

Balancing Needs of Pets, Residents
in Multifamily Communities



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Texas Suburbs Home to the Most
New Apartments in Last 5 Years

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



Rent Vouchers, Not Moratoriums, Best for Tenants and Landlords

By JEREMIE DFAULT

Government shouldn't be able to give away something it doesn't own. But that's what happened when Washington Gov. Jay Inslee stopped property owners from evicting nonpaying tenants. He took something of value from the landlords and gave it to the tenants.

Who should pay for this new social policy?

Right now, the governor is forcing property owners to foot the bill, but is that fair, or even legal? Shouldn't social policy be funded through taxes? Especially during short-term emergencies? After all, government doesn't force grocery stores to give away food or day-care facilities to give away child care — also necessary parts of everyday life. Instead, it provides prepaid vouchers for those services to the people who need help.

Why doesn't the state do the same thing for tenants who — through no fault of their own — have been financially affected by COVID-19?

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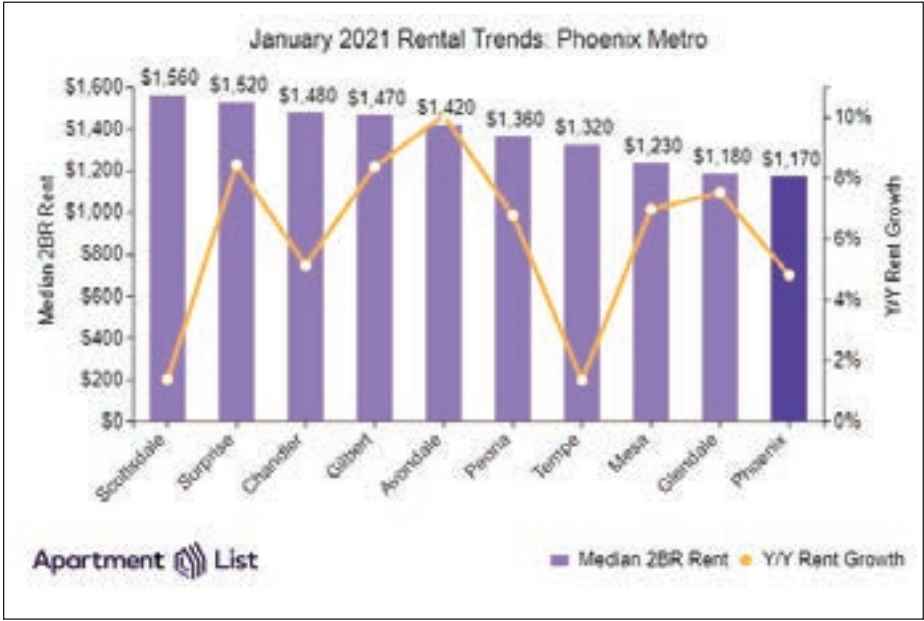
Phoenix Rents Continue Rising

APARTMENT LIST

Phoenix rents have continued climbing up 0.8 percent over the past month and are up significantly by 4.8 percent in comparison to the same time last year, according to the most recent monthly report from Apartment List.

Median rents in Phoenix are \$959 for a one-bedroom apartment and \$1,172 for a two-bedroom.

This is the seventh straight month that the city has seen rent increases after a decline in June of last year. However, Phoenix's year-over-year rent growth lags the state average of 5.2 percent, but exceeds the national average of -1.2 percent.



ALL MAJOR CITIES ACROSS PHOENIX METRO SEE RENT INCREASES

Rents are rising across the Phoenix metro and of the largest 10 cities that

Apartment List has data for in the Phoenix metro, all of them have seen prices rise.

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

- **Scottsdale** has the most expensive rents in the Phoenix metro, with a two-bedroom median of \$1,561; the city has also seen rent growth
- See 'Rents' on Page 6

Staying Out of Landlord Rehab

3 Tips to Help You Overcome the Barriers in Your Path



By DAVID PICKRON

I recently came home from work and saw my teary-eyed daughter sitting defeatedly on the couch. This was abnormal for her, and signaled something was wrong.

She is tough, handles stress well and has been an athlete playing high-level golf since age 14. If any game can break you, it's golf, and last night was her breaking point.

Trying to qualify for her first tournament as a college freshman, she started strong on the first three holes with a series of great shots. Things started to crumble on hole No. 4 with a shot into the lake. This rattled her so much that over the remaining holes she struggled and ended

See '3 Tips' on Page 5



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Balancing the Needs of Pets and Residents in Multifamily Communities

By Kris Servidio and Jacie Good
Mark-Taylor Properties

Pets have become more and more of a priority as so many people continue to spend significant time in their homes. Pets offer many wonderful benefits – companionship to residents who feel isolated, help in reducing stress during challenging times, and the enticement of physical activity through play and exercise.

A recent national study conducted by the American Apartment Owners Association revealed that nearly 90 percent of renters are pet owners and want pet-friendly apartments with access to pet amenities. These trends are important for multifamily leadership teams to understand as they seek to create communities that are welcoming to pet owners. Additionally, a percentage of their residents will likely be non-pet owners, with preferences that are also important.

Mark-Taylor currently has more than 4,000 pets living in our 60+ portfolio of communities. While sometimes challenging, the four approaches below have allowed us to provide the best customer service to all of our residents.

1. COMMUNICATE PET POLICIES CLEARLY

In an Apartments.com article from 2018, 33 percent said they were influenced by pet policy when deciding whether or not to tour a community. Communities should clearly communicate pet policies through websites, social media, review responses and tours. Leasing teams should make sure pet policies, cleaning and deposit fees are thoroughly discussed prior to move-in, while limitations to the number of pets per unit and enforcing weight and breed restrictions gives non-pet owners peace of mind, knowing their living experience is valued. Communicating available onsite pet amenities and services also lets pet owners know how much you value their furry friends.

2. CREATE PET-FRIENDLY SPACES

Pet amenities have moved from a perk to a necessity, as pet ownership has increased dramatically the past five years. To accommodate this increase, think about creating special spaces at each community geared exclusively



towards pets. This helps to pamper pets while providing separation from non-pet owners who may want to distance themselves from high-traffic pet areas. Amenities, such as doggy doors and back yards in single-family home rentals, or onsite pet spas complete with dog-washing stations and spacious dog parks, have become nearly standard in our communities, keeping both groups happy.

3. KEEP YOUR COMMUNITY CLEAN AND QUIET

Swift and safe pet-waste disposal is something community-management teams should prioritize. Sanctioned spaces for pets – such as dog parks – help keep waste confined, while resources such as pet waste stations help pet owners maintain responsibility. Maintenance and community-management teams should be encouraged to walk the properties daily to remove anything owners may have missed. Additionally, in order to keep all residents happy, management should work with pet owners if their dogs are barking loudly or disturbing others.

4. REMAIN RESPONSIVE TO ALL RESIDENTS

Listening to the growing and changing needs of pet and non-pet owners must remain a priority if community-management teams want to thrive. Dogs barking during the day might not have been an issue in 2019, but as more people work from home, or participate in online school, this can be a challenge. Take time to create ongoing conversations with residents to understand their needs and how management can help. As situations evolve, management may help residents find solutions through add-on “concierge” services such as Valet Living’s pet-sitting and pet-walking services, Ally Waste’s dog-walking options and other pet care solutions.

Pets will continue to be an important part of many residents’ lives, and



communities that cater to pets will be top of mind to meet this trend. Similarly, children and adults will still need their homes to be quiet places where they can work and participate in online school. Creating inviting spaces for pet-owners and non-pet residents to harmoniously coexist will require management teams to stay on top of industry trends and resident preferences as they thoughtfully balance all resident’s needs.

Jacie Good is the associate director of facilities and service and Kris Servidio is the associate director of facilities and support for Mark-Taylor Residential. Established in 1985, Mark-Taylor Companies is a privately held, Scottsdale, Ariz.-based developer, owner and investment manager of multifamily communities. The company ranks

as the largest apartment developer in Arizona’s history and the second largest owner of rental communities in the state, and is the investment manager to more than \$3 billion in multifamily real estate on behalf of numerous third-party owners. For more information, visit www.mark-taylor.com.



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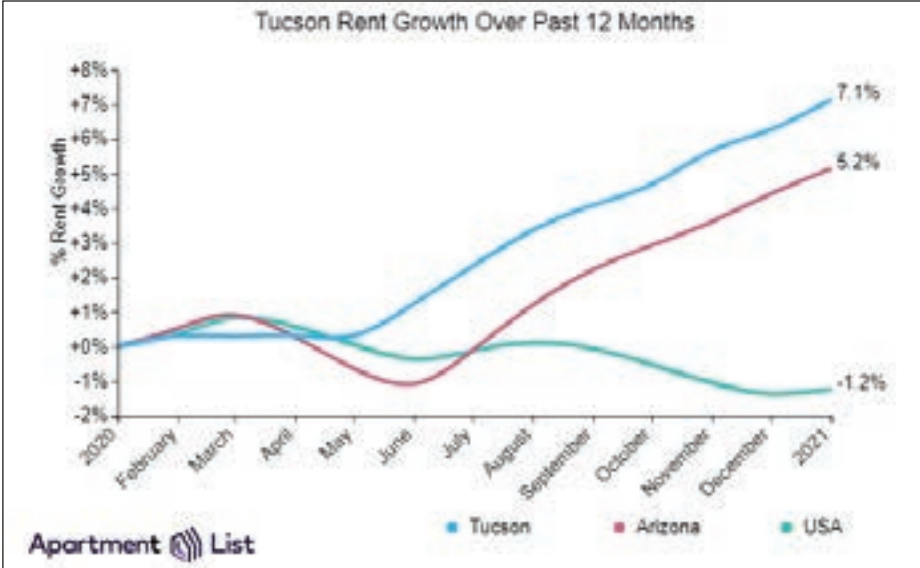
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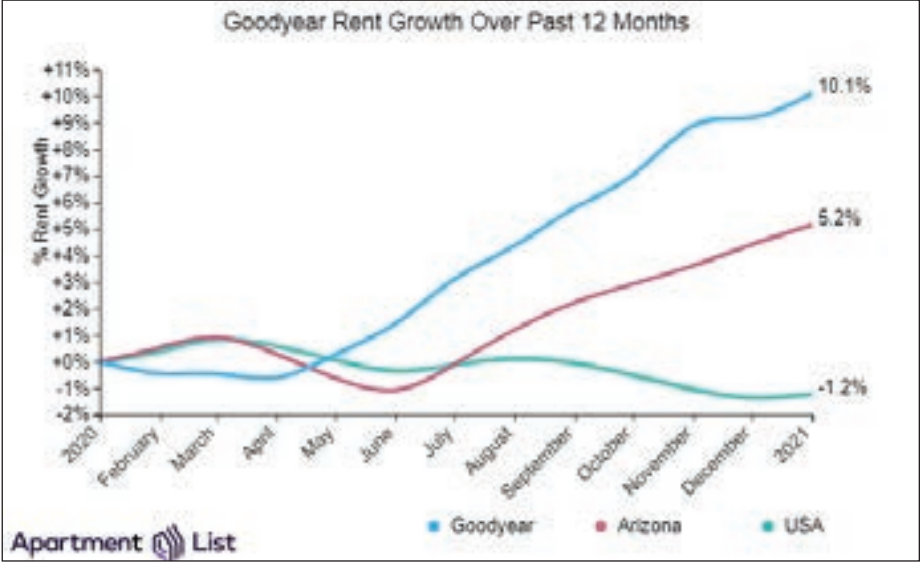
David Pickron is president of Rent Perfect, a private investigator, and a fellow landlord who manages several short- and long-term rentals. Subscribe to his weekly Rent Perfect Podcast (available on YouTube, Spotify, and Apple Podcasts) to stay up to date on the latest industry news and for expert tips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



Rents in Phoenix Metro Continue to Climb

Continued from Page 1

- of 1.2 percent over the past month, the fastest in the metro.
- Avondale rents climbed by 10.1 percent year-over-year. Avondale rents are \$1,218 for a one-bedroom apartment and \$1,417 for a two-bedroom.
- Also climbing by 10.1 percent was Goodyear in a year-over-year comparison with median rents in Goodyear at \$1,228 for a one-bedroom apartment and \$1,557 for a two-bedroom. This is the ninth



straight month that the city has seen rent increases.

- Surprise rents increased sharply by 8.4 percent year-over-year. Currently, median rents in Surprise stand at \$1,300 for a one-bedroom apartment and \$1,523 for a two-bedroom.
- Gilbert rents are up by 8.4 percent year-over year also. Median rents in Gilbert are \$1,261 for a one-bedroom apartment and \$1,465 for a two-bedroom.
- Peoria rents are up 6.8 percent in comparison to the same time last year, and median rents in Peoria are \$1,311 for a one-bedroom apartment and \$1,365 for a two-bedroom.
- Glendale rents are up 7.5 percent year-over-year, with median rents of \$937 for a one-bedroom apartment and \$1,183 for a two-bedroom.
- Chandler rents are also up by 5.1 percent in comparison to the same time last year. Currently, median rents in Chandler stand at \$1,302 for a one-bedroom apartment and \$1,479 for a two-bedroom.
- Phoenix proper has the least expensive rents in the metro.

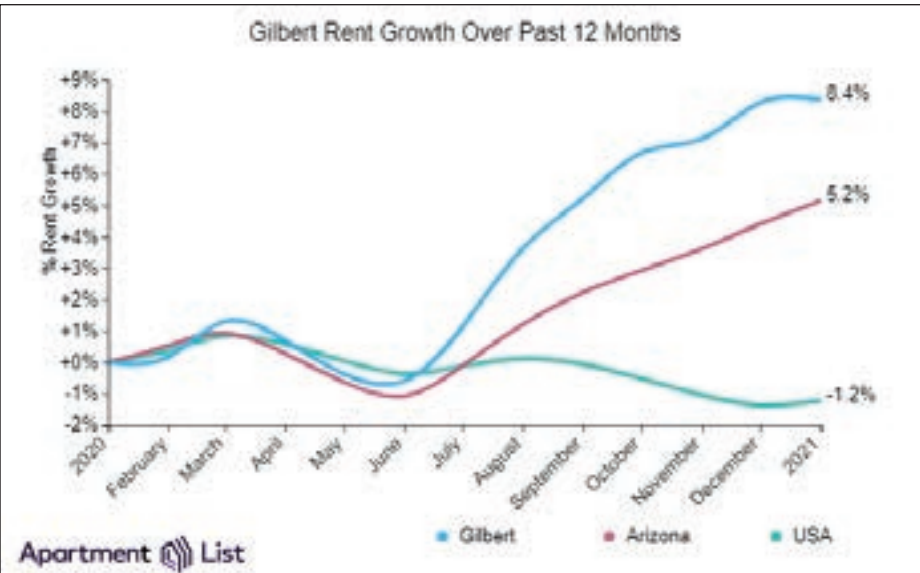
TUCSON RENTS INCREASE SHARPLY OVER PAST MONTH

Tucson rents have increased 0.8 percent over the past month and have increased sharply by 7.1 percent in comparison to the same time last year.

Currently median rents in Tucson are \$825 for a one-bedroom apartment and \$1,103 for a two-bedroom.

This is the eighth straight month that the city has seen rent increases after a decline in May of last year.

At Apartment List, we estimate the median contract rent across new leases signed in a given market and month. We estimate the expected price change that a rental unit should experience if it were to be leased today. We start with median rent statistics for recent movers, then extrapolate to the current month. We filter these data to capture the prices at which rental units transact. Finally, we calculate growth rates using a same-unit analysis similar to Case-Shiller's approach, comparing only units for which we observe transactions in multiple time periods to provide an accurate picture of rent growth that controls for compositional changes in the available inventory.



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Monthly Meeting Schedule for the Arizona Real Estate Investors Association

**PHOENIX MEETING
MONDAY, MARCH 8, 2021
5:45 P.M.
ONLINE**

The Phoenix meeting is held on the second Monday of the month. These meetings are full of education, information, and networking.

Open Networking: The perfect time to get checked in to the event and chat with other local real estate investors in attendance.

Market Trends & Outlook: Your up-to-date analysis on the trends in national, regional, and local areas. Come find out where the market is heading – valuable information no real estate investor should do without.

Association Update: Find out about what's happening at AZREIA, how to best leverage your membership benefits, and get the best prices on upcoming events!

Trade Show, Networking & Guest Orientation: Spend time meeting AZREIA business associates, other investors and build your team. (Live meetings)

Market Update for Fix & Flip and Rentals: Full analysis of fix & flip and rental markets. Plus, the latest market news affecting your business.

Main Presentation: This presentation features a national, local 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.

TUCSON MEETING
TUESDAY, MARCH 9, 2021
5:45 P.M.
ONLINE

The Tucson meeting is held the Tuesday after the Phoenix monthly meeting each month. These meetings are full of education, information, and networking.

Investor-to-Investor Networking and Dynamic Haves & Wants are an important part of the Tucson AZREIA meeting. This is your chance to meet local investors, ask for what you need, and share what you have. Deal of the Month is your chance to find out what your local investors are doing and how they are doing it. Don't miss this opportunity!

Open Networking: The perfect time to get checked in to the event and chat with other local real estate investors in attendance. (Live meetings)

Local Market Update: Bob Zachmeier presents the latest in trend analysis for the U.S., Arizona and Greater Tucson area, including existing homes, new homes, foreclosures, REO, short sales and traditional sales. What investment strategies are working and why? This is must-know information for the serious real estate investor.

Main Presentation: This presentation features a national, local 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.

The cost for meetings is \$10 for AZREIA Members and \$20 for Guests. PLUS members can attend free of charge. Please refer to the website www.azreia.org closer to the meeting time for up-to-date information on meeting place/format and agenda.

REGISTER ONLINE AT: www.azreia.org

Top Suburbs with the Most New Apartments in Last 5 Years

RENTAL HOUSING JOURNAL

Some suburbs are better-equipped than others to meet the potential trend to suburban living that has been caused due to the pandemic shift toward work-from-home solutions, according to a study from Rent Café.

If work-from-home is going to become the new normal, we might expect to see a “significant reversal of recent homebuilding patterns,” according to a housing study by Harvard University.

Regions that have grown significantly in population in recent years are seeing a boom in apartment development, and the southern states clearly dominate the map.

Suburban Texas is a great example, claiming more than a third of the national list. Out of the top 20 suburbs with the most new apartments delivered since 2016, eight are in the Lone Star state. Second is Colorado with three suburbs in the top for the highest number of newly-built apartments in the country. And Florida, Arizona, and Nevada suburbs

are also among the national leaders, the Rent Café study says.

Nationwide, there were more than 501,600 apartments delivered in the suburbs in the last five years.

With more than 8,000 new units,

Frisco, Texas is the suburb with the highest number of apartments built in the last five years. McKinney, Texas came in second with 4,800 new apartments, followed closely by Chandler, Ariz., and Spring Valley, Nev.

Rent Vouchers, Not Moratoriums, Best for Tenants and Landlords

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Why doesn't the government give them rent vouchers?

The governor and legislature need to either do this or otherwise craft a plan that reimburses property owners who are serving the public good by housing nonpaying tenants during the COVID-19 pandemic. It is the smart and moral thing to do.

Rent vouchers not only keep tenants from falling behind on their payments but they provide property owners the income they need to pay their mortgages and other bills. An eviction moratorium does neither.

A word about rental-property owners. Did you know that most of them own just a handful of units? Or maybe just one? And that most single-family rentals are long-term retirement investments that take years to produce a nickel of profit? That may not be true in much of urban Washington, but it is definitely true throughout the rest of the state, including in the Yakima Valley, where I live.

Another consideration: Both the federal and state constitutions prohibit government from interfering with private contracts and taking property away from citizens without compensation. The eviction moratorium ignores both of those prohibitions and leaves our state open to

expensive litigation down the road.

The governor and the Democrat majority of both houses of the legislature have shown they care more about tenants than property owners — a bias made obvious over the last two sessions as they enacted an assortment of laws that made it harder to collect rent from and evict nonpaying tenants.

But this is different. This is not a tenant-versus-landlord issue. It is about fairness. Should the governor be allowed to use the emergency powers given to him during a pandemic to require private businesses to provide a service for free?

The answer is clearly no.

State government needs to provide extraordinary services during these extraordinary times. But it needs to do so legally and fairly.

Contact your legislators and encourage them to work on a bipartisan basis to create a rental-voucher program for people affected by COVID-19. And ask them to vote to end the eviction moratorium that is bankrupting property owners and burying tenants under a mound of debt.

Jeremie Dufault is a Republican member of the Washington State House of Representatives, representing eastern Yakima County (15th District).

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