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Rent Fell, as Pandemic Kept Renters From Moving in 2020

Rental Housing Journal

An analysis of actual rental prices and applications shows a 10 percent drop in rental applications in the 2020 rental season, as the pandemic motivated renters to stay in their apartments, according to RentCafe.

RentCafe analyzed renter activity from more than five million applications for leases, and rents charged in more than 17 million apartments, for their 2020 Year-End Report.

"With such a challenging year, we wanted to present the best perspective on the rental market by analyzing actual prices and applications, which unlike data from online searches or listings can bring an additional level of detail and accuracy regarding renters' plans," the report says.

The pandemic hindered moving plans in 16 of the nation's 30 largest cities, as the number of applications for apartments in these hubs went down compared to the previous years.

Also, the national average rent

See 'National' on Page 7

9 Suggestions for Getting Rid of (Eek!) Mice

By Evelyn Long

Mice are an occasional reality for any homeowner, but they can wreak even more havoc in a rental property. Multiple units and occupants can attract rodents in different ways, and it's hard to properly control an infestation once it's under way. Property managers know they need to remedy the problem immediately, but how can they do so effectively?

Prevention, management and communication with tenants can help everyone get on the same page to drive rodents out. The following nine tips can help landlords effectively get rid of mice in their units.

1. Eliminate Points of Entry

The first step is to determine how the little pests gain access in the first place. Unfortunately, even the smallest crack or entry point can invite mice

See '9 Suggestions' on Page 4

Denver Rents Continue Downward Trend

Rental Housing Journal

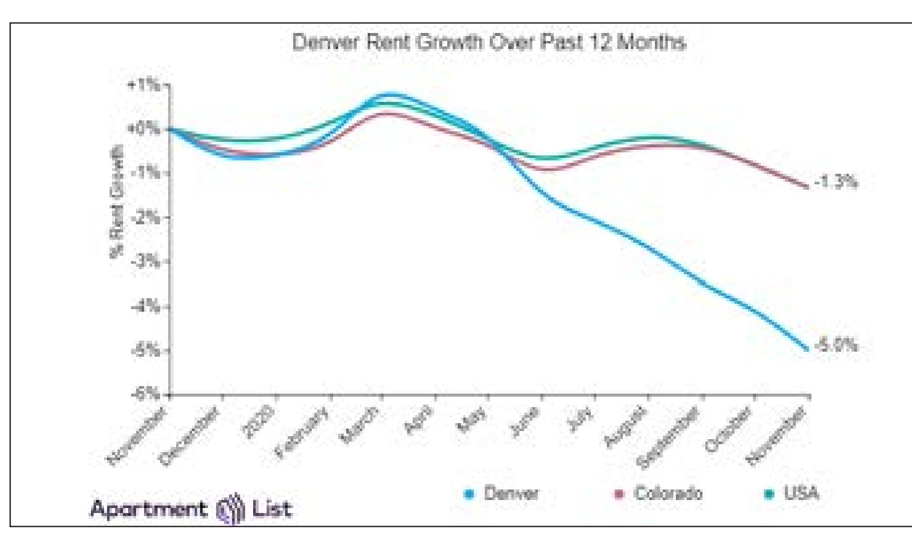
Denver rents have declined 0.9 percent over the past month, and have decreased sharply by five percent year-over-year, according to the latest report from Apartment List.

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

Median rents in Denver are $1,266 for a one-bedroom apartment and $1,551 for a two-bedroom.

Denver's year-over-year rent growth

See 'Colorado' on Page 8



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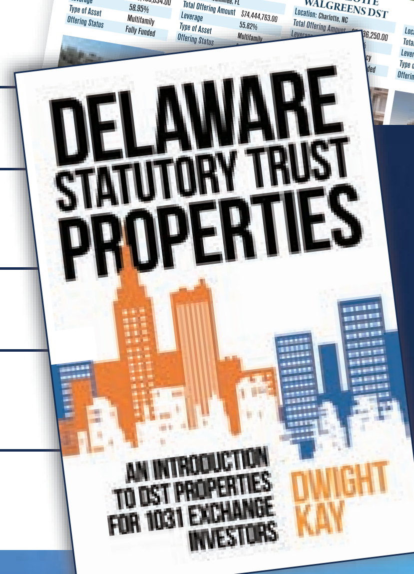

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How to Build a Diversified Real Estate Investment Portfolio

Having a diversified commercial and multifamily real estate portfolio is important to potentially reduce risk and create multiple opportunities for potential income and appreciation. Diversification is even more important in tumultuous times like these. Here's a look at how to build a diverse real estate investment portfolio.

By Dwight Kay, Founder and CEO, Kay Properties & Investments, LLC

Recent survey research by National Real Estate Investor magazine indicates that nearly 60% of high-net-worth investors are expected to increase their allocation to investment real estate in the next 12 months. Millions of Americans invest in alternative assets, including real estate. It's an important step towards diversifying a portfolio with investments that don't necessarily correlate with the stock or bond markets.

Once you decide to invest in real estate, the challenge is how to build a diverse portfolio.

Buying a property outright and actively managing it yourself is one way to participate in the market, but that typically requires a substantial initial investment — often hundreds of thousands of dollars to be paid at once. A downside of this approach is that you put all your eggs in one basket.

Owning and managing real estate yourself also means dealing with the three T's: toilets, tenants and trash. If you have the time, and dealing with all that appeals to you, it may be the way to go. Alternatively, you can invest alongside others in a diverse basket of properties. Diversification is even more important now with the pandemic and the additional risk it creates as the looming fear of further economic distress continues to cause concern.

Here are five tips to build a diverse real estate investment portfolio that has the potential to generate income and appreciation, as well as potentially withstand the shock of events, including recessionary downturns and, potentially, extraordinary occurrences like the pandemic and future recessions or even depressions. Please remember: Diversification does not guarantee profits or protection against losses.

5 tips to build a diverse real estate investment portfolio

1. Diversify by asset type

Investors should diversify their real estate portfolios by asset type to avoid the risk of over-concentration in one particular category of property — same as you would avoid over-concentration in any one stock. Rather, invest capital across asset types, such as industrial, multifamily housing, triple-net-leased retail, medical office and self-storage.

2. Diversify by geography

Similarly, investors should diversify their real estate portfolios across geography to avoid the risk of over-concentration in a particular local or regional market.

3. Avoid high-risk asset types

There is risk in all real estate investments, but some asset types have demonstrated that they are particularly risky, and are thus best avoided by those looking to reduce downside potential. These include hotels and lodging properties, senior housing in all its forms, and real estate used in the production of oil and gas.

Hospitality, for example, has been hit hard by all three recessions since 2000, including the 2001 recession, the Great Recession of 2008-2009 and the current recession related to COVID-19. In all three cases, the standard industry measure of hotel performance (RevPAR, or revenue per available hotel room), declined precipitously. Most recently, Marriott recorded its largest loss ever for the June 2020 quarter, reported The Wall Street Journal in August.

Senior care is another sore spot, which the pandemic has demonstrated once again. First, the population themselves often is at risk, literally. Second, operators of senior care facilities, whether residential housing, long-term care facilities or nursing homes, are subject to all manner of regulations that increase the risk associated with property operational performance.

Finally, oil and gas industry properties have proved to be as subject to volatility over the years as the industry they support. Just think about it: An oil well may or may not produce as expected; thus, the underlying real estate asset is particularly vulnerable to speculative risk. Stay clear if you can!

4. Consider the range of investing options

Unless you want to actively manage your investment properties and embrace the three T's, passive real estate invests can be the way to go. There are a range of options to choose from, including Delaware Statutory Trusts (DSTs), Tenants-in-Common (TIC) properties and private equity funds, such as Qualified Opportunity Zone Funds.

A Delaware Statutory Trust is an entity used to hold title to investments, such as income-producing real estate. Most types of real estate can be owned in a DST, including industrial, multifamily, office and retail properties. Often, the properties are institutional quality similar to those owned by an insurance company or pension fund, such as a 500-unit Class A multifamily apartment community or a 50,000-square-foot industrial distribution facility subject to a 10- to 20-year lease with a Fortune 500 logistics and shipping company. The asset manager takes care of the property day to day and handles all investor reporting and monthly distributions.

A TIC structure is another way to co-invest in real estate. With a TIC, you own a fractional interest in the property and receive a pro rata portion of the potential income and appreciation of the real estate. As a TIC investor you will typically be given the opportunity to vote on major issues at the property, such as whether to sign a new lease, refinance the mortgage and sell the property.

Although TIC investments and DSTs have their nuances and differences, they often will hold title to the same types of property. While the DST is generally considered the more passive investment vehicle, there are some circumstances in which a TIC is desirable, including if the investors wish to utilize a cash-out refinance after owning the TIC investment for a few years in order to get some of their equity back, which can be invested in other assets.

Qualified Opportunity Zone Funds, another option, offer benefits including tax deferral and elimination that many investors nationwide have utilized. A fund of this type can invest in real property or operating businesses within an Opportunity Zone, typically a geographic area in the U.S. that has been so designated because it may be underserved or neglected. As such, there may be a higher level of investment risk. Also, the time horizon of the fund may be as long as 10 years, which means tying up your capital for that length of time in an illiquid fund.

5. Remember the tax benefits of real estate investing

Real estate is arguably one of the most tax-advantaged investment classes for U.S investors. Depreciation deductions are available to all investors, and any real estate investment losses may be deductible against other income, which could potentially reduce your tax bill. Additionally, direct real estate investments — including Delaware Statutory Trusts and Tenants-in-Common properties — qualify for like-kind exchange treatment, otherwise known as a 1031 exchange, which can save investors approximately 40% on their tax bills when there are net gains on property sales.

A Sample Basket of Diverse Real Estate Investments

What might a diverse basket of real estate investments look like? Here's one example:

Mary Smith decides to invest $500,000 into commercial and multifamily real estate with the potential for income and appreciation. She makes five investments, allocating her funds equally among these assets:

- $100,000 into an industrial distribution facility with a long-term net lease to a company like Amazon, FedEx or Frito Lay
- $100,000 into a medical dialysis center with a long-term net lease to a company, such as Fresenius or DaVita
- $100,000 into a multifamily apartment community with 300 units in the Southeast
- $100,000 into a self-storage facility in the Midwest
- $100,000 into a debt-free multifamily property with 50 units in Texas

Net-net, Ms. Smith has diversified her portfolio by both asset type and geography. She has avoided more cyclical and highly volatile asset classes, including senior housing and long-term care, hotels and oil and gas. She has made passive investments, leaving day-to-day management of the properties to industry professionals. And she has consulted with her accountant and attorney about the tax advantages of real estate investing, including 1031 exchanges.

She is well positioned for the uncertainty of the future and is aware that all real estate investments have risks, and that income and appreciation are never guaranteed. Even diversification, while desirable, does not guarantee profit or protect against losses, but it can potentially reduce risk and create diverse potential income streams and opportunities for appreciation.

Dwight Kay is founder and CEO of Kay Properties and Investments, LLC, which operates a 1031 exchange property marketplace at www.kpi1031.com.

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.

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9 Suggestions for Getting Rid of Mice in Your Rental Properties

Continued from Page 1

inside. Mice can eat through walls and they only need a hole the size of a dime to get inside.

The bulk of prevention here can be done with thorough inspection. Landlords should schedule appointments to walk through the property — if it is occupied, they need to give their tenants notice — and seal up any cracks in doors or windows. Steel wool and caulk work best because rodents can't chew through them. Pay close attention to areas around plumbing fixtures and cable lines — these can provide ingress points.

If a tenant is dealing with an ongoing mouse problem, ask them to look for these holes on a regular basis and share tips for plugging them quickly with steel wool. Then, you can find time to do a more thorough repair job to keep the rodents at bay.

2. Banish Temptation as Much as Possible

It isn't that mice eat much — but they can contaminate entire stashes of food. That giant box of cereal a tenants bought at Costco is now waste unless they want to risk a bowl of hantavirus for breakfast. Mice are resourceful creatures and will investigate kitchens to find new things to eat.

Tenants should banish temptation by keeping the premises clean. While property owners can't demand they mop and dust weekly, they can include clauses to prevent common causes of mouse bait — like leaving out used pizza boxes. Landlords should review these documents when their properties are unoccupied, because you can't issue one retroactively once a prospective customer signs.

Another tactic to use — with caution — is the right to inspect. While states usually require a 24-hour or more notice, property owners may go through and document the unit's condition. Photographs will become valuable evidence should an infestation result in a court battle.

Bear in mind that even the best tenants won't appreciate having someone tramping through their home, particularly during a pandemic. However, when mice are threatening not only your tenants' health but your other units and property as a whole, be firm in reminding troublesome

renters of their responsibilities to keep their property clean.

3. Lay Traps

Traps should be laid to get rid of an existing infestation. Mice typically travel with family, so multiple traps will be required. Whether you prefer the classic snap trap or the capture-and-release, be prepared to check frequently for success, and dispose of mice quickly.

Property managers and tenants, depending on whether the unit is occupied, should place traps along walls and consider bait such as peanut butter to attract mice. Rodents are smart, so you may need to switch up tactics and try new traps or locations if nobody is biting.

4. Prevent Property Problems with Better Traps

It's often better to stay away from the inhumane glue traps that leave mice to dehydrate and starve to death, especially if they can't be checked frequently. Mice may even chew off their limbs in an attempt to escape, which can also leave an unpleasant clean-up for property managers or tenants once the trap is found.

The same goes for poison pellets. These don't kill instantly by design, meaning mice will wander off after consumption. The sick animal can crawl off into a wall or hidden area to decompose, which can lead to odor concerns later.

If you don't have much empathy for mice, the classic snap trap is reliable and quick to kill without prolonging suffering. Considering the catch-and-release method? Varmints should be released at a considerable distance from the property to prevent re-entry. Mice have a keen sense of smell. Plus, no one wants them potentially infesting other units.

5. Clean Out Storage Areas

If you own a building with shared space like an attached storage unit or basement, rodents can infest these areas before you or your tenants notice. Landlords should host an annual cleanout and inspect and treat the space for pests in order to prevent greater infestation.

Stacks of old books and magazines make ripe nesting grounds for mice and insect pests alike. Control efforts should continue year-round. Don't slack off in the winter — that's when rodents reproduce and add to their broods.

6. Try Peppermint Oil

Some people claim that peppermint essential oil or peppermint plants effectively dissuade both mice and spiders — two critters most tenants are happy to bid farewell to.

Property managers can apply a small amount of peppermint oil around areas of potential ingress. However, repeated applications are required, so work with tenants if choosing this method. Tenants with a green thumb can even consider growing some peppermint at home — even if it isn't the most effective, they can still enjoy a pleasant smell.

7. Go Ultrasonic

Another humane way to deter rodents from returning is to use ultrasonic repellers. These devices emit a high-pitched sound that's inaudible to humans but painful to rodents. Most models are safe to use around household pets like dogs and cats.

However, actual results are mixed with this method, and property managers may not get a strong return on investment in providing these systems to tenants. If attempted, these repellents are best used in conjunction with more proven traps.

8. Keep Landscaping Trimmed

Mice are little thieves, and as with the human variety, they seek places to hide when breaking and entering. Keeping outside landscaping trimmed can deter both types of miscreants. Property managers who practice regular upkeep can enjoy pest prevention on top of other benefits, like curb appeal.

9. Say Yes to Cats

This isn't a guaranteed solution, but there's something to be said for having a nature-engineered pest-control service living in a unit. If you're on the fence about pets, allowing responsible tenants to have cats could entice renters while taking care of mice in rental properties.

As with any allowance, review your lease and add protective clauses to make sure the arrangement works for both parties. Landlords should set a reasonable limit on the number of animals allowed per residence, but most felines adore keeping the rodent population in check.

Conclusion

Getting rid of mice can take time and dedication. If possible, it's best to focus on prevention so tenants don't have to worry about pest-control visits and trap management. However, since mice are a fact of life, a combination of property maintenance and pest control is usually the key to solving the problem.

Property owners can get rid of mice with the nine tips above. Doing so protects their investment and can attract a more highly qualified — and timely-paying — tenant.

Evelyn Long is the editor-in-chief of Renovated, where she shares real-estate market and maintenance advice for investors and their tenants. Based in Baltimore, Evelyn is enthusiastic about both brownstones and crab cakes.

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Tenant-Screening Company AppFolio to Pay $4.2 Million Over Inaccurate Background Reports

Rental Housing Journal

A tenant-screening company has agreed to pay a $4.2 million settlement over the accuracy of tenant screening reports given to property management companies, according to a release from the Federal Trade Commission (FTC).

The FTC said the allegations involved facts that the firm failed to follow reasonable procedures to ensure the accuracy of its background-screening reports about potential tenants given to property management.

In the complaint, filed by the Department of Justice on behalf of the Commission, the FTC alleges that AppFolio, Inc. violated the Fair Credit Reporting Act (FCRA) by failing until at least April 2019 to implement reasonable procedures to ensure that criminal and eviction records it received from a third-party vendor were accurate before including such information in its tenant-screening reports.

In addition, the FTC alleges AppFolio also violated the FCRA by including eviction or non-conviction criminal records more than 7 years old in its reports.

The complaint says the company:

- Failed to follow reasonable procedures to assess whether the identifiers in criminal records and eviction records reasonably matched the applicant's before including the records in tenant-screening reports.
- Failed to follow reasonable procedures to assess whether there were internal inconsistencies in the identifiers or results that clearly included information on multiple individuals before including criminal records and eviction records in tenant-screening reports.
- Failed to follow reasonable procedures to assure that the eviction and criminal record information contained in consumer reports it furnished accurately reflected the disposition, offense name, and offense type.
- Failed to follow reasonable procedures to prevent the inclusion of multiple entries for the same criminal or eviction action in the same report.

"Consumers face enough hurdles in obtaining housing without the additional burden of inaccurate background checks," said Andrew Smith, Director of the FTC's Bureau of Consumer Protection, in the release. "AppFolio and all background-screening agencies must follow reasonable procedures to ensure that the background reports that they provide to their customers are as accurate as possible."

The complaint says AppFolio (defendant) "obtained criminal records and eviction records for inclusion in tenant-screening reports from a third-party vendor, CoreLogic National Background Data, LLC or Core Logic Screening Services, LLC ('CoreLogic'). Defendant implemented insufficient procedures to assess the accuracy of the information it obtained from CoreLogic before including the information in tenant-screening reports. Rather, defendant generally relied on CoreLogic's procedures for matching the information from a consumer's housing application to criminal-record and eviction-record information in public records, retrieving those criminal records and eviction records from public records, and accurately returning those records to defendant. However, defendant had limited knowledge of the procedures CoreLogic used to match, retrieve, and return criminal records and eviction records to defendant.

"CoreLogic's contract with defendant disclaimed any guarantee as to the accuracy of the data it provided. For example, one contract provision stated, '[Defendant] acknowledges that [CoreLogic] cannot guarantee the accuracy and/or completeness of the consumer information furnished'," the complaint states.

Property managers use AppFolio's reports for tenant screening. Under the FCRA, companies that provide tenant-screening background reports on consumers are required to follow reasonable procedures to ensure the "maximum possible accuracy" of those reports, and are prohibited from reporting certain obsolete information.

The FTC alleges that AppFolio failed to implement procedures to adequately review the accuracy of the information it received from its vendor before including the information in background reports.

Inaccurate information caused some tenants to be denied housing

As a result, AppFolio provided inaccurate information about some applicants, such as records for individuals with a different name or birthdate; records with a missing or inaccurate offense name, type, or date; records with a missing or inaccurate disposition; and multiple entries for the same criminal or eviction action.

The FTC alleges that some applicants may have been denied housing or other opportunities because of the inaccurate information included in background reports provided by AppFolio.

Despite receiving numerous complaints from consumers, AppFolio did not make changes to its procedures that addressed the problems with the reports, the FTC alleges.

In addition to the $4.25 million monetary penalty, the proposed settlement prohibits AppFolio from providing non-conviction criminal or eviction records older than seven years and requires the company to maintain reasonable procedures to ensure the maximum possible accuracy of information included in its background reports.

Who Are Your Renters Now, and Who Will They be in the Future?

Rental Housing Journal

Given current market conditions, now is the time to analyze who your renters are and who they will be in the future, recommends John Burns Real Estate Consulting.

The consulting group analyzes trends for its clients and provides insight into today's renters.

This analysis shows insight into market-appropriate unit sizes and configurations, new amenity trends, and the appropriate rent levels necessary for successful apartment lease-up and tenant retention.

While 26 percent of renter households in the United States are between the ages of 25 and 34 today, the next largest segment of the market is between the ages of 35 and 44 (families), and beyond that, between the ages of 45 and 54 (empty nesters).

"These older renters will continue to seek more space in a suburban environment with good work-from-home amenities," write Lesley Deutch and Ken Perlman.

Affordable rents continue to be a challenge

"More than half of renters in the U.S. can only afford rents less than $1,200.

"John Burns Real Estate Consulting's national apartment-demand model is based on income levels across the U.S. and indicates about 60 percent of renter households earn less than $50,000 per year, which translates to a maximum rent of about $1,200 per month.

"While construction activity is increasing for luxury apartments (due largely to increasing costs associated with new building), the affordable sector continues to be hampered by the limited availability of tax credits and capital financing. The opportunity here is not just to provide affordable housing, but creative use of space in market-rate product, including more roommate-friendly units and smaller spaces to keep overall rents lower," they write in the report.

Summary

The apartment market offers many opportunities, even in the era of COVID-19 and a recovering job market. Understanding renter profiles to design the appropriate product will be key in the years ahead as the U.S. economy recovers from the recession.

Please contact Lesley Deutch or Ken Perlman for more local insight. John Burns team is always available for assistance.

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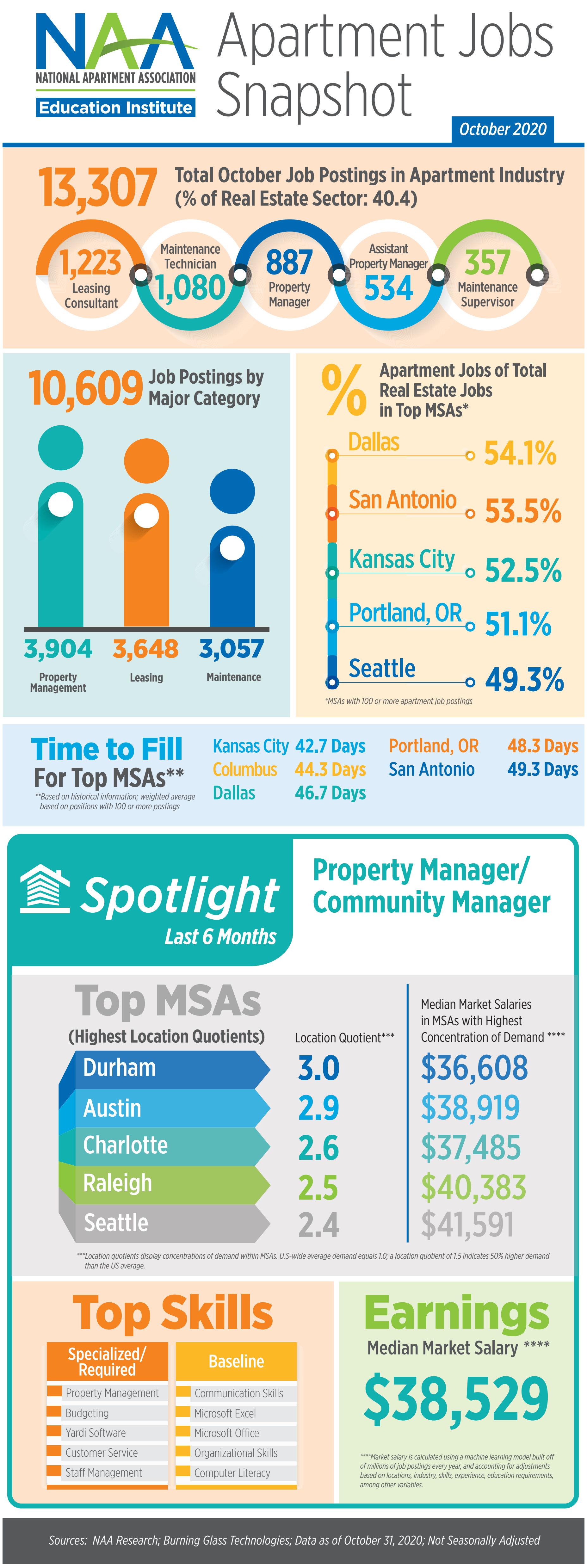


Job Demand Strong for Apartment Managers

National Apartment Association Education Institute

More than 13,300 apartment jobs were available in October's edition of the National Apartment Association's Education Institute Jobs Snapshot, accounting for 40.4 percent of the broader real estate sector.

Portland and Seattle, along with Dallas, San Antonio, and Kansas City, had the highest share of apartment-job openings.

This edition is a spotlight on property managers/community managers, with median market salaries reaching $38,529.

The demand for experienced property managers was highest in Durham, Austin, Charlotte, Raleigh, and Seattle.

In addition to requiring typical property management skills, employers are seeking talent with budgeting, Yardi Software, communication, Microsoft Office, and organizational skills.

NAAEI's mission is to provide broad-based education, training and recruitment programs that attract, nurture and retain high-quality professionals and develop tomorrow's apartment industry leaders.

Can I Evict Tenants Due to Damage to the Home?

By Hank Rossi

Dear Landlord Hank,

Tenants of 10 years have done substantial damage to the home, not normal wear and tear, but that could be subjective upon the beliefs of a judge.

The home needs a complete renovation that cannot be completed with tenants living in the home. Can they be evicted because the home has become unsafe to continue to inhabit? Without being responsible to pay their rent or moving costs for them to move out? — Yvonne

Dear Landlord Yvonne,

We now have a federal moratorium on evictions until the end of the year, and the interpretation of the order varies from one jurisdiction to another and from one judge to another.

If these tenants are paying rent and are satisfied to stay in their rental for now, I would not rock the boat. You can always renovate when their lease is up.

When the eviction moratorium has ended, the courts will likely be packed – meaning the time it normally takes to evict a tenant will be substantially increased, and it could take months.

If you feel that you can't wait and want to move forward now, I would engage an attorney that specializes in landlord/tenant law, as they will be up to date on the situation in your county. Good luck.

Dear Landlord Hank,

We inherited a single-family home that already had a property-management company. Lucky for us, the tenant moved out just before moratorium! However, the home was trashed and it was clear that this had been going on for quite a while. Garbage bags and damage were everywhere.

For instance, a glass shower door had broken glass and large pieces of glass protruding! And the tenant was still using the shower with just a curtain hanging! And there were four small children living in the home!

My question is, do I have any recourse with the property management company? They had done their walk-through and had asked the tenant to replace the door, but failed to follow up.

We also had smoke detectors beeping from June till December, when I was granted permission to enter with the property-management owner. Clearly there was neglect. We sold the house with a loss of more than $50,000 due to all the

problems, including the pandemic. Please advise if there is any way to recapture all the money lost? — Pat

Dear Landlord Pat,

I'm so sorry to hear about your situation. Tenants like these are exactly why more people aren't landlords; and in this case, you had a property-management company that put these tenants into your place!

The property-management company hopefully did a complete background screen on these tenants and shared these results with you.

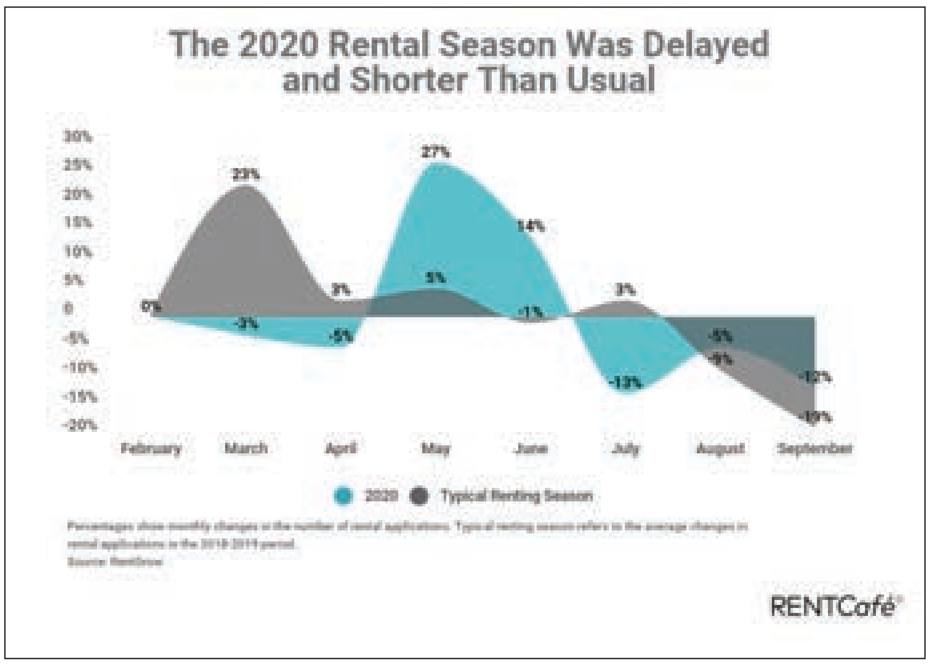
Even though the company didn't directly cause the damage to your property, they have a duty to you to protect and maintain your property and do periodic inspections (that is in my MLS agreement, anyway). When the property-management company did a walk-through inspection and noted the damage in addition to the shower door, they should have contacted you and made you aware of the situation.

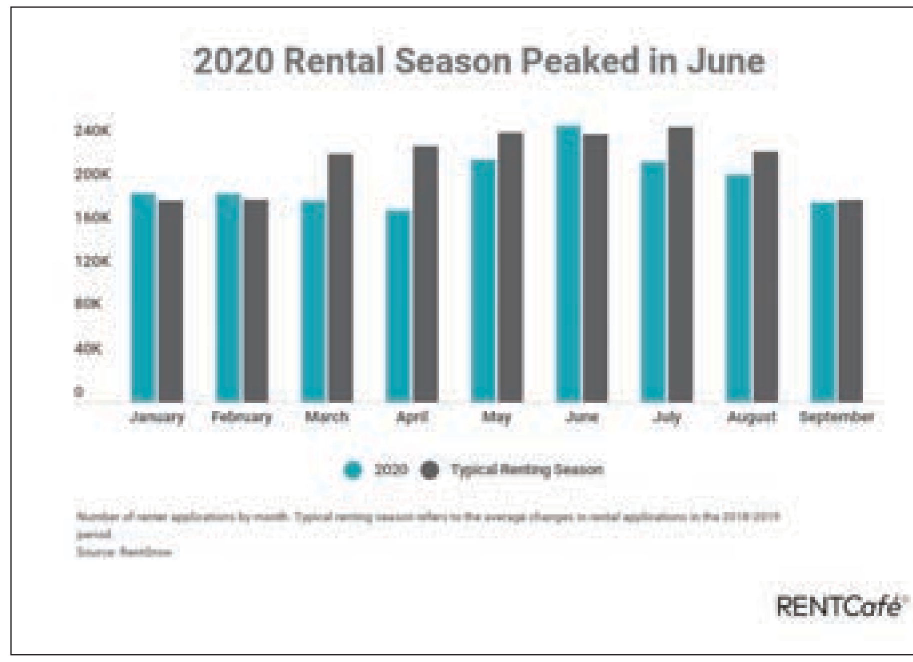
Did the company owner talk to you about evicting the tenants? The eviction moratorium has put a strain on many landlords and driven some to foreclosure.

I'd consult an attorney after you review your management agreement with the property-management company. Best of luck!

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

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





National Average Rent Stagnated in '20

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stagnated this year at $1,465 as of November. Rents decreased or stagnated in 18 of the 30 largest U.S. cities, and increased in 13. For example, Seattle saw prices drop the third fastest, by 8.5 percent, while Phoenix's average rent is still going strong, registering the most significant yearly surge among the nation's 30 largest cities.

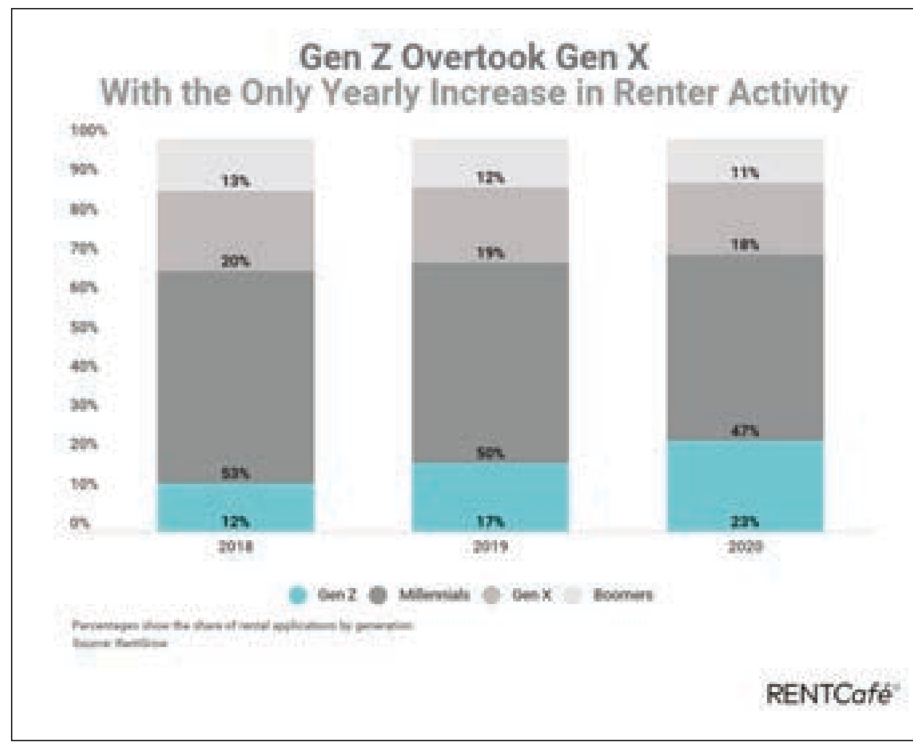
Some highlights of the rental-season report

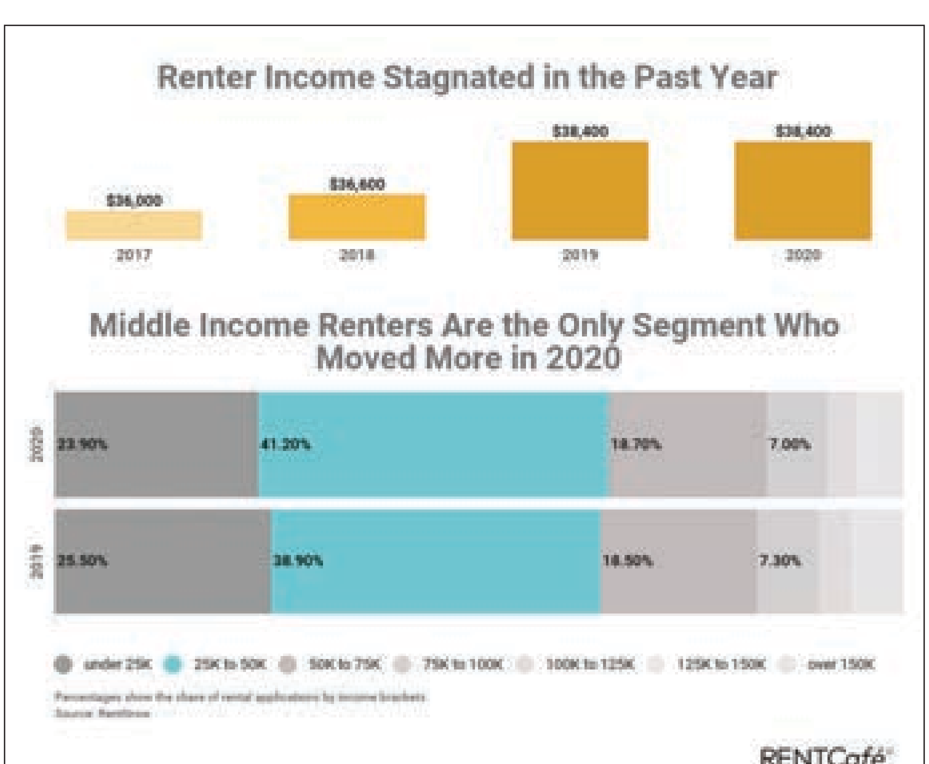
- Gen Z officially became the second most active renter generation after millennials and was the only cohort to see an upward trend in movement this year. Twenty-three percent of this year's applications came from Gen Z renters, surpassing Gen Xers.
- Renter income stagnated for the first time in three years, hovering around $38,400, the same as in 2019. Middle-income renters (25K – 50K) were the only ones who moved more in 2020 than in 2019.
- Renter activity slowed down in 16 of the nation's 30 largest cities. Memphis saw the most significant decrease in the number of applications, -21 percent, followed by Chicago with -16 percent. At the other end, there is Detroit and New York City with 23-percent and 15-percent increases in rental applications, which isn't always a good thing for a city (see why below).
- Eighteen of the 30 largest cities saw more renters leaving compared to 2019. Detroit (36 percent), Oklahoma City (34 percent), and New York (25 percent) saw the highest increases in the number of renters moving out of the city.
- The priciest cities for renters saw the sharpest drops in rent. San Francisco apartment prices plummeted to $3,055 after a 17.3 percent decrease year-over-year. Manhattan ($3,761) came in second with a 10.8 percent drop.

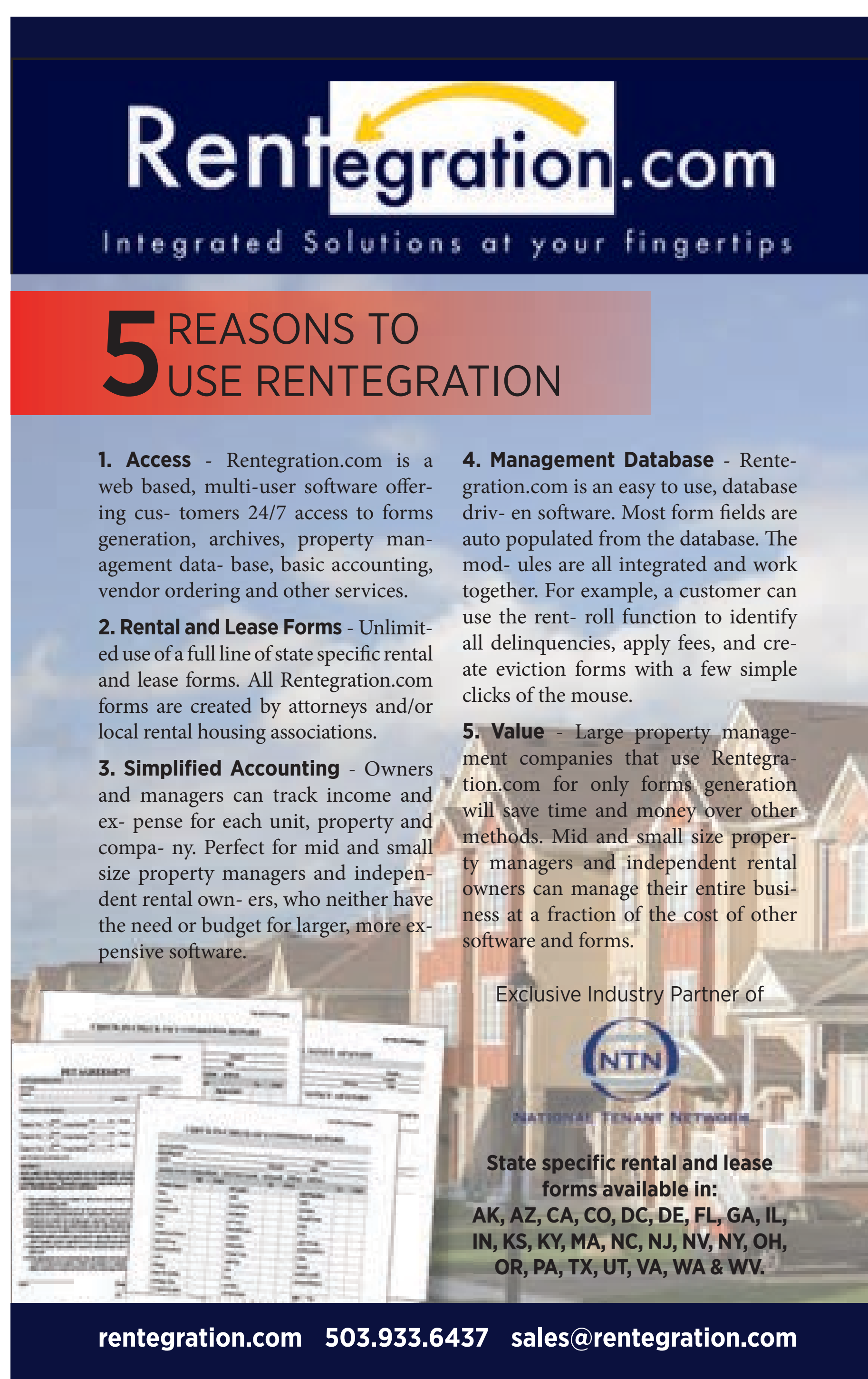
18 of the 30 Largest U.S. Cities Saw More Renters Leave This Year

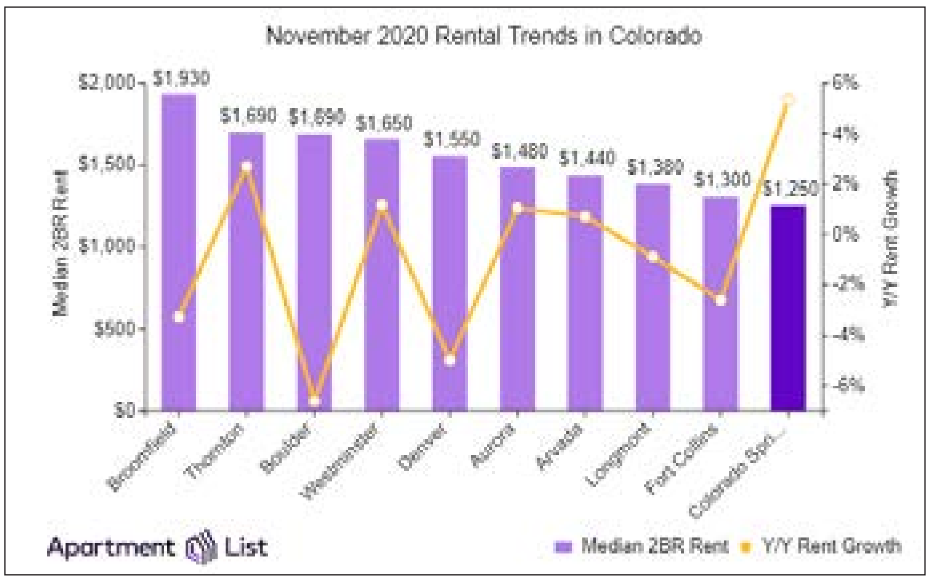
"We looked at renter activity from three angles: renters moving out of a particular city, renters moving within a city, and renters moving into a city," RentCafe said in the report.

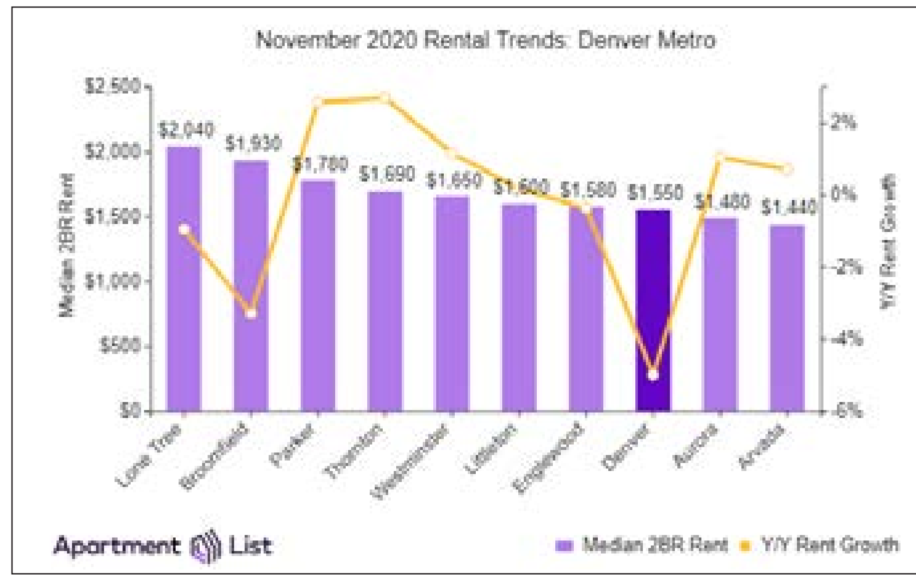
"There has been much speculation around the topic (of) whether people are leaving dense large cities for more space elsewhere in the context of the pandemic. As far as renters are concerned, this trend confirms for a handful of the nation's largest cities. This year, 18 of the 30 largest U.S. cities saw more renters leaving compared to 2019. Furthermore, half of the largest cities registered more pronounced activity in terms of renters moving out of the city rather than renters moving in."











Colorado Springs Shows Strong Growth

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lags the state and national averages, which both stand at -1.3 percent.

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

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

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

- Arvada has the least expensive rents in the Denver metro, with a two-bedroom median of $1,435; additionally, the city has seen the fastest rent growth in the metro over the past month (0.6 percent).
- Broomfield is the most expensive of all Colorado's major cities, with a median two-bedroom rent of $1,928.
- Over the past year, Denver proper has seen the biggest rent drop in the metro.
- Lone Tree has the most expensive rents of the largest cities in the Denver metro, with a two-bedroom median of $2,037; rents went down 0.3 percent over the past month and 1.0 percent over the past year.

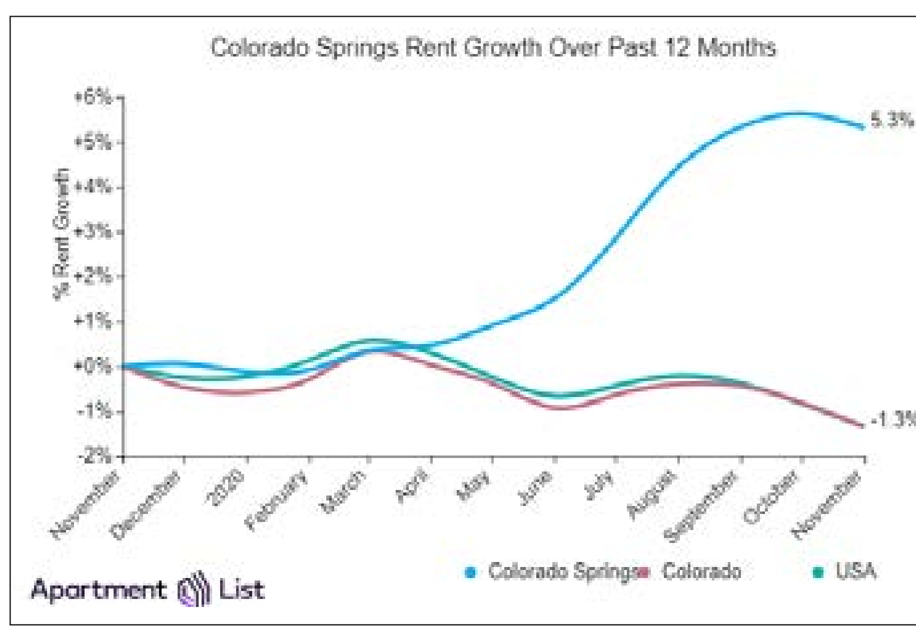
Colorado Springs shows strong growth for the year

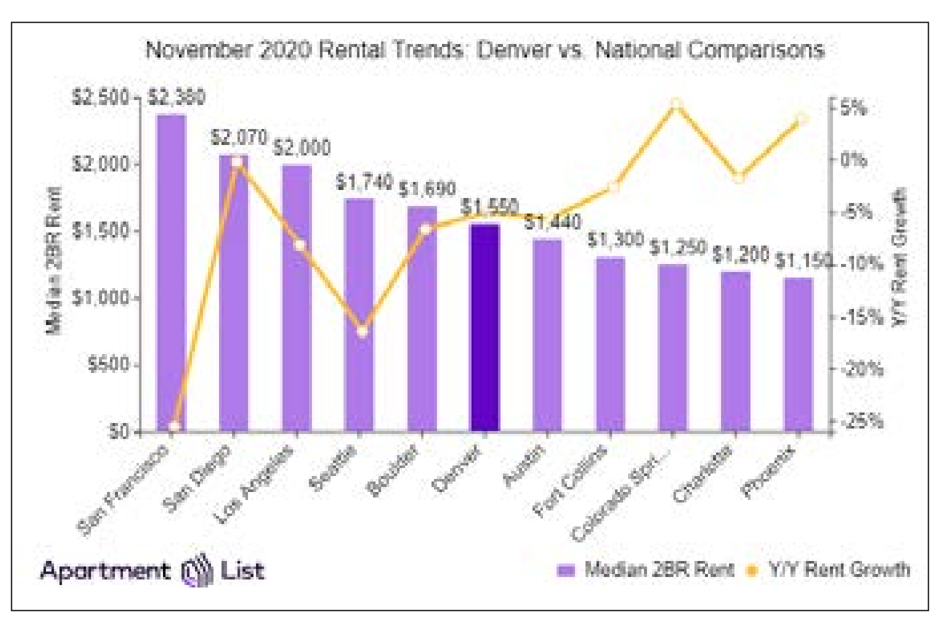
Colorado Springs rents have increased significantly by 5.3 percent in comparison to the same time last year, even though there was a slight 0.3 percent decline last month.

Overall, median rents in Colorado Springs are $987 for a one-bedroom apartment and $1,253 for a two-bedroom.

Around the state, of the 10 largest Colorado cities for which Apartment List has data, five have seen rents fall year-over-year, with Boulder experiencing the fastest decline (-6.6 percent).

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





City	Median 1BR Rent	Median 2BR Rent	M/M Rent Growth	Y/Y Rent Growth
Denver	$1,270	$1,550	-0.9%	-5%
Aurora	$1,180	$1,480	-0.6%	1%
Thornton	$1,490	$1,690	0.2%	2.7%
Arvada	$1,150	$1,440	0.6%	0.7%
Westminster	$1,350	$1,650	-1.4%	1.2%
Broomfield	$1,600	$1,930	-1.9%	-3.3%
Parker	$1,570	$1,780	0	2.6%
Littleton	$1,200	$1,600	0.1%	0.2%
Englewood	$1,010	$1,580	-0.3%	-0.4%
Lone Tree	$1,640	$2,040	-0.3%	-1%