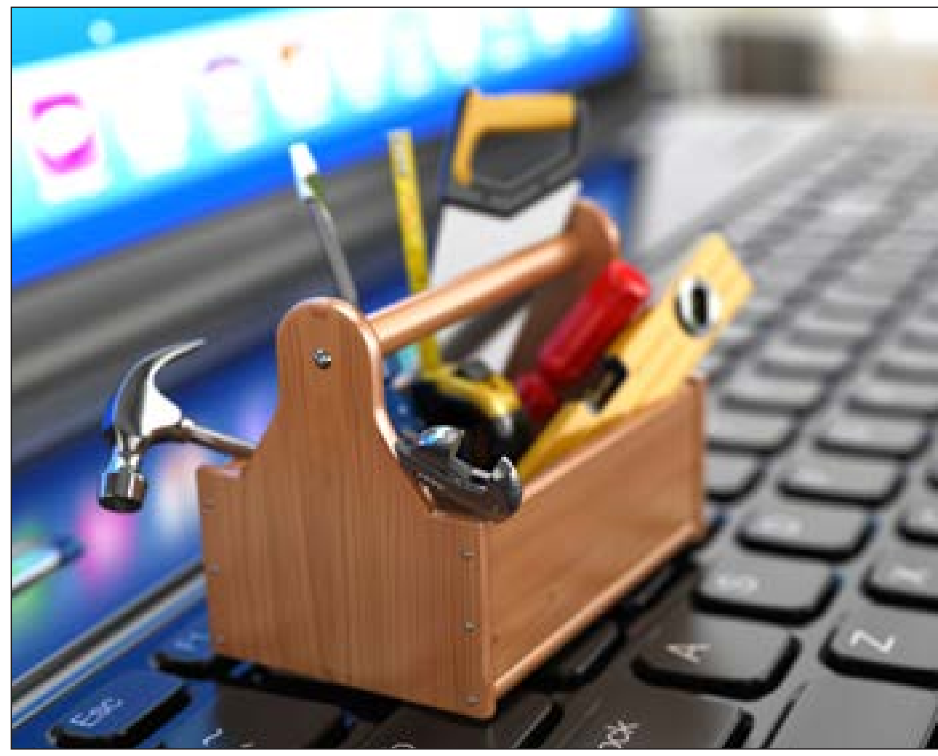
"We know from experience that these state and federal eviction bans have been devastating to property owners," said Spires, a longtime real estate agent based in Gardnerville, Nevada. "This research helps us put this damage into perspective from an economic point of view. It shows that everyone involved is suffering financial harm, including tenants and owners of apartment communities. But it reinforces what we've been saying throughout this pandemic about the disproportionate harm these policies have had on individual property owners who depend on rental income to survive."

The report also estimated that the ongoing ban on evictions as still mandated by the Centers for Disease Control (CDC) has already cost Nevada and its economy at least $511 million in lost economic output.

Small landlords and delinquent renters: Highlights of report

- About 41 percent of all rental properties nationwide are owned by individual investors, or what the report classified as "mom-and-pop" landlords.
- According to research from the Brookings Institution, about 33 percent of these individual landlords have an income of less than $90,000 per year and rely on rent from their tenants for 20 percent of their annual incomes. "The research indicates that many of these landlords may simply lose their properties," the NVR report found.
- Nevada landlords were forced to forgo an average of $422 per unit from the beginning of the pandemic in March 2020 through February 2021.
- That amount of missed rent was much higher for owners with only a few units, who missed out on an average of $1,870 in rent per unit during this time.
- In addition to reduced spending, state and federal eviction bans in Nevada have resulted in a loss of an estimated 1,430 full-time equivalent jobs and an estimated $39.1 million in associated earnings to date.
- Based on lost wages and economic output during 2020, the eviction ban in Nevada cost the state a projected $12.6 million in lost sales and use tax revenue last year.
- The tax hit could have been even worse; despite dealing with delinquent tenants, the report found that most landlords have continued to pay their property taxes.





What Drives Your Management Style?

Do You Favor Cruise Control or Tinkering?

By Scot Aubrey

As the end of summer looms, I am looking back fondly on all the adventures this season held for me. Like many of you, I found myself behind the wheel driving long distances. One of the things that I have come to realize over the past 25 years of summer travel are that there are two kinds of drivers: those who use cruise control and those I call "tinkerers."

I myself am a cruise-control guy, while my wife falls squarely in the tinkerer category. It's been my experience that despite these very different driving styles, we typically end up reaching our destination at nearly the same time. These same titles can be applied to investors as you manage the tenants of your properties (read that again, because you aren't managing properties, you are really managing relationships with people.)

Cruise Control

I often find myself on long, straight stretches of freeway in the Southwest-ern United States, and putting the car in cruise control is one way to make sure things don't get too crazy in regard to speed. The cruise-control management style is more conservative and usually has a combination of the following characteristics:

- **Set it and forget it:** What has worked in the past will more than likely work in the future. Also known as the "if it ain't broke, don't fix it" approach.
- **Comfortable with consistency:** You are satisfied with the same process and the same results. You like predictable outcomes.
- Low-risk tolerance: You know that by using your tried-and-true, proven methods, you get the results you are satisfied with. The potential gain of change is not worth the pain.
- Stay in your lane: You typically invest one way, whether that is long-term holds, flips, or short-term rentals.

There is absolutely nothing wrong with this style of management; think of it as being a suc-cessful, lazy landlord. Predictable patterns create predictable returns, and depending on what you want and where you are in your investment life cycle, this approach makes sense. We al-ways stress the importance of finding the right "business partner" to be your tenant, and when done properly, that tenant can be expected to pay you $120,000 over five years. Identifying that right tenant is critical when you consider those numbers.

The Tinkereer

We've all ridden in a car with the tinkerer, and for some it creates great anxie-ty; for others it is as natural as breathing. The stop-and-go style of driving, weaving in and out of lanes, always looking for a way to get to the destination a little bit quicker, easily define the tinkerer. Considered a more aggressive approach to investing and managing, the tinkerer can be characterized as follows:

- Speed up, slow down… on repeat: Unsettled by doing the same old thing, you find the ever-changing pace of managing in this style exhilarating. Imagine riding the waves of real estate and you will have a clearer vision of this characteristic.
- Changing lanes: You are always looking for the latest and greatest opportunities, of-ten willing to give up on one good thing in hope for two of a better thing.
- Head on a swivel: Rather than focusing on the ultimate destination, you are constant-ly looking all around you for opportunities to accelerate your business.
- Drafting: Just like on the highway where you fall in behind a larger vehicle, drafting as an investor will often place you behind someone moving faster than you, letting them break the wind and allowing you to capitalize on their successes and style.

Again, there is absolutely nothing wrong with this style of management. Being inquisitive and willing to take chances has helped generate billions of dollars for investors. Choosing this man-agement style requires more of a risk-taker mentality that many find intimidating, but for those who do it well, the rewards are generous. On a recent podcast, industry expert and Rent Perfect President David Pickron cautioned that "when you start chasing after every new idea or way of investing, it's easy to spread yourself too thin and become distracted." Having the right tenant is even more critical to this type of investor versus the cruise controller. You are con-stantly changing directions, and using the proper screening tools to identify your perfect tenant is key because you don't have the time or focus to deal with the issues that a less-than-ideal tenant is sure to bring.

Of course, there is always a hybrid model of these styles, but the majority of investors settle into one of these two major categories. Regardless of how you manage, knowing and sticking to the fundamentals is critical to your success. Having a consistent set of criteria, a personal-ized lease, and a way to collect rent easily make life easier for all investors. Using profession-als who know the industry inside and out will be some of the best money you spend today, and will save you thousands in the future. Finally, knowing who your renter really is by doing pro-fessional background screens will help you avoid the pitfalls of having the wrong person occu-pying your property. As stated before, having the right "business partner" is paramount for whatever investing strategy you adopt.

Having lots of time for "windshield therapy" and contemplating life for you, my fellow land-lords, leads me to the same conclusion every time: We are in the best business in the world, with amazing growth potential. Knowing the type of investor you are helps as you navigate through times like those we've been experiencing for the last 18 months. And seeing others' investment styles can generate ideas for the future, as your investing goals may change over time. Most of all, get out there and enjoy the journey and the adventure that comes with being a real-estate investor.

Scot Aubrey is vice-president of Rent Perfect, a private investigator, and a fellow landlord who manages short-term rentals. Subscribe to the weekly Rent Perfect podcast (available on YouTube, Spotify, and Apple Podcasts) to stay up to date on the latest industry news and for expert tips on how to manage your properties.

How to Troubleshoot a Broken Garbage Disposal

By Phil Schaller

Garbage disposals are my company's No. 1 maintenance request. Here is your guide to troubleshooting and fixing a garbage disposal.

We like fixing garbage disposals because, most of the time, they're super-easy fixes. Chances are your broken garbage disposal isn't broken at all - it's either jammed, the disposal motor tripped, the circuit breaker tripped, or it's simply not plugged in. We'll get into all this in a moment, but first, let's go over how to properly use your garbage disposal to avoid most of these problems in the first place.

Misuse of the garbage disposal can lead to jams and trips. Only food waste should go into a garbage disposal, but even then there are foods that should be avoided. When the wrong foods are thrown down the disposer, it can clog and overwork the device. You also might experience unpleasantries like foul odors and leaks. In order to avoid these issues and more, here's a quick list of 10 things that should never go down your garbage disposal in the first place:

- Any non-food item
- Bones or shells
- Coffee grounds
- Vegetable peels
- Banana peels
- Shredded lettuce
- Nuts, seeds, and pits
- Fibrous food scraps, like corn husks or celery
- Sticky food like oatmeal, rice, or quinoa
- Fats, oils, and grease

Now we're ready to start troubleshooting. First, a safety warning! If you like having fingers, never, ever, we repeat, ever, work on a garbage disposal that is plugged in. (Maybe some of you noticed that when you went to unplug the device from the outlet under the sink, that it was already unplugged. So you plugged it back in and it's working beautifully. Congrats. You can stop reading now!)

For everyone else still working with a non-functioning garbage disposal, after you unplug the disposal, check that the outlet is getting power. Plug something else into the outlet and check if it works. If not, the circuit breaker likely tripped. Locate the control panel and the garbage disposal switch. If it's in the off position, we've found your problem. Switch it on and go check if the disposal is now working.

If your disposal still isn't working and it's not a power-supply issue, press the reset button on the bottom of the disposal. This is usually a red button that trips when the disposer works too hard.

Still not working? Unplug the garbage disposal and inspect the inside of it through the sink drain hole. If the spinning blades are not easy to wiggle around, then there is likely a jam stopping the unit from turning. Using an Allen wrench, turn the center bolt underneath the unit a few times – this typically dislodges any stuck material. Still no luck? As a last resort you can take it all apart and unclog whatever is stuck inside.

The garbage disposal is connected in three spots: the hose, the drain to the sewer system, and the main connection at the top to the bottom of the sink. Disconnect everything and unscrew the disposal from the bottom of the sink. Remove the rubber lid and check inside. Hopefully, you'll find the source of the jam, because if not, you most likely do have a broken motor, in which case, you need to buy a replacement.

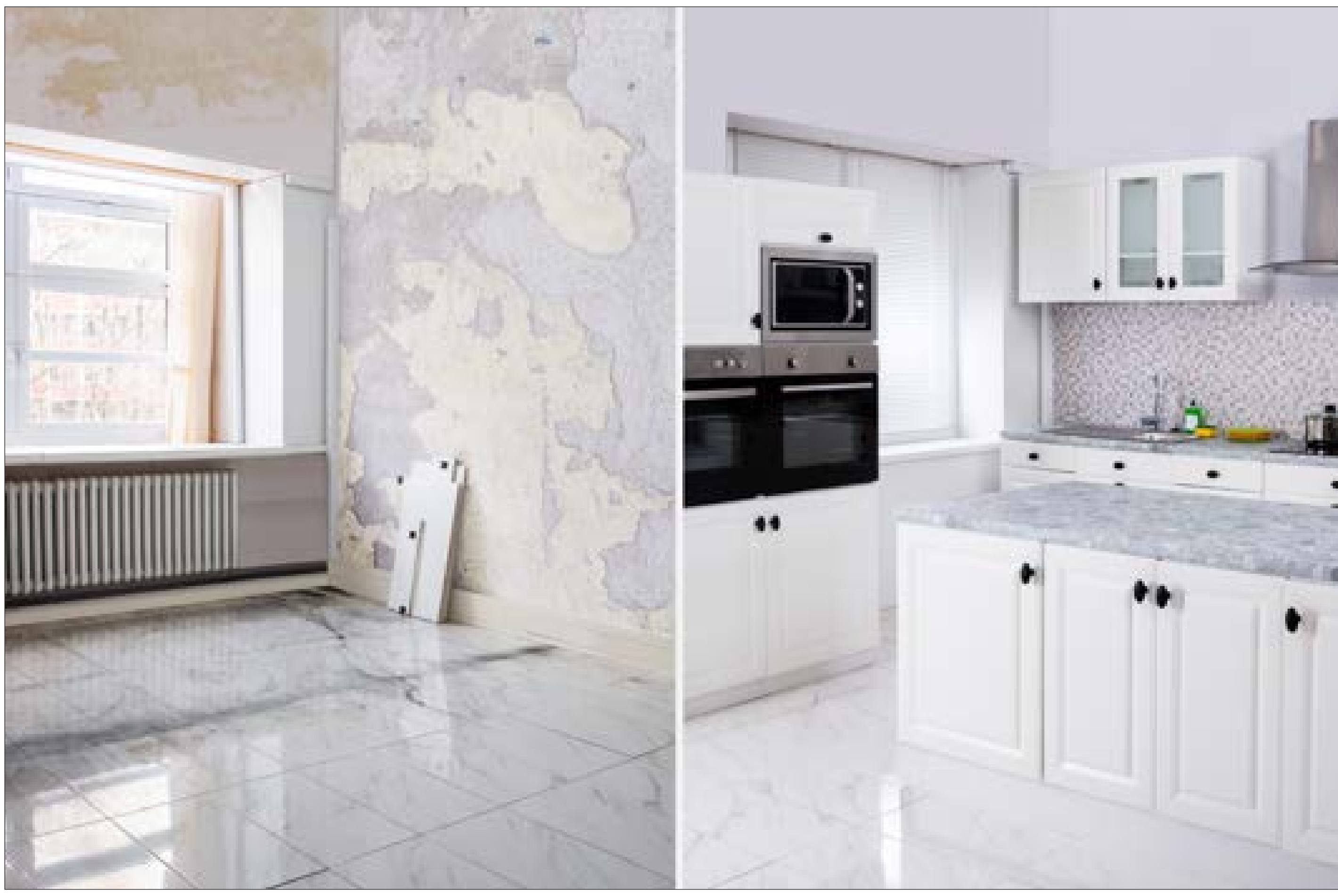
Hopefully, you were lucky and were able to fix your garbage disposal from these steps!

If you have any questions or concerns about troubleshooting your garbage disposal, or if you are interested in learning more about RentalRiff's property maintenance service, give us a call at 541-600-3200. Phil Schaller is an experienced landlord and the founder/CEO of RentalRiff - an alternative service to traditional property management that provides ongoing oversight and upkeep of rental properties, while serving as the main point of contact for tenants. Maintenance and repair costs are included and property specialists are licensed/insured. Phil is a Pacific Northwest native, father of two, and fly-fishing addict.

Lease-Renewal Incentives You Should Consider

Continued from Page 1

incentives could be the best ways to start!



1. Cash Incentives

For many tenants, the temptation of a cash bonus might seal their decision to renew their lease. This might be especially true of couples or single individuals who are still living in a one-bedroom unit and probably want to save what they can.

For most tenants, you can decide whether a discount on their rent might be possible. After that, you can consider actual cash, security-deposit rebates, etc. At times, it might be enough to just offer some tenants direct incentives such as gift cards from Target or Amazon. The incentive equality and likelihood of success will vary according to the tenants' age groups, family size, socioeconomic status, and several other factors.

Another example of an attractive cash incentive is to have desirable renewal terms. For instance, a landlord might offer a two-year lease renewal at little to no increase in the rental rates. This way, the tenant is happy at having at least one major cost unaffected by inflation rates. At the same time, the landlord gets to have their quality tenants firmly in place for two years instead of one (or however long the deal is for).

2. Gift Incentives that Aren't Monetary

When we use the word "gift" here, we mean something that's non-monetary. For instance, you can offer tenants certain upgrades, such as a ceiling fan or a newer model of an appliance. Appliances that they don't already have, such as an air fryer or toaster oven, might also get a lot of appreciation. Since the kitchen is among the most essential rooms in rentals, start thinking from there.

Other items you can consider are televisions, tablets, a new bed, etc. Perhaps it would help to take a tour of the place or just keep your eyes and mind open when you're talking to your tenants. They might need a certain item and let it slip mid-conversation.

3. The Option of Covered Parking

Another convenient non-monetary incentive could be the option of covered parking near the rental property. If you already provide parking in exchange for a fee, consider waiving it for the next year or at least give a discount. You can also offer free parking to residents who have been renting from you for a certain number of years.

Covered parking will be especially attractive for those who live in a very cold region. With snow and other weather elements, people are always looking for places to park their car safely. Having a nice spot near your tenant's home will certainly make them think twice about moving out (if ever!).

4. Unit Upgrades or Enhancements

When you're offering homes for rent, be ready to upgrade the place a bit as time goes by. Remember, if those quality tenants end up leaving, you might have to spend a lot on upgrades to attract new parties. You can probably save money and hassle by working on a unit upgrade now without paying for a whole rehaul.

If most of the rental place is carpeted, you might want to offer free carpet cleaning to start with. A better incentive is to get new carpeting, a coat of fresh paint on every wall, or new flooring, according to the tenants' wishes. However, keep in mind that such major upgrades should only be offered to tenants who have been with you for at least five years.

Getting a washer/dryer could also be a great incentive here. The main aim here is to make changes that positively affect the whole rental. Don't think of it as spending money to make other people happy; everything you do in this regard will ultimately increase your property value.

5. Going Off-Site for Activities and Entertainment

Not every lease-renewal incentive needs to be about the property. Many renters might like something else that makes their lives better in their current space. A membership to a nearby gym, for instance, is both a nice gift and an added incentive to stay in the area. If this doesn't seem viable (some people might be offended if you hint that they need to hit the gym!), consider a subscription to a book-box service or a grocery-delivery service.

6. Getting Services to Lower Expenses

You can also consider giving certain services as an incentive. These may include media services, which means an internet connection and free cable. Landlords who own huge apartment buildings often qualify for rewards or referral discounts from cable and internet companies. Consult your provider and find out if these discounts can trickle down to benefit certain residents as well. The same goes for any upgrade you might get for free or at a lower price than usual.

If your tenants are in an older age group, they might not want upgraded internet or cable services. What they might appreciate more are laundry and housecleaning services. Even those who live in luxury three-bedroom apartments for rent will appreciate such services at a reasonable rate.

7.Create a Menu of What You Can Afford

If your tenants are worth keeping around, then why not go the extra mile? If you can afford several minor upgrades, or a major one, put all the choices together and present them to the family or individuals. The menu items might include cleaning services, touch-ups, wallpapering, installing a swing, and so on.

This way, you can offer choices that are in your budget and also give tenants the freedom to choose. They just might appreciate this freedom even more than the incentive itself.

The Takeaway

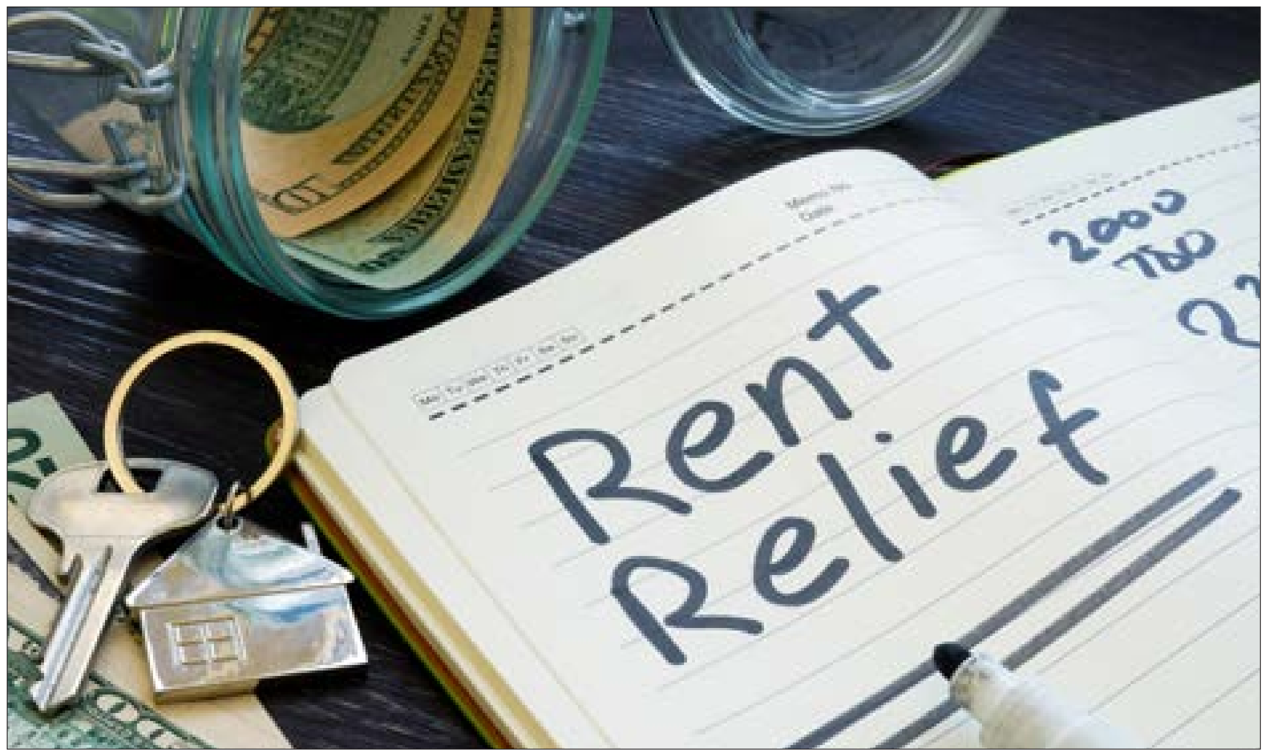
So, how do you decide which could be the right incentives to keep your valued tenants around? By offering varied incentives; we are all individuals, after all. Remember, the implementation also counts for a lot; you don't want to foist a major renovation on their living space until they've agreed to it.

Before you make any decisions, be sure to stay respectful, within boundaries, and aware of what your tenants need. Look at your budget as well; weigh the pros and cons, and then go for what seems best. In the meantime, stay courteous and give good customer service to your quality tenants. Let them know how much you appreciate them throughout the year instead of just at lease renewal time!

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.

Governors, Mayors, Courts Urged to Stop Evictions Until Emergency Aid is Processed

Rental Housing Journal



The heads of three federal agencies are urging state and local governments to enact or extend their own eviction moratoriums after the U.S. Supreme Court ruled the Centers for Disease Control and Prevention (CDC) had exceeded its authority in putting a nationwide eviction moratorium in place.

The three government agencies are urging governors, mayors and state courts to not allow tenants to be evicted before they have the chance to apply for rental assistance, and "no eviction should move forward until that application has been processed."

U.S. Secretary of the Department of Housing and Urban Development (HUD) Marcia L. Fudge, U.S. Secretary of the Treasury Janet L. Yellen, and Attorney General of the U.S. Department of Justice Merrick B. Garland sent a letter to state and local government leaders addressing the eviction moratorium, according to a release.

"Our three departments are working closely together and with other agencies across the federal government to make rental assistance available to households in need," the letter said.

"We also know we cannot address this challenge alone. State and local governments play a crucial role as administrators of programs like Emergency Rental Assistance (ERA) and as leaders of their own housing agencies, judiciary systems, and other components of government that are essential to keeping Americans in their homes. We are urging you to exercise your own authorities-as states, cities, and counties representing millions of Americans already have to take action to prevent unnecessary evictions, including:

- "Enacting state and local eviction moratoriums during the remainder of the public health emergency. Six states and the District of Columbia already have eviction moratoriums in place. As the president called for, we are encouraging all other state and local governments to use their legal authorities to appropriately put in place or extend their own eviction moratoriums.
- "Working with state and local courts to require landlords to apply for ERA before they commence eviction proceedings. State and local governments or courts should ensure that all tenants have the opportunity to apply for rental assistance before any proceedings begin, and landlords seeking eviction should be required to apply for rental assistance first – a policy already implemented in some states and localities.
- "Staying eviction proceedings while an ERA application is pending. By taking this step, as some states and localities already have, courts can ensure that tenants have a fair opportunity to apply for federal aid and that unnecessary evictions are avoided. While we call on courts to stay eviction proceedings, state and local governments must also speed the delivery of rental assistance to meet courts' deadlines.
- "Using ERA and American Rescue Plan State and Local Fiscal Recovery Funds to support the right to counsel and eviction-diversion strategies. Tenants are more likely to avoid eviction and remain stably housed when they have access to legal representation. Legal counsel can also aid in the successful completion of ERA applications. We encourage state and local governments to use ERA and Fiscal Recovery Funds to launch right-to-counsel programs and invest in court navigators and diversion programs.
- "Helping tenants navigate the ERA application process. The Treasury Department has issued recent guidance streamlining the ERA application process, for example, by making clear that grantees can rely on self-attestation from tenants for certain eligibility requirements. State and local governments can continue to build on these efforts by removing unnecessary barriers to ERA funds."

The letter said the ERA program and the state and local fiscal-recovery funds have provided tens of billions of dollars to support renters and landlords. The Treasury Department reported recently than about 89 percent of the funds had yet not gotten into the hands of landlords or tenants due to state and local processing delays.

"It is critical that renters be given the chance to receive that aid before being subject to eviction. Many state and local governments are working hard to get rental assistance to those in need as quickly as possible, and these policies will help ensure renters are not evicted before those resources reach them," the letter said.

"We applaud the efforts of the state and local governments that have already taken these and other actions to prevent unnecessary evictions, as we know many of you have. However, we also know more must be done and that effective and comprehensive policies to prevent unnecessary evictions have never been more urgent. We stand ready to partner with and support you in any way we can to protect renters and landlords and make programs like ERA as effective as possible," the letter said.

U.S. Supreme Court Ruling Ends Eviction Moratorium

Rental Housing Journal

In a major victory for landlords and rental property owners, the U. S. Supreme Court last month ended the nationwide eviction moratorium in an eight-page ruling saying "It is up to Congress, not the CDC, to decide whether the public interest merits further action here."

Realtor associations and rental-property managers in Alabama and Georgia had sued saying the CDC lacked the authority to impose the eviction moratorium.

"The applicants not only have a substantial likelihood of success on the merits—it is difficult to imagine them losing," the court said in its ruling.

"The moratorium has put the applicants, along with millions of landlords across the country, at risk of irreparable harm by depriving them of rent payments with no guarantee of eventual recovery. Despite the CDC's determination that landlords should bear a significant financial cost of the pandemic, many landlords have modest means. And preventing them from evicting tenants who breach their leases intrudes on one of the most fundamental elements of property ownership—the right to exclude," the court said in its ruling.

"As harm to the applicants has increased, the Government's interests have decreased. Since the District Court entered its stay, the Government has had three additional months to distribute rental-assistance funds to help ease the transition away from the moratorium. Whatever interest the Government had in maintaining the moratorium's original end date to ensure the orderly administration of those programs has since diminished. And Congress was on notice that a further extension would almost surely require new legislation, yet it failed to act in the several weeks leading up to the moratorium's expiration," the court said.

The current nationwide eviction moratorium had been set to expire on October 3.

However, many states and localities, including California, have extended their own moratoriums, providing another layer of protection for some renters.

Sponsored Content

3 Reasons Investors Prefer Real Estate

Contributed by Ashcroft Capital

Two common forms of investment strategies that smart investors use to grow their wealth with passive income include creating a diversified portfolio of stocks and investing in real estate. While investing in the stock market is beneficial for numerous reasons, investing in private market properties like multifamily provides several advantages. Here are three important reasons why some investors prefer multifamily private placement investments over stock market investments.

No. 1. Lower Volatility

Stocks can have a volatility that's not found with most private placement offerings. Real estate provides a long-term cash flow provides passive income and the promise of appreciation[1].

The stock market is particularly vulnerable to several different forms of risk, which include economic, inflationary, and market risks. This volatility can occur because of company-specific or geopolitical events. The real estate market across the U.S. has been strong for more than a decade. Since 2010, the national housing market added $11.3 trillion in value – a more than 50% increase[2].

No. 2. Your Gains Can Be Deferred

If you sell a property that you've invested in and put the proceeds towards purchasing a similar property, your capital gains taxes can be deferred to a later date, which is called a 1031 tax-deferred exchange[3]. During this process, a qualified intermediary will hold the proceeds from the sale until the money can be transferred to the other property's seller. Engaging in a 1031 allows you to avoid the 15-20% long term capital gains tax rate[4].

No. 3. Can Be Used As Hedge Against Inflation

Over time, the value of a dollar increases as a result of inflation. While the value of currency will invariably increase over time, the rate of inflation isn't always consistent. As inflation rises, the cost of everything goes up, including real estate[5]. When property values increase, the property owner can charge more for rent, which ensures a higher revenue stream. By keeping pace with inflation, you gain an advantage that is difficult to obtain with stock market investments.

It's never too early to start generating passive income. Placing some of your money into multifamily private placements could help you balance your portfolio and reduce the potential for losses.

To assist you on this journey, download this free 20-page guide to Understanding Real Estate Private Placements.

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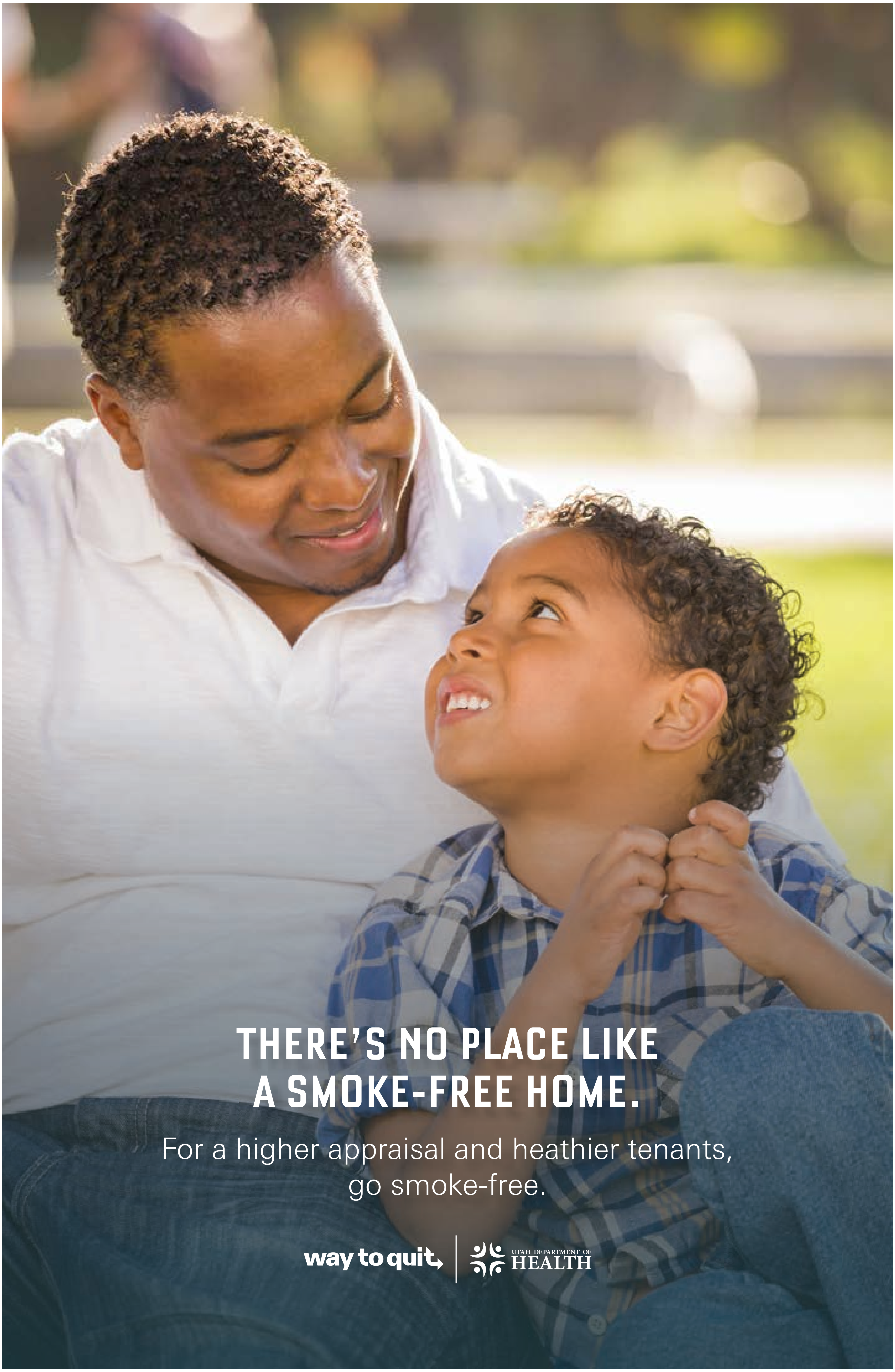
1 Investopedia. "Reasons to Invest in Real Estate vs. Stocks"
2 Zillow. "Recovery Added $11.3 Trillion to U.S. Housing Value in the 2010s.
3 Internal Revenue Service. "IRS 1031 Exchange."
4 Investopedia. "1031 Exchange Rules: What You Need to Know."
5 Forbes. "How Buying a House Can Hedge Against Inflation."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