5 Landscaping Maintenance TipsPage 8

How to Get Tenants to Clean Regularly Page 9



What You Need to Know About Support Animals Page 11



ARIZONA

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



Who Pays for Bedbug Removal?

BY HANK ROSSI

Dear Landlord Hank: In the city of Aurora, Colorado, is it the tenants' or the property manager's (house landlord's) responsibility to take care of a bedbug problem? — **Stefon**

Hi Stefon: I would check your lease to see if pest control is mentioned. Most often, if you live in a multifamily building, the owner takes care of pest control on a regular basis, but this is normally addressed in the lease.

If you are renting a single-family home, sometimes the owner will provide exterior pest control only, sometimes both interior and exterior.

If pest control is not mentioned in your lease, then the issue is your responsibility. I don't know if Aurora, Colorado, has any special laws about this, but I would check.

Dear Landlord Hank: With schools closed, my tenant has advised she has to stay home with her children and cannot go to work and thus will have no income to pay rent. She wants to know if she can delay paying rent. —

Dear Sam: With this pandemic, most are living in fear and uncertainty right now. I'm all about business first, but this

See 'Dear' on Page 9

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AZ Developer Listed Among Top 50 Apartment Companies

RENTAL HOUSING JOURNAL

The National Multifamily Housing Council (NMHC) has released its 2020 NMHC 50, the sector's chief ranking of the nation's largest apartment owners, managers, developers, builders and syndicators for the year 2019, and Arizona developer is on the list for a second straight year.

"Before the outbreak of COVID-19 and the related economic weakening, the multifamily industry and the sector's fundamentals were as healthy as they had been in years," the report says.

"While there is clearly going to be significant uncertainty in the days to come, the 2020 NMHC 50 highlights that the apartment industry continues to experience significant demand and is well-positioned to return to growth following the pandemic."

"Demographic shifts and preference for renting have resulted in continued strong demand and positive performance for the apartment industry," said Caitlin Sugrue Walter, Vice President of Research for the



National Multifamily Housing Council, in a release.

"As is evident from the growth on this year's builders and developers lists, the industry is continuing the pace of production to meet the needs of pentup demand from years past. In addition, apartment transaction volume surpassed \$100 billion for what's now the seventh consecutive year."

No. 1 – Largest apartment owner

MAA (headquartered in Memphis, Tenn.) stayed atop the list of the country's largest apartment owners with 100,031 apartment homes owned, breaking the 100,000-unit mark for the second

consecutive year.

No. 2 – Largest apartment manager

Greystar Real Estate Partners (headquartered in Charleston, S.C.) remained the largest apartment manager with 492,967 apartments under their management, more than double the next firm on the list.

No. 3 – Largest apartment developer

Alliance Residential (headquartered in Phoenix, Az.) retained its place as the largest apartment developer with 8,009 apartments started in 2019 — over 1,000 more units started compared to when they first took the top spot last year.

No. 4 – TOP APARTMENT BUILDER

Summit Contracting Group, Inc. See '2020' on Page 6

April Rent Collection Better Than Expected, But May is a Concern

RENTAL HOUSING JOURNAL

April rent collection was better than expected, but May rent collection is still a concern, according to research presented in a recent National Apartment Association webinar.

Mindy Price of J. Turner Research presented during the webinar and said, "We undertook a multifamily-leader survey to determine the impact of Covid-19 on rent collection. In the survey of 678 participants, 58 percent of those were mid-to- top-level management."

The results compared April to March rent collection; 56 percent said they saw a decline, 38 percent said it stayed the same and 5 percent said it was higher.

Price said overall April rent collections were better than expected, and "We're not hearing all that doom-and-gloom that some of the national media outlets have been reporting on. However, there is a consensus about the unknowns of May rent collection."

The survey showed that of the 56 percent who said they had a rent decline,

the average decline in rent payments amounted to about 12 percent.

However, Price pointed out that "we've got a couple of conflicting events that are going on right now," leaving open questions.

- First, six weeks into this pandemic with people are being laid off, what impact is that going to have?
- Second, many of those have applied for unemployment, See 'Rent' on Page 6



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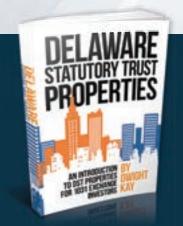
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Kay Properties is a national Delaware Statutory Trust (DST) investment firm. The www.kpi1031.com platform provides access to the marketplace of DSTs from over 25 different sponsor companies, custom DSTs only available to Kay clients, independent advice 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.

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Seattle Landlords Lose First-Come, First-Served Petition

RENTAL HOUSING JOURNAL

The U.S. Supreme Court declined to hear Seattle landlords' appeal of the controversial first-come, first-served law, requiring landlords to accept the first qualified tenant who applies and clearing the way for the rule to stand permanently.

The Pacific Legal Foundation had sued on behalf of the landlords over the ordinance, claiming it violated landlords' due process, free speech and property rights.

"The Supreme Court has turned down an important opportunity to strengthen constitutionally protected property rights and provide much-needed relief to Seattle property owners," said Ethan W. Blevins, staff attorney for the Pacific Legal Foundation, in a statement.

"The Supreme Court's decision to deny the petition means that Seattle landlords have no say over who ends up living on their property. As a result, smalltime landlords have lost basic property rights, and tenants will struggle to find affordable housing that meets their needs.



The city now has the green light to go forward with the regulatory slaughter of its own housing market."

In an email reported by the *Seattle Times*, Blevins wrote, "Seattle's law has caused some landlords to sell their units and others to tighten their rental criteria. The city's victory in the courts, unfortunately, will not translate into a victory for either landlords or tenants,"

he wrote.

Seattle Council member Lisa Herbold championed the first-come, first-served law in 2016, saying her goal was to ensure all renters were treated equally. At the time, officials said they were unaware of any other U.S. city with such a law.

In a statement hailing the news, Herbold said the first-come, first-served law

was "a necessary tool" to guard against discrimination and even more important now that the city's existing housing crisis has been "compounded by an economic crisis" because of the coronavirus.

The denial by the U.S. Supreme Court means the case has now run its course, City Attorney Pete Holmes told the newspaper.

A Seattle judge first struck down Seattle's ordinance in 2018, saying landlords must accept the first qualified tenant who applies, according to reports. King County Superior Court Judge, Suzanne Parisien, struck down the ordinance, determining that "choosing a tenant is a fundamental attribute of property ownership."

However, the Washington State Supreme Court heard the case and last year upheld the law, reversing the King County ruling.

Earlier this year the landlords asked the U.S. Supreme Court to hear the case but the court denied the petition April 20, 2020, without comment.

Sponsored Content

Kay Properties Completes \$32.4 Million DST 1031 Exchange on Behalf of Clients

By the Kay Properties and Investments, LLC Team

A husband and wife who have built their net worth using multifamily properties have accessed the Kay Properties 1031 DST marketplace at www.kpi1031.com to complete a tax deferred 1031 exchange into multiple DST 1031 properties.

The Delaware Statutory Trust 1031 exchange investments were completed by Kay Properties and Investments team members Chay Lapin, Senior Vice President, and Steve Haskell, Vice President.

Dwight Kay, the founder and CEO of Kay Properties, stated, "We are honored to have helped another family complete their 1031 exchange into DST investments. Again, the clients chose the Kay Properties team and the www.kpi1031.com marketplace for expertise and access to over 25 different DST sponsors and between 20-40 DST 1031 offerings."

Kay continued, "These clients were from the Pacific Northwest and they decided after extensive research that the Kay team and kpi1031. com marketplace best suited their needs as they were searching for a 1031 exchange solution. We are thankful to the clients as well as the five DST sponsor companies that we worked closely with on this transaction."

Chay Lapin, Senior Vice President of Kay Properties, stated, "Throughout the years at Kay Properties, we have had the opportunity to work with clients all over the country. In this particular exchange, our clients

had multiple apartment buildings that would be staggered closings. In speaking with our investors, they wanted to make sure that they had all their 1031 Exchange DST 1031 options chosen prior to closing on the sale of their apartment buildings.

"We had the chance to utilize our team expertise and sponsor relationships to successfully line up all the various DST offerings prior to the various buildings they were selling closed in an effort to reduce potential closing risk.

"It was important to our investors to have properties ready to invest so they did not miss too much potential rental income. They would be purchasing over \$32,000,000 of DST properties and missing a few weeks of cash flow on this value would be a significant number and impact. With the help of our entire Kay Properties team, we were able to close into their DSTs within a few days and start to earn their potential income immediately."*

Steve Haskell, Vice President at Kay Properties, stated, "At Kay Properties, we invest a great deal of resources into educating our clients in each step leading up to their exchange. In this case, our clients were a husband and wife with extensive experience as real estate professionals specializing in multifamily apartments and they appreciated the opportunity to meet our due diligence analysts, underwriters, inhouse counsel team, contract coordinators and asset managers. Ultimately the clients decided that a diversified portfolio of 10 unique DST 1031 investments with five different DST sponsor companies made much more sense than purchasing just one property on their own."*

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.

*Diversification does not guarantee profits or protect against losses.

*This case study may not be representative of the experience of other clients. Past performance does not guarantee or indicate the likelihood of future results. Please speak with your attorney and CPA before considering an investment.

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

Sponsored Content

How to Report COVID-19 Debt Information to Credit Bureaus

From Datalinx LLC

If they haven't already, your residents will soon be contacting you about COVID-19 debt information related financial hardships. How you help them through these tough times is up to you. No matter what arrangements you make, though, you'll want to report them accurately to the major credit bureaus.

REQUIREMENT OR RECOMMENDATION?

On March 9, 2020, the Board of Governors of the Federal Reserve System and all five federal banking agencies issued a joint press release encouraging financial institutions to "work constructively with borrowers and other customers in affected communities."

The Office of the Comptroller of Currency (OCC) echoed this recommendation. A March 13 OCC update encouraged banks to "prudently" work with "adversely affected customers." The agency suggested waiving fees, offering repayment accommodations, and extending payment due dates regarding COVID-19 debt information.

While this guidance is directed toward banks and credit unions, it's advice that any lender should consider. In fact, the Consumer Data Industry Association (CDIA), which represents consumer reporting agencies, backed the Fed's suggestions. The organization also shared specific reporting guidance for member companies who want to help consumers avoid credit problems amid the COVID-19 pandemic.

"This guidance is available in the current situation to help consumers work with their banks and other creditors if they are impacted—directly or indirectly—by the virus," said Francis Creighton, CDIA President and CEO.

At this point, working with your customers or tenants who have been impacted financially by COVID-19 isn't a requirement. The Fed, OCC, and CDIA are all using words like "guidance" and "recommend" to reiterate this fact. It's possible, though, that government aid packages may soon include mandatory rules for working with your customers on COVID-19 debt information amid this unprecedented outbreak.

COVID-19 IS A NATURAL DISASTER

There is no policy within the Credit Reporting Resource Guide that specifically addresses COVID-19, coronavirus, or pandemic. However, the Guide — better known as the "Metro 2 manual" — has long included policies on "natural or declared disasters." Most people use this policy after widespread weather-related emergencies like devastating hurricanes, wildfires, or mudslides.

However, according to the CDIA, the current COVID-19 pandemic falls under this category for credit reporting purposes. Indeed, the economic circumstances facing consumers today, including potential job loss, are through no fault of their own. This is the same criteria

that describes the impact of natural disasters on consumers.

"The nationwide credit reporting companies

have long had systems in place to minimize the impact of disasters and other singular situations on consumers' credit standing," said Creighton. To remind data furnishers of this long-standing policy, the CDIA issued an Important Metro 2 Announcement on March 9.

The CDIA advised data furnishers who report information for consumers affected by natural disasters to refer to FAQ 58 of the Metro 2 Manual for specific reporting guidance.

FAQ 58 HIGHLIGHTS

While we encourage you to consult the FAQ 58 documentation for full reporting instructions, here is a summary of the guidance.

There are two options for reporting natural disaster status on open accounts and closed accounts with balances owing.

Report the account as deferred or in forbearance (more details below), along with Special Comment AW (affected by natural or declared disaster), OR Report the actual account status that applies to the account, along with Special Comment AW.

If an account is already being reported as derogatory, continue reporting these statuses and add Special Comment AW.

When a data furnisher adds Special Comment AW to an account, the notification indicating that the consumer has been impacted by a natural disaster will appear alongside the specific trade line. Traditionally, credit-reporting agencies (CRAs) will not count trade lines with the AW code when calculating credit scores. For all intents and purposes, these trade lines are invisible while the code remains in place. It's up to you as a data furnisher to remove this code from the account when the consumer's financial situation has stabilized.

GUIDELINES PROVIDED

As referred to in FAQ 58, deferment or forbearance of an account are popular options for creditors seeking to help consumers during times of natural disaster. Each allows the borrower to temporarily postpone making regular loan payments. However, they differ in the way interest on the account is handled. Typically, an account in deferment does not accrue interest while payments aren't being collected.

A forbearance arrangement, though, will increase the amount the borrower owes, because interest will not stop accruing during the grace period. While the account is in forbearance status, you may encourage your customer to make reduced payments or interest-only payments if possible.

To report a loan as deferred, follow the stepby-step process outlined in FAQ 44 of the



Metro 2 Manual.

To report an account in a forbearance, follow the step-by-step process outlined in FAQ 45 of the Metro 2 Manual. Loans in forbearance will need the Special Comment Code CP (account in forbearance) in addition to code AW (natural disaster).

Remember that when a customer's account comes out of deferred or forbearance status and begins repayment, it's up to you as the data furnisher to adjust the reporting fields accordingly.

BE CONSISTENT AND CONSIDERATE

In January 2019, the National Consumer Law Center appealed to the heads of the CDIA and the three major credit bureaus to change the way natural disaster codes were recorded on credit reports. The group referenced a 2018 study by the Consumer Federal Protection Bureau (CFPB), which found reporting inconsistencies that negatively impacted consumers.

The Natural Disaster Credit Reporting report focused on consumers in the disaster zone of Hurricane Harvey, which hit the Houston, Texas area in August 2017. The CFPB found that less than 40% of those impacted by Harvey had disaster code AW on their reports. Only 16% of mortgage servicers and 5.7% of credit card issuers added this AW designation.

"[T]his disparity is illogical and unfair," the NCLC concluded. "[I]f a consumer was impacted by a natural disaster with respect to their mortgage loan, they would be impacted as to their credit card account and other tradelines as well. Without comprehensive coverage, consumers face ongoing harm from unflagged financial hardships beyond their control."

The NCLC recommended that data furnishers leave the AW code on reports for at least six months. The group also asked that any tradeline with an AW code should not include delinquencies during the time period. In other words, if an account is not in deferred or forbearance status, but has the AW code, data furnishers would use the "current" designation or "D" code for "no information" in the Account Status field.

Again, at this time, these are all recommendations and guidance for data furnishers regarding COVID-19 debt information. However, as we've shared before, your consideration and kindness today during these unusual and unpredictable days of COVID-19 may go a long way toward future customer loyalty.

Please feel free to contact us at support@ datalinxllc.com or (425) 780-4530 if you have questions or need assistance during this difficult time. https://datalinxllc.com/

Rent-Deferral Payback Plan Guidelines: What You Need to Know During COVID-19

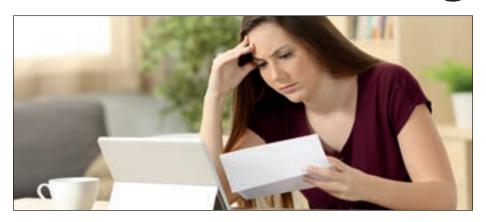
By Ellen Calmas

With April 1 in the rear-view mirror, the next big challenge for rental-housing operators is figuring out how to implement fair and effective rent-deferral payback plans for their communities.

Finding the right payment plan is critical, although the answers are quite different for smaller landlords than for larger, better-capitalized REITS or privately owned corporations that can draw down lines of credit to smooth out rough patches.

The National Multi Housing Council and the National Apartment Association both offer a host of resources. What both associations agree on is that automated payments fit well with social distancing while providing increased assurance of payment reliability even in the uncertain times of COVID-19.

Selecting the right rent-deferral payback plan requires a clear, disciplined approach that includes defined parameters for rent deferral (percentage and duration) as well as expectations for payback for participating residents who seek relief. Consistency is key in communications and execution to avoid potential fair-housing violations while maintaining reputational equity. Relief that operators receive in the form of mortgage forbearance or government stimulus should be shared, as possible, with the understanding that we're all in this together. Real-time insights of resident status will guide decisions throughout the crisis.



Here are some key considerations for property owners and managers in assessing and adapting deferral-payback plans in these extraordinary times:

Let the C-Suite Lead -- Already over-burdened community staff aren't in a position to review each resident's circumstances on a case-by-case basis to determine ability to pay, and the risks of community-based strategies are many. The appearance of bias can be greatest among residents most hurt by job loss or wage reduction, which could lead to fair-housing Issues and also could cause problems with lenders. Offers should be consistent across communities.

Cover Your Bases -- Involve corporate legal teams to develop documentation to reapply security deposits and accept partial payments for participating residents. Assistance on language for lease addendums is important to ensure that residents fulfill theirnpromises to pay with partial rent deferrals. Consider extending lease duration to

give residents time to recover from the current crisis and get caught up on rent without getting further into debt. As a simple gesture of goodwill, refrain from late-rent reporting for the remainder of the year for residents participating in deferral initiatives. These steps are being articulated by the federal government and may affect the ability to receive relief from the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Review Vendor Services w/Scrutiny -- Viable, automated payback solutions that assure timely rent delivery will provide the greatest assurance of payment protection, particularly those that accommodate automated direct deposit for payments from unemployment checks. Removing residents from management of funds for rent and getting to the front the line from payroll and special benefits is critical, so your deferral payback plan should be able to deliver on these priorities.

Insert Control Measures – Speak with your enterprise operators about custom

reporting and the ability to adjust systems so that residents aren't constantly receiving late notices. As importantly, determine access to real-time tracking of resident payback to provide insight into when your residents lose their jobs or have a reduction in hours and wages. Your deferral payback plan should be able to integrate with your system provider.

Stay focused – While March required scrambling to make communities safer, calls for rent strikes and complete rent forgiveness can be distracting and unproductive. Stay clear of the fray. Rent should be paid. How and when is what's up for grabs.

In this environment, where residents are fearful of being able to get a hospital bed should they need one, it's important that the rental-housing industry communicate the intent to work together to keep a roof overhead.

Co-Founder Ellen Calmas is and Executive Vice President at Neighborhood Pay Services, the company that pioneered the only rent-from-payroll platform for the rental housing industry, NPS Rent Assurance. She can be reached at ellenc@neighborhoodpayservices. com. In an effort to help landlords in deploying rent deferral/payback initiatives, NPS will defer 30 percent of fees throughout the remainder of 2020, including ongoing disbursement of funds from payroll and/or unemployment benefits.



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Monthly Meeting Schedule for the Arizona Real Estate Investors Association

AZREIA Phoenix: Monday – May 11, 2020

Virtual Meeting | 5:15 - 8:45 pm Market Update & Market News with Alan Langston

The latest in trend analysis for the U.S., Arizona and Greater Phoenix including existing homes, new homes, foreclosures and traditional sales. Full analysis of fix & flip and rental markets. Plus, the latest market news affecting your business.

MAIN MEETING:

This presentation features a nationa or local speaker or panel of experts on general topics such as fix & flip, buying notes, private money lending, marketing strategies, buying land or commercial/multi-family property. These are "you can't afford to miss" meetings.

AZREIA Tucson: Tuesday – May 12, 2020

Virtual Meeting | 5:30 – 7:15 pm Market Overview

Find out where our market is heading – valuable information no real estate investor should do without.

Main Meeting with Special Guest Speaker

This presentation features a national or local speaker or panel of experts on general topics such as fix & flip, buying notes, private money lending, marketing strategies, buying land or commercial/multi-family property.

AZREIA Prescott: Tuesday – June 2, 2020

Virtual Meeting | 5:15 –7:15 pm Networking & Market Overview

Find out where our market is heading – valuable information no real estate investor should do without.

Main Meeting with Special Guest Speaker

This presentation features a national or local speaker or panel of experts on general topics such as fix & flip, buying notes, private money lending, marketing strategies, buying land or commercial/multi-family property.

REGISTER ONLINE AT www.azreia.org

2020 NMHC 50 Ranking Includes Arizona Developer

Continued from Page 1

(headquartered in Jacksonville, Fla.) kept their spot as the country's highest-producing apartment builder, starting 9,065 apartments in 2019, nearly 1,500 more units than the next builder on the list

No. 5 - Top syndicator

PNC Real Estate (headquartered in Portland, Ore.) also stayed on top as the nation's largest apartment tax-credit syndicator with 132,179 apartments syndicated.

Additional Industry and NMHC 50 Highlights:

- 2,210,931 Number of total units owned by NMHC 50 top owners, representing 10.1 percent of the total U.S. apartment stock.
- 3,617,624 Number of units collectively managed by NMHC 50 top managers, breaking the record for the 12th consecutive year and representing 16.5 percent of the total U.S. apartment stock.
- 95.8 percent 2019 apartment

- occupancy rate according to RealPage, the highest since 2000.
- 343,200 Number of apartments completed in 2019 according to the Census Bureau, which is 7,600 units (or 2.3%) higher than in 2018.
- 249,721 Net absorptions in 2019 according to RealPage, a 17.3 percent drop from the highs seen the previous year.
- \$183.5 billion Total multifamily transaction volume in 2019 according to Real Capital Analytics, a record high.

About the ranking: This is the 31st annual edition of the NMHC 50 rankings. NMHC partners with Kingsley Associates, a leading real estate research and consulting firm, to conduct the research for the NMHC 50. All apartment owners, managers, developers, builders and syndicators are invited to answer a survey questionnaire that asks about their prior year's activities. Apartment owners, managers and syndicators are ranked based on their portfolio holdings (either owned, managed or syndicated) as of January 1, 2020, while developers and builders are ranked based on the number of apartment units started in 2019.

Rent Collection for Month of May is Still a Question

Continued from Page 1

stimulus checks are hitting the banks and money is getting into people's hands, but what's going to be their priority?

"That's really the unsolved question," Price said.

Price said there were different rent payments and payment plans being offered, along with waivers of late fees.

"Then there are also some discounts for early-payment options and also early incentives. If somebody pays early, they're getting a percentage off of their rent, or if they're paying early, they're getting entered into drawings for free rent. Some are doing, if you pay early, you're just getting some free rent.

"We've also heard of some discounts that have been offered, such as small discounts if you pay on time between the first and this date. We've heard about restaurant gift cards," Price said.

She also pointed out that some unemployment is paid out weekly.

"So you've got your resident receiving

that money weekly. Well, what about setting up a payment plan so that you can receive their rent dollars weekly? Just a suggestion," she said.

Price pointed out that the survey showed different forms of payment used, from ACH withdrawals to checks, then money orders and credit cards. She said that responses showed that 32 percent are still paying by check.

"Well, there are companies that are trying to move over to no in-person payments, right? No forms of paper payments. The problem with of those is that the companies are sending out letters, paper letters stating they're moving to virtual payments or online payments. And so the residents are complaining saying, 'Wait, so what you're saying is your paper is better, safer than ours?'

She said consistency in the message is important, so if no in-person payments "is something that you're moving towards, you want to make sure you're sending that information any other way using social text, email, but not by paper.

"April was better than anticipated and we hope the same for May," Price said.

RENTAL HOUSING OURNAL INSIGHT FOR RENTAL HOUSING PROFESSIONALS

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10 Ways You Can Keep Residents Engaged During the COVID-19 Outbreak Crisis

NATIONAL APARTMENT ASSOCIATION

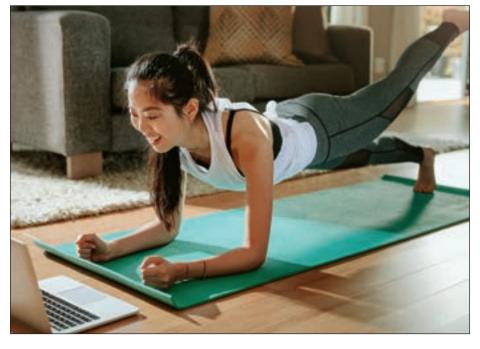
Social distancing is a challenge in apartment communities which are at their core a people-driven business. That makes it more difficult to abruptly cut off face-to-face communication.

"Now more than ever, apartment owners and operators have a real opportunity to make a difference in how we respond to these challenges by moving resident events and communication online to further engage residents in a different manner," the National Apartment Association said in a release.

"Allowing residents to see continued effort is key to satisfaction. Apartment professionals can provide value while also helping people to feel connected and combat loneliness and depression in the weeks and months to come.

10 WAYS TO KEEP RESIDENTS **ENGAGED**

- 1. Host an online book club. Let residents vote on a book to read online or listen to on a platform like Audible. Then create a Facebook group to discuss the book virtually once a month. You can host separate clubs for different age groups or book choices.
- 2. Use the power of technology with daily or weekly check-ins. Use social platforms, such as Instagram or Facebook Live, for example. People love to feel important and a part of their community. Check in on how everyone is doing and keep them updated on current events and



neighborhood information.

- 3. Consider gifting subscriptions to Disney+ or Netflix. This will assist with the boredom your residents may enter while being confined to their apartment homes. Take it a step further with recommendations about great movies and shows to watch, and even start a discussion online for neighbors to comment on their favorites.
- 4. Encourage healthy competition at an online game center; nothing beats a competitive game of neighborhood Scrabble! There are thousands of games your residents could play together online. You can play chess, find all sorts of virtual reality games, or find card and

other puzzle games. Get creative and make your own crossword puzzle using words from your community.

- 5. Recommend online fitness apps if your fitness center is closed. Encourage your residents to continue putting their health at the forefront of their confinement with apps, such as Peloton and Beachbody, to name a couple. Consider paying for the first month of their subscriptions in substitution for that month's resident event.
- 6. Create a photo scavenger hunt online. List missions in different categories to allow residents to post pictures of objects they find inside their apartment homes. Residents can also

solve riddles and complete fun photo challenges to share with neighbors.

- 7. Design your own community potluck cookbook. This is an awesome twist on a classic resident event. Have residents submit recipes for their favorite dinner. Then, compile the recipes into a community cookbook and share all recipes on Dropbox or Google Drive.
- 8. Send out daily trivia to residents. Random trivia can productively kill time by teaching residents new facts. You can make this into a competition among neighbors by publishing a weekly leader scoreboard. Take this a step further by giving out prizes, such as e-gift cards for winners.
- 9. Make a music playlist on a platform, such as Spotify, to share with residents. Energetic music will help motivate residents to exercise, clean, and even dance around their home. You can even ask residents to make suggestions for music to add to the list to increase community participation.
- 10. Share online learning websites designed for children from preschool to middle school that encourage positive distant learning while schools are closed. Age of Learning and Scholastic Magazine are just two examples of online programs providing free home access. Even when schools are closed, you can keep the learning going with these special crosscurricular journeys - and parents will appreciate the help while they navigate the balance of work and childcare.



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5 Landscaping Maintenance Tips for Helping Beautify Your Rentals

KEED

Landscaping maintenance for your rentals can be important in attracting tenants, so this maintenance checklist from Keepe looks at 5 simple landscaping techniques to help.

Property managers know that landscaping maintenance is often regarded as one of their required responsibilities, and investing in landscaping is key in both attracting tenants and increasing rental-property value.

As you know, landscaping is far beyond planting shrubs or colorful flowers. It involves an understanding of what you can do to attract your desired type of tenants, to manage your landscaping through the seasons, and to streamline maintenance activities.

If you're a property manager saddled with landscaping responsibilities, then the following maintenance tips may help you get the best out of your rental-property landscape.

OPT-IN FOR NATIVE PLANTS

No matter where your property is located, there are specific plants suitable to your local weather and soil condition. They are known as native plants. This type of plant requires less maintenance and has better resistance to diseases and pests than non-native varieties. For example, if you live in a grassy area, then grassy natives like coneflower and butterfly weed will work perfectly in your landscape.

Pro tip: Each state in the United States has specific plants native to its environment. You should find out your state's plant hardiness zone.

CHOOSE HARDSCAPE OVER GRASS

If you are a property manager seeking to increase your property's curb appeal while reducing maintenance time, then hardscaping may be an option for you. The use of hardscape features – such as pavers, walkways, and patios – not only saves you time but also gives your tenants an extra living space.

By choosing a hardscape over grass, you can give your rental property a nice-looking yard while reducing the time spent on lawn mowing and irrigation activities. Above all, studies have shown that properties with an outdoor living space tend to attract potential renters much facter.

Pro tip: Check in with your homeowners association before embarking on a hardscape project.

INVEST IN LANDSCAPE FABRIC

It is common knowledge among property managers that regular landscape maintenance can be a tedious, money- and time-consuming chore. An excellent way to save yourself the stress of regular weed removal is by investing in a landscape fabric (weed-control fabric). Landscape fabric helps to eliminate weeds, prevent erosion and split soil profiles. It is a good solution for reducing landscape maintenance.



Pro tip: Weed-control fabric will keep the weeds at bay, but not forever. It is advisable that you use it when planting annual plants. To get the best out of the option, do combine the use of weed-control fabric and regular mulching.

MULCH REGULARLY

Mulching is the process of adding material such as shredded leaves and bark, wood chips, and sawdust to the surface of your landscape. As a property manager, mulching is a vital landscape-maintenance activity that can help change the appearance of your property's curb. This is because regular mulching helps to suppress weeds, retain moisture, and regulate soil temperature.

Pro-tip: The thickness for mulching can be anywhere from 1 inch to 5 inches depending on the size of the plant.

INSTALL AN AUTOMATIC IRRIGATION SYSTEM

The secret to any beautiful landscape is constant and proper watering. An automatic irrigation system helps you to save water, time, and money while achieving a healthy and lovely yard. One of the advantages of installing an automated irrigation system for your landscape-maintenance activity is that it makes watering your landscape easier.

Pro-tip: When choosing an irrigation system for your landscape, you should opt for a system that suits your landscape type/size and watering schedule.

LANDSCAPING MAINTENANCE SUMMARY

Keeping your property landscape well-maintained is one of the best decisions you can make as a property manager. By making landscape maintenance an utmost priority, you, your tenants, and potential tenants will surely reap the benefits in the long run.

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





How Can You Get Tenants to Clean Regularly?

KEEPE

How to get tenants to clean regularly is a challenge for many property managers, and we have some ideas to help you motivate them so that your rental property stays in good condition.

In fact, with the coronavirus pandemic, now is the best time as a property manager to ensure that your tenants adopt regular cleaning practices.

But how do you get tenants to clean regularly?

Here are five tested ways to get your tenants to clean your rental property regularly.

No. 1 – INCLUDE CLEANING AS PART OF THE LEASE

The truth is that most property managers fail to include this clause in the lease agreement. By not adding this requirement in the agreement, it may not be easy for you to enforce it in reality.

You should add this clause in the lease from the beginning.

Even though you can amend the contract to accommodate a new cleaning requirement, remember that the tenants are under no legal obligation to accept it at this point.

No. 2- Communicate your expectations

As a property manager, it is necessary that you communicate your cleaning expectations to your tenants.

As the American Bar Association points out, the tenant has the duty not to "commit waste." In layman's terms, that



means a tenant can't cause permanent and unreasonable damage to the property.

While statements such as, "When a tenant moves out, the property must be returned in original condition" are usually found in lease agreements, they unfortunately do not clearly communicate your expectations.

In your lease agreement with incoming tenants, clearly state your cleaning expectations and how they can achieve it.

No. 3 - BE VERY SPECIFIC

Including a clause that requires your tenants to clean may be vague and confusing for them to adhere to. Your requirements must be specific and achievable.

Your cleaning requirement must cover the following:

- When to clean
- Where to clean
- How to clean, and other essential aspects.

You may decide to add a clause that allows you to hire a cleaning company with the expense paid by your renters if they fail to keep the premises clean.

Check with your legal representative if it is legal to do so.

No. 4 - Document the mess

Documenting the mess created by tenants is a good way to gather evidence either when they are moving out, or you are doing inspections.

It is also advisable that you have documented proof of the mess since your tenant might challenge your right to keep their security deposit.

Taking photos and video may be the easiest way for you to document a mess at no real cost.

No. 5 – Embark on regular INSPECTIONS

You must do regular inspections. This

may be at least three to five times a year.

Include a clause in the lease agreement that gives you the right to entry so you can visit regularly.

Usually, you must inform your tenants at least 24 hours before the date of the visitation. Chances are that they may step up their cleaning energy and get the property in an appealing condition before your visit.

What could be a good cleaning schedule?

According to research, it is good practice to have a consistent cleaning schedule.

Whenever possible, deep cleaning every other month is strongly recommended, and this usually requires a professional in order to clean the property more thoroughly. Deep cleaning includes disinfecting less-commonly touched areas like bathroom floors, bathtubs, ceiling fans, refrigerator tops, window sills, etc.

As for more regular DIY cleaning by tenants, vacuuming and mopping commonly visited areas and disinfecting commonly touched objects once a week would be ideal.

Keepe is an on-demand maintenance solution that 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 at https://www.keepe.com.

Dear Landlord Hank

Continued from Page 1

is different. Government bailout money is in the works, supposedly mortgage companies may be offering delays on payments (I'd call your mortgage company to see what their stance is), businesses are shutting down, etc. We all have to work together in this disaster. Even if you didn't want to help out your tenant right now, courts are suspending evictions in many districts. I'd try to work with this tenant if you can. Hopefully, with all the measures that are being taken, this can be contained and eliminated and we can get back to the good life.

Dear Landlord Hank: Do you use credit scores in considering tenants? How important do you think scores are in tenant selection? I read a story that in big cities some landlords want scores over 700. — **Eileen**

Dear Landlord Eileen: I think credit scores are very important in evaluating a tenant.

Next to prior rental history that is the next most important criteria for me.

Credit history is unreliable in some cases. For instance, in some situations a very young applicant may not have had enough life or time to develop any credit. Also there are some prospects that truly pay for everything with cash.

Then other times, folks are victims of identity fraud and credit history is skewed

I won't take a tenant with a bad credit history that shows lack of responsibility, poor judgment and/or sometimes a sense of entitlement. I don't want that kind of tenant.

Also, I find failed marriages are sometimes a big contributor to a bad credit history. In that case, you must evaluate credit before the marriage and then during and after the marriage.

If credit scores show lack of payment you may be next.

If you find someone that has many accounts and they aren't paid regularly, you will probably be joining those ranks if you accept this client as a tenant.

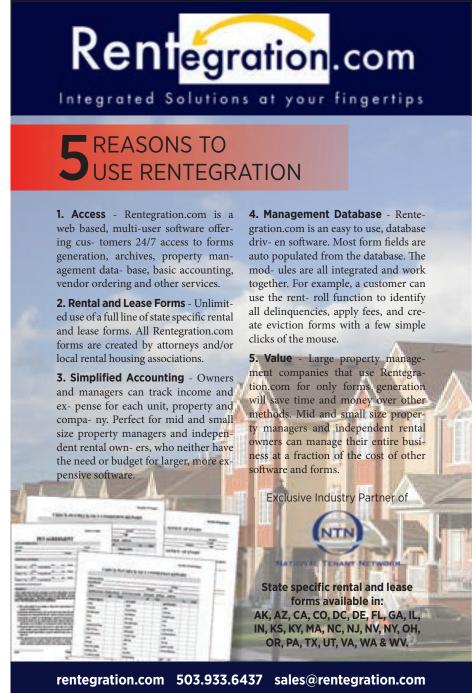
I used to take a larger deposit to guard against not being paid rent but then I've had to evict.

Credit score is one very important factor in an overall evaluation.

Make sure YOU are the one that runs the credit. Don't take a tenant's copy of their credit report.

You need a current report for a fair evaluation.

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



Here are Ways Landlords Can Handle Rental Maintenance During the COVID-19 Outbreak

NATIONAL APARTMENT ASSOCIATION EDUCATION INSTITUTE

How to handle rental maintenance, along with personal protective wear and equipment, was covered by Paul Rhodes, National Safety and Maintenance Instructor at the National Apartment Association Education Institute, during a recent video.

Rhodes said in handling rental maintenance during COVID-19 the first thing in dealing with maintenance in our communities is that "everybody's on the same page.

"I think that what we should be starting with is clear, consistent communication with our residents."

Maintenance and communication with residents

"First, let's make sure that we send out information to our residents, letting them know that we're here," Rhodes said. "We are still here to provide service that is expected because ultimately we're looking to make sure that both our technicians, our buildings, and our residents are all being safe.

It might be a good idea to remind residents that if they call for service, we are going to be coming from other apartments and that we will be taking appropriate precautions.

It's also a good opportunity to spread more good information. In other words, give the CDC latest guidance webpages or information, plus if there's any local Remember that the maintenance staff in this time of stress is "even more the face of our management companies, our staff, our working family. And in this time of increased stress, smile."

resources that our city or County or municipality has and can provide for our residents.

FIRE, FLOOD AND BLOOD EMERGENCIES

We want to make sure that our residents are aware of the fact that we are going to respond to an emergency, Rhodes said.

"As far as what constitutes an emergency that's going to change community to community, or management company to management company, but the ultimate slang saying of fire, flood, and blood still does apply.

"Be sure that it's clear what we're going to be responding for and any phone calls, or email messages, or anything like that that comes in, we're going to do and attend to as quickly as possible," he said.

A GOOD TIME FOR CROSS-TRAINING FOR OFFICE AND MAINTENANCE

Right now a lot of communities are experiencing some different working hours and different staffing levels with people working from home or more remote work occurring.

"Be sure that maintenance is familiar with the important aspects of procedures

regarding a lease document. For instance, what are the lockout procedures that we are to go through to make sure that we do everything properly?

"If maintenance receives a message from a resident, or from a prospective resident, make sure that maintenance knows exactly the correct information to have on hand and what details are important and which ones aren't.

"In much the same way that maintenance needs to train the office for service requests when we receive those, what all that important information is. What we're looking for here is to make sure that everybody presents a consistent message, a consistent communication.

In the case of the office, "make sure that they know not only where important things, like cutoff valves, are located, but also how they work.

"When you turn a gate valve, you will have to turn that knob multiple times in order to shut off the water, but if it's a ball valve, you only turn that a quarter of a turn

"Be sure that the office, when they answer the phone, knows the practices, common communication skills for how to reset a breaker, a ground fault circuit interrupter, or a garbage disposal.

"This is also a good time for the entire office staff, and maintenance staff, to make sure that we have updated contact information and that everybody's on the same page about who to contact in the event of what particular situation," Rhodes said.

GLOVES AND PERSONAL PROTECTIVE EQUIPMENT

In the precautions "we're suggesting for maintenance include gloves. It's a good idea to put them on in front of the resident, that way they know they're fresh and now that we're not using a leftover from different tasks or different areas," Rhodes said.

Personal protective equipment for maintenance is important and can extend to everyone on staff. "Washing hands is the most important thing that we can do to prevent the spread of what is happening. And it's a good idea to do it regularly. Make sure and follow all the guidance for at least 20 seconds using soap," Rhodes said.

"Gloves should be used. A new pair for each apartment and task. Make sure that you order more before you run out. Yes, suppliers now are reporting that they are very, very short on stock. However, they will be getting resupplied.

"Be sure if you're not familiar with the proper donning and doffing procedure, that's just a name for putting gloves on and taking them off in a proper method, so that we're not cross contaminating ourselves or our work areas."

Be sure we keep our work areas good and clean. Not only that, even the World Health Organization (WHO) is talking about the fact that using gloves is not a perfect system. Washing your hands is more important than using gloves, and hand sanitizers should not be viewed as a replacement.

WEARING MASKS

Rhodes said, "Masks should not be used unless you're a caregiver, or you are infected, or there's a worry of you being infected.

"Those guidelines come directly from the CDC and the WHO. And a little side note, for those of us that happen to have a little bit of facial hair, if you are looking to wear a mask, if you have facial hair, they don't do much other than make you look a little bit silly."

SHOE COVERS

He said shoe covers are "wonderful items" as long as they apply to what you are doing. "If we're going to go into a resident's apartment and we have to get up on a ladder or we end up standing on a surface that is slippery or slick, shoe covers may actually provide more danger than then what they solve, or what they prevent from occurring."

Is it an emergency? Can we solve this with a phone call?

How about some considerations or things to look at for all service requests, whether it's an emergency or urgent?

When a resident calls maintenance the question should be asked, "Can we solve this with a phone call? In other words, can I talk the resident through a self-repair or self-care? What about our policies for suspending non-essential repairs? And what are we going to tell residents as far as a speed or a response that is going to occur?"

ENTERING RESIDENTS' HOMES

Maintenance should be aware of the fact that when we do go into somebody's home right now with as many schools being closed, children are going to be home during the day.

"That means that when we go into a resident's apartment and we've got tools and all of our working in working conditions, kids will be around. Please be aware of safety in the extra trip hazards that tools can have."

Also since many residents are now working from home, maintenance needs to be aware that "noise or distractions for them may add extra stress."

He said to remember the maintenance staff in this time of stress is "even more the face of our management companies, our staff, our working family. And in this time of increased stress, smile. It's very possible you could be the only outside person that a quarantined family, or a family that is staying safe in place, gets to see.

"We're going to make it through this together and we can serve that purpose for our residents and for our communities.

"Ultimately, stay home if you're sick. We don't want to contaminate or we don't want to contaminate our work environment or get anybody else sick that we're around, especially carrying it back home to our families," Rhodes said.

For more information, view NAA's coronavirus resources and guidance page on its website, where new resources and information is updated daily. In addition, you can send emails to cv19questions@naahq.org.



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Everything Landlords Should Know About Emotional Support Animals

BY HOLLY WELLES

Owning a rental property presents many challenges landlords may not anticipate until they become reality. Landlords may not think about certain kinds of insurance until it's too late, or value community outreach until tenants leave online reviews when their leases end.

It's also common for landlords to feel caught offguard when presented with their first emotional-supportanimal (ESA) letter.

Many communities, including those that don't allow pets, find themselves home to individuals who need support pets to live their daily lives. It may challenge landlords to take a second look at their rules and guidelines while they figure out what is or isn't allowed under each lease.

Read on to learn everything landlords should know about emotional support animals. After brushing up on federal guidelines, the options available to tenants and landlords will become apparent, and will make the conversation easier for everyone involved.

TENANTS NEED A SIGNED LETTER

Landlords unfamiliar with emotional-support animals may wonder if some tenants want to circumnavigate nopet rules when they don't actually require the support. If they present a signed letter, it means they've visited with a licensed mental-health professional and have received a diagnosis that requires a companion.

Legally, landlords cannot call the health-care provider unless they receive written and signed consent from the tenant. The doctor may also leave a note welcoming landlords to call him or her with any questions or concerns. During that call, rental management cannot ask for someone's medical history, even if the tenant gives written consent.

EMOTIONAL SUPPORT ANIMALS DON'T COUNT AS PETS

Some landlords may struggle with allowing an emotional support animal on their property because they've already established a no-pet policy.

According to guidelines from the Department of Housing and Urban Development (HUD), assistance animals don't count as pets because they work to provide service, tasks or assistance to make life easier for people with disabilities.

Whether a person has a dog, cat or another kind of animal, if they've received a verified letter from a medical professional, landlords must make changes to accommodate them on the property.

TENANTS HAVE RIGHTS

As long as a tenant meets the definition of being



disabled, they're allowed to have an emotional-support animal. When they require one, landlords must change their policies and services to accommodate them. This includes strict no-pet communities.

Even if a tenant has already signed a lease and agreed to having no animals in their unit, they can still bring home an emotional-support animal if it's verified. It's illegal to nullify a lease based on a person's need to accommodate their disability or reject a potential candidate because they require a service animal.

LIABILITY INSURANCE MAY INCREASE

Because emotional-support animals don't legally count as pets, they're not required to meet any community rules regarding restricted breeds and weight limits. It's one less barrier for people in need to worry about, but it can cause some concerns for landlords.

Restricted breeds and animals above the required weight limit may increase the property's liability insurance, causing landlords to pay more or lose their policy altogether. Property managers struggle with this, and it's often the reason a few of the rare emotional-support-animal cases go to court.

If the court is to rule in a landlord's favor, the landlord must prove that the increased or lost insurance creates an undue administrative or financial burden. Although this is a legal route for landlords to take, these cases rarely result in rulings in their favor. Most of the time, tenants are allowed to keep their emotional-support animals as long as they have their verified letter from a mental-health professional.

Rules Landlords Can Follow

To help navigate these sometimes-tricky situations, HUD has issued an assistance-animal notice to clarify the terms and legal allowances for emotional-support animals. It guides both landlords and tenants by getting into the finer details of common questions regarding what is and isn't legal.

Landlords should also be aware that they may need to navigate these waters more often. Emotional-support companions are becoming more common each year, causing people to worry that this allowance will be taken advantage of. Federal law has already considered this because it limits one service animal per person, although in some cases people are allowed to have two or more depending on their disability.

As long as the emotional-support animal doesn't have a documented history of harming others, landlords cannot reject it from living on their property. Any shown history of threats to other tenants must contain overwhelming evidence to hold up in court.

LOOK TO THE FUTURE OF PET POLICIES

It's smart for landlords to look to the future and plan for pet-policy changes as the rental landscape adjusts to the needs of tenants. More young people are living in rental units for more extended periods, including when they start families. As their families expand, individuals in their unit may require emotional-support animals and an understanding landlord.

If property managers have any questions or concerns regarding their rights or the rights of tenants, they can look to the assistance-animal notice recently published by HUD for more clarity. It covers most situations that could occur so disputes may find a resolution without the need to go to court.

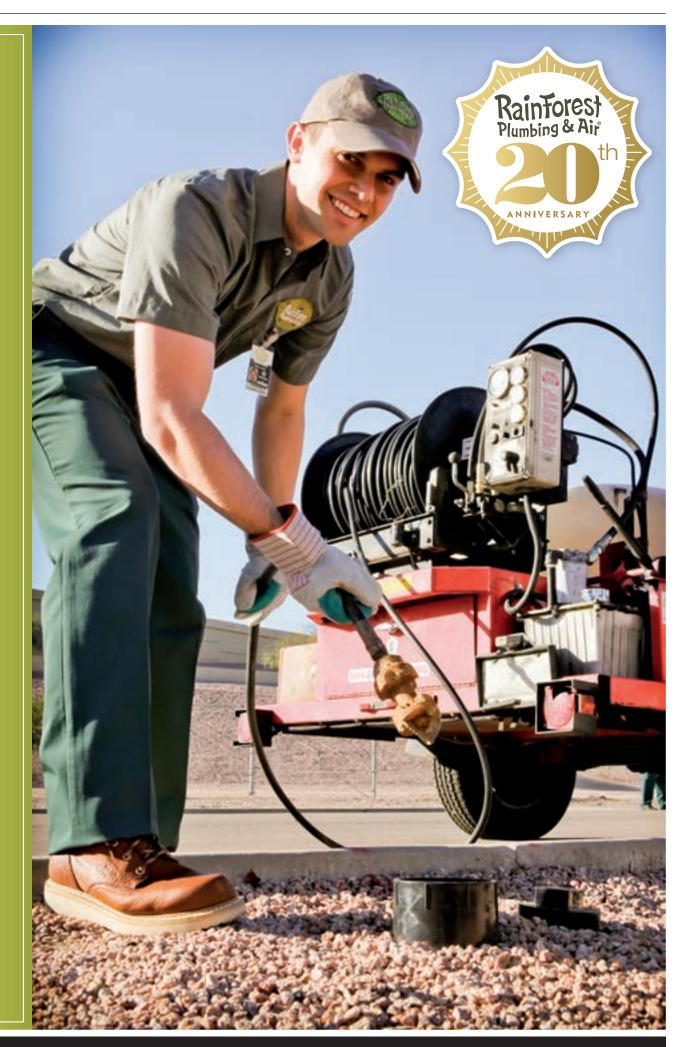
Holly Welles writes about real estate market trends from a millennial perspective. She is the editor behind The Estate Update, a residential real estate blog, and keeps up with the industry over on Twitter @HollyAWelles.





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