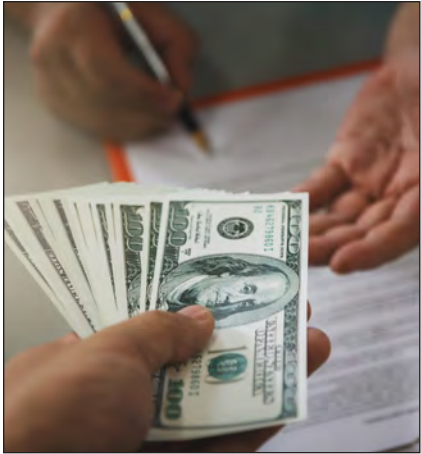


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Must I Pay Real Estate Agent Again Upon Lease Renewal?

By HANK ROSSI

Dear Landlord Hank: I have rented my property through the real estate agent and paid the one-month commission. The agent did tenant background verification and contract execution. I would like to know the procedure if the tenant wants to renew the lease. Do I need to pay the agent commission again? The same agent executes the contract again? Can you give me some info on this? Thanks. — Sun

Dear Sun: Please review your agreement with the agent that brought you the tenant. In Florida, I use the

See ‘More’ on Page 10



Rental Housing Journal, LLC
4500 S. Lakeshore Drive, Suite 300
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18 Months of Outstanding Rent Growth Coming to An End

RENTAL HOUSING JOURNAL

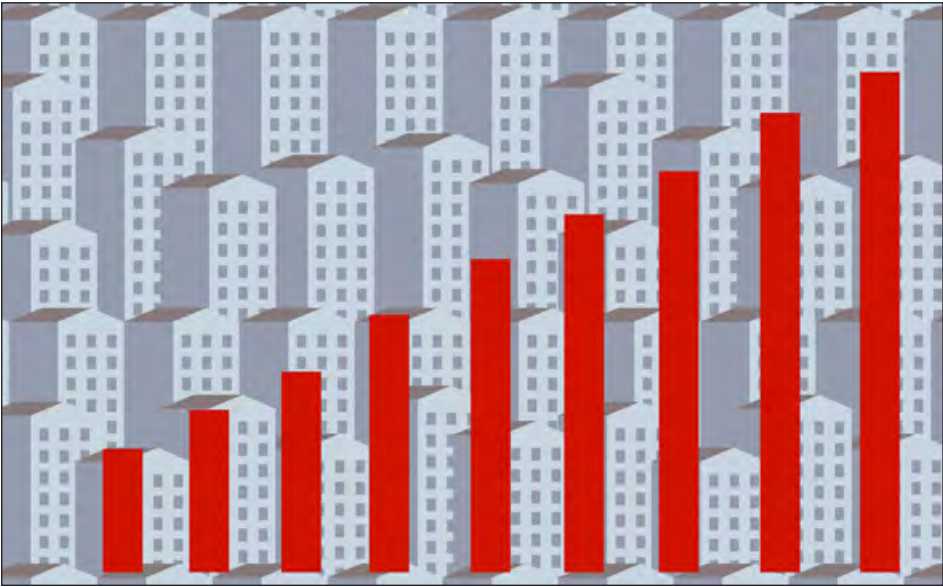
Asking rents are falling in many national multifamily markets, bringing an end to 18 months of record-breaking rent growth, according to a special bulletin from Yardi Matrix.

The decline in rent growth has been steadily expanding in multiple multifamily markets.

“Of the 136 multifamily markets that Yardi Matrix forecasts, 56 had month-over-month declines in asking rents in September, compared to 53 markets with declining rents in August and 18 markets with declining rents in July,” Yardi Matrix writes in the report. “Of the Yardi Top 30, 22 markets saw asking rents fall month-over-month in September, versus 21 markets in August and seven in July.”

MULTIFAMILY RENT FORECAST UPDATE

“After approximately 18 straight months of record-breaking rent increases in nearly



all markets, national rent growth has ground to a halt,” senior research analyst Andrew Semmes writes in the report.

“As usual, most of the volatility is being driven by lifestyle buildings, where asking

rents are down an average of 0.15 percent month-over-month across all 136 markets we forecast, and down an average of 0.41 percent month-over-month in the Yardi Top

See ‘Longstanding’ on Page 10

Possible 2023 HUD Announcement Could Affect Private Landlords



By DAVID PICKRON

Have you ever been punished for something you didn’t do or that was completely out of your control? My guess is you have, and that the thought that flashed through your mind at the time went something like this: But I didn’t do anything wrong! Frustration sets in as you try and figure out what you could have done differently, reaching the conclusion that sometimes these things are out of your control. The situation below might be one of those times.

For property owners, although it hasn’t happened yet,

See ‘What’ on Page 12

KAY

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Why Delaware Statutory Trust Investors Should Practice ‘The Anchor and the Buoy Investment Strategy’

By DWIGHT KAY, FOUNDER AND CEO OF KAY PROPERTIES & INVESTMENTS

Real estate investors currently considering a Delaware Statutory Trust (DST) investment for a 1031 exchange or even a direct-cash investment, one of the first things to consider is what specific investment strategy should you pursue? For example, is the goal to achieve greater appreciation even if it means investing in an asset that carries greater risk? Or is your long-term strategy to have steady monthly income even if it means lower overall appreciation potential? I like to call this the “Anchor and Buoy” investment theory. One of the beautiful things of Delaware Statutory Trust investments is that they can potentially provide investors both the benefits of the anchor and buoy investment strategies.

How ‘BUOY’ INVESTMENTS WORK FOR YOUR DELAWARE STATUTORY TRUST

To better understand how to use the anchor and buoy theory to evaluate potential DST investments, consider a multifamily building that has 500 tenants. First, while residential properties use comparable sales or “comps” to approximate valuation, multifamily properties are also valued based on the amount of Net Operating Income (NOI) they produce. NOI is calculated by subtracting a property’s operating expenses from its gross income. Gross income is derived from the sum of all sources of income for the multifamily property. While the vast majority of income comes from rent payments, there could also be ancillary sources of income like covered parking fees, laundry/vending income, pet rent income and even rent for storage unit access. On the flip side, operating expenses are the costs required to run the multifamily property on a day-to-day basis. Although these amounts will vary depending on the type of building, the line items will be typically very similar. These can include things like utilities, taxes, insurance, maintenance, property management, and even legal fees.

In this example, the multifamily building has a diversified tenant base of 500 tenants that are paying rent each month. Additionally, because most multifamily assets use an annual lease, landlords have the opportunity to potentially increase those leases every year. In addition, any vacancies can provide owners the opportunity to potentially raise rents when filling the vacancy. In this way, multifamily properties act like a buoy, moving and adjusting with the conditions.

While all real estate investments have some form of material risks associated with them like interest rate risks, vacancies, general market conditions, and financing risks, many investors like assets like multifamily and self-storage because they have the potential to gain more appreciation over time as they hopefully are able to increase their income generated through rental increases over the years. In addition, multifamily and self-storage are considered good “buoys” to potentially hedge against inflation because owners can hopefully raise the rents each year to help offset rising costs.

WHY MULTI-FAMILY AND SELF-STORAGE ARE CONSIDERED GOOD BUOY DST INVESTMENTS

Many investment professionals and accredited investors view self-storage and multifamily markets through the same investment lens. First, both asset classes follow a similar set of metrics to help determine market favorability, including demographic trends and income statistics. Second, both multi-family and self-storage use rent growth and vacancy rates as a way to project future performance. Finally, as mentioned earlier both asset classes are considered to be somewhat recession-defensive, and because operators are able to quickly respond to changing market conditions with rent changes, both property types are also considered to be an inflation hedge option in commercial real estate.

WHAT IS AN EXAMPLE OF AN ANCHOR DELAWARE STATUTORY TRUST INVESTMENT?

So, if a multifamily building is considered a “Buoy” DST investment, then what is an “Anchor” DST investment? Many investors consider a commercial net lease type of asset as more of an anchor investment for their DST 1031 Exchange investments. First of all, instead of using NOI and market capitalization rates (cap rates) solely as a valuation measurement, most commercial net lease assets are going to additionally tie the valuation of the property with the creditworthiness of the tenant. For example, Joe’s Pizza Shop is not as creditworthy of a tenant as FedEx or Walgreens, both of which are considered investment grade tenants. First of all, Joe’s Pizza Shop can shut down and investors are left with an empty building and the potential for expensive maintenance costs and unpaid rent. While it is possible that FedEx or Walgreens can also shut down a location, the odds are that these multi-billion dollar public companies will continue to pay rent as they have investment grade credit ratings by Standard and Poor’s (S and P).

WHY ARE LONG-TERM NET LEASE COMMERCIAL DST BUILDINGS CONSIDERED ANCHOR INVESTMENTS?

In addition to the creditworthiness of the tenant, anchor investments also use the length of the lease as another important factor to take into account. For example, a FedEx distribution center with a 10-year lease is an inherently valuable asset because there are 10-full years of potential income that has a corporate guarantee on the lease to pay the landlord the predetermined amount each month. However, while this type of asset can act as an anchor over the course of many years, there is typically not an opportunity to raise rents as can be found in multifamily or self-storage facility DST investments.

HOW DELAWARE STATUTORY TRUST INVESTMENTS BLEND BOTH ANCHOR/BUOY PHILOSOPHIES

DST investments provide investors several ways to incorporate both anchor and buoy investment strategies by incorporating diversification into a real estate portfolio. For example, DSTs can create diversification through geography, property type, and investment structure.

- **GEOGRAPHY**

The beautiful thing about Delaware Statutory Trust investments is they can hold real estate assets in

The Anchor and Buoy: A DST Investment Strategy for Your 1031 Exchange

DST Investors working with Kay Properties are able to utilize a blended anchor and buoy DST approach in an effort to potentially create an optimal level of portfolio and income stability as well as upside potential.*

What is an Anchor DST Investment?

An investment that is more fixed, with a lower degree of variability in monthly income potential like a long-term net leased property with a corporate-backed tenant. These types of anchor DST investments typically performed well during the Coronavirus pandemic, and other recessions.*

What is a Buoy DST Investment?

An investment that has the potential for increased income due to shorter term leases and seeking to pass inflationary pressures on to tenants. Buoy DST investments have the potential for increased appreciation potential due to Net Operating Income (NOI) growth. However, the monthly income potential may be negatively impacted in events like pandemics, recessions and geo-political times of turmoil.*

FedEx Ground 10-Year Net Lease DST

Multifamily Apartment Building DST

Self-Storage Facility DST

Walgreens Pharmacy Long-Term Net Lease DST

*Past performance is no guarantee of future results.

All real estate investments projected cash flows/appreciation/returns are never guaranteed as well as that a loss of invested principal is possible. The above example is a hypothetical example. All investor situations are different. Please speak with your CPA regarding your particular situation considering a sale or 1031 Exchange. Please read the entire Private Placement Memorandum (PPM) for a full discussion of the business plan and risk factors prior to investing. Securities offered through FNX Capital, member FINRA, SIPC.

any state across America, helping investors target properties in specific markets where they believe will deliver a desirable combination of ongoing income and potential appreciation. For example, investors might decide to invest in tax-friendly, high-growth states like Texas, Florida, or North Carolina among others.

- **PROPERTY TYPE**

Delaware Statutory Trusts also allow investors to achieve the potential for greater diversification through property types as well. For example, DSTs can include a wide range of asset types including apartments, distribution centers, medical buildings, and self storage facilities. Essentially any asset that can qualify as a “like kind” 1031 exchange property can potentially be structured as a DST.

- **INVESTMENT STRUCTURE**

Another way DSTs help investors incorporate both anchor and buoy investment strategies is through investment structure. A good way to explain this is to recognize that while many DSTs consist of a single property, other DST investments consist of a larger portfolio of similar assets e.g., multiple apartment complexes, self-storage facilities, office buildings, or retail properties. In this way, a DST portfolio can create a “built-in” diversification component that many investors find attractive.

In conclusion, an investor could place their entire exchange proceeds into a multifamily or self-storage DST if they were seeking greater upside potential that the buoy strategy is seeking. The downside is that if the economy were to suffer, if another pandemic or any other myriad of black swan events were to happen that investor could easily see cash flow cut in half or suspended entirely. So in an effort to enhance appreciation potential the investor sacrifices the stability of income that many investors are seeking in today’s volatile environment.

However, many investors these days are achieving the goal of potential appreciation by utilizing the buoy investment strategy of multifamily and self storage DSTs and at the same time blending in the anchor strategy in an effort to gain potential stability of income by utilizing long-term net leased DSTs with tenants such as FedEx and Walgreens. This blended anchor and buoy combination strategy is gaining popularity as investors consider where we are in today’s economic and geopolitical environment.

To see a complete list of anchor and buoy DST properties and other real estate investment options, please visit www.kpi1031.com.

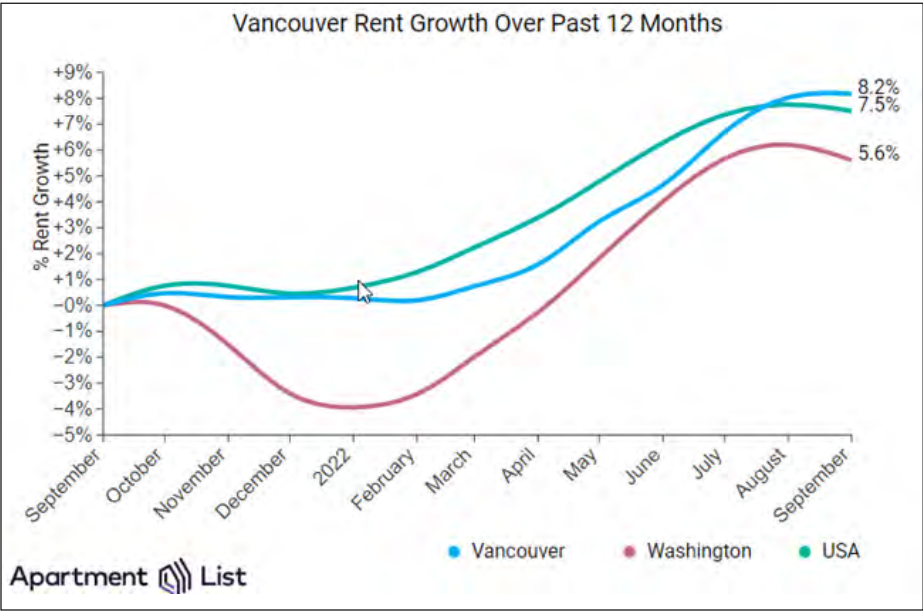
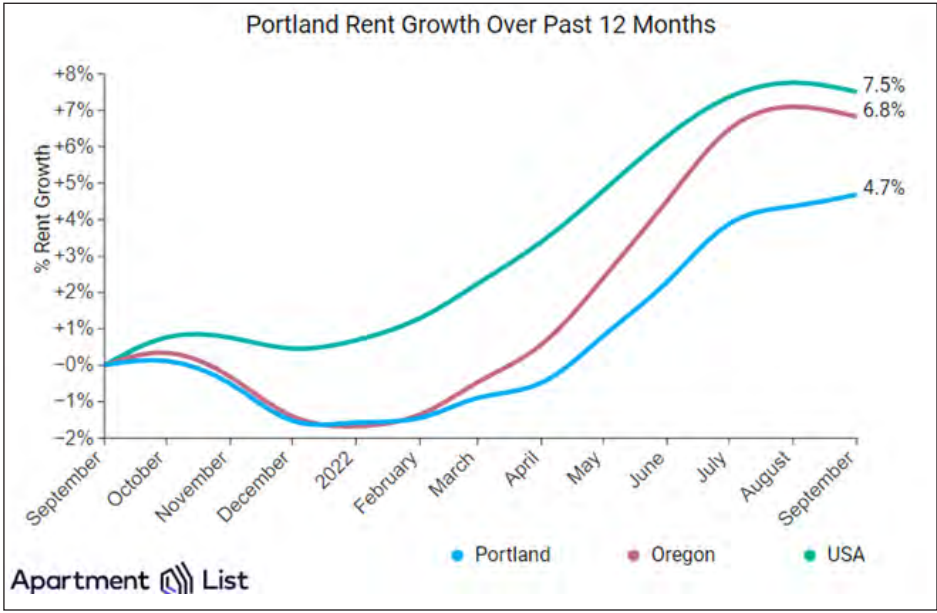
About Kay Properties and www.kpi1031.com

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 150 years of real estate experience, are licensed in all 50 states, and have participated in over \$30 Billion of DST 1031 investments.

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Portland Rents Rise Again in October

RENTAL HOUSING JOURNAL

Portland rents have increased 0.3 percent over the past month, and have increased significantly by 4.7 percent in comparison to the same time last year, according to the latest report from Apartment List.

The report says median rents in Portland are \$1,309 for a one-bedroom apartment and \$1,528 for a two-bedroom.

This is the eighth straight month that the city has seen rent increases after a decline in January. Portland’s year-over-year rent growth lags the state average of 6.8 percent, as well as the national average of 7.5 percent.

VANCOUVER RENTS INCREASED OVER THE PAST MONTH

Vancouver rents have increased 0.1 percent over the past month, and have increased sharply by 8.2 percent in comparison to the same time last year. Currently, median rents in Vancouver stand at \$1,392 for a one-bedroom apartment and \$1,604 for a two-bedroom.

HILLSBORO RENTS DECLINE SHARPLY OVER THE PAST MONTH

Hillsboro rents have declined 1.2 percent over the past month, but are up sharply by 8.1 percent in comparison to the same time last year. Currently, median rents in Hillsboro stand at \$1,831 for a one-bedroom apartment and \$2,026 for a two-bedroom.

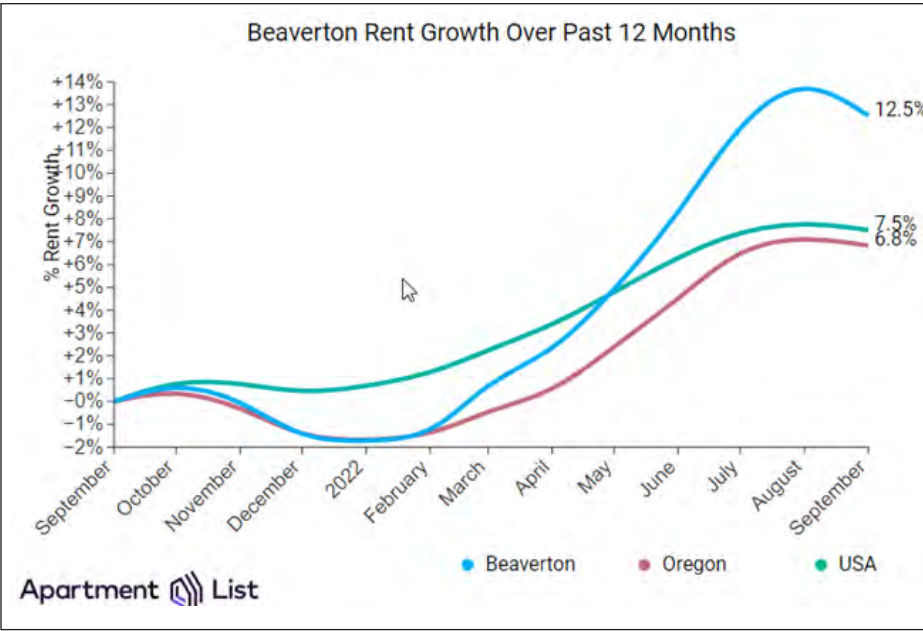
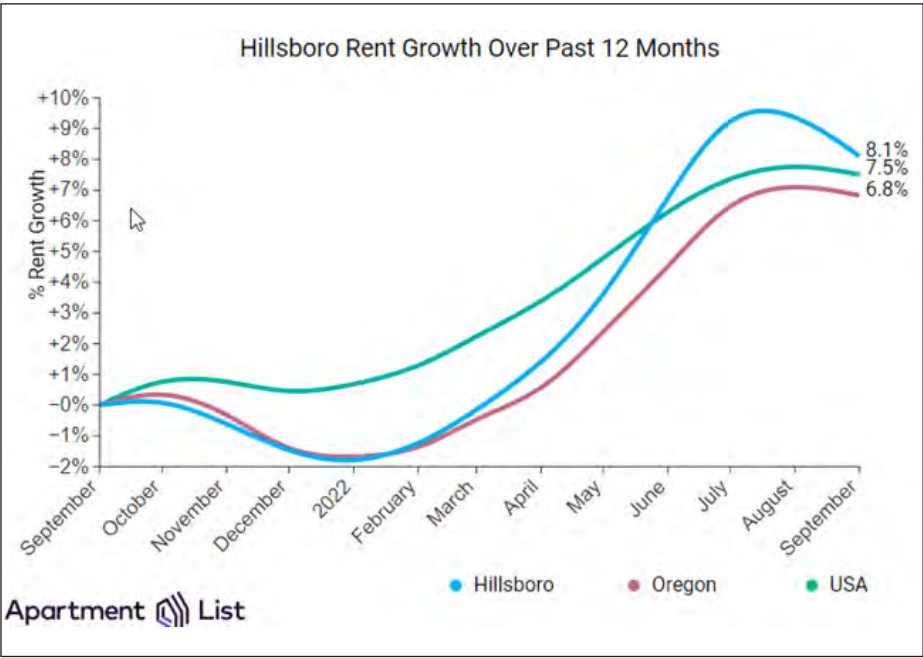
BEAVERTON RENTS ALSO DECLINE OVER THE PAST MONTH

Beaverton rents have declined 1.0 percent over the past month, but are still up by 12.5 percent in comparison to the same time last year. Currently, median rents in Beaverton stand at \$1,605 for a one-bedroom apartment and \$1,864 for a two-bedroom.

EUGENE RENTS DECLINE SHARPLY OVER THE PAST MONTH

Eugene rents have declined 2.9 percent over the past month, but have increased by 7.1 percent year-over year. Currently, median rents in Eugene stand at \$1,136 for a one-bedroom apartment and \$1,564 for a two-bedroom. This is the second straight month that the city has seen rent decreases after an increase in July.

Apartment List estimates the median rent of new leases signed in a given market and month. They estimate the expected price change a rental unit should experience if it were to be leased today, using the Census Bureau’s American Community Survey. The data is extrapolated forward and filtered to capture the prices at which units rent. Growth rates are calculated using a same-unit analysis similar to Case-Shiller’s approach, comparing only units for which they observe transactions in multiple time periods, to provide an accurate picture of rent growth.



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The go-to periodical for property management professionals and multifamily investors doing business in Portland and Oregon

Market-Driven Amenities Add Value and Help Create a Competitive Edge

By Robert Trujillo
Harvard Investments

As consumers become more discerning, with an increased focus on housing that enhances their desired quality of life, and municipalities more demanding of developments they'll approve, multifamily developers must become more strategic and creative in an increasingly competitive market.

Today's traditional multifamily and single-family rental (SFR) communities must provide wide-ranging amenities to earn the business and loyalty of those who have the means to buy but choose to rent and have an elevated perception of how their home environments should look and feel.

First-generation SFR models only had homes and few, if any, amenities. Often the leasing office was an empty unit.

Those models quickly elevated to second-generation SFR communities, with separate buildings for a clubhouse, a small leasing office, a fitness center, pool, etc.

Now we're moving to a third-generation design that feels very similar to suburban luxury apartment complexes with expansive amenity offerings and robust community centers.

The challenge with these enhancements is offsetting the cost per unit. Typical apartment communities are 300 units or more but build-to-rent (BTR) and SFR are closer to the 150–200-unit range. Justifying a large amenity center may feel tough, however we've found it's necessary and can pay off in renter retention.

Multifamily typically has a 60 percent turnover, but because SFR turnover is significantly lower, amenity costs can be recouped.

For example, our First Street Ballpark community in Goodyear, Arizona, has a spacious 5,000-square foot club house with fitness center, co-working area, indoor-outdoor kitchens for rent, much larger resort-style pools, lap pools, and hot tubs. We're building outdoor ball courts for bocce ball, creating rental demand.

REQUIREMENTS OF MUNICIPALITIES

Amenity evolution isn't just driven by residents. Many cities are requiring the quality and appeal of multifamily to be long-lasting. They are demanding that communities feel more like traditional owner-occupied communities including more green space. This often means lower density, which can be financially challenging.

ADDING VALUE THROUGH MULTIFAMILY AMENITIES

With these changes, existing multifamily communities are in a great position to remain competitive by enhancing existing assets. The surge of BTR has led to an increase in value-added amenities among traditional multifamily communities.

Complexes built in the 1980s and '90s have been upgraded substantially. Many were built when land wasn't at such a premium, so they have more of the green space and mature trees renters want.

The competitive edge for existing multifamily owners is to use your space and use it wisely. Many have gutted the leasing office and converted the community space within the leasing office into co-working space.

Adding dog parks to existing green spaces is another easy upgrade for renters who increasingly prioritize their pets – 50-80 percent of renters now have dogs.

Another important step would be to upgrade the pool to reflect the resort-like feel that draws residents to use the space and attracts new renters.

UPGRADING DESIGN AND FUNCTION

In addition to the enhanced amenity options, developers are increasing the thoughtfulness and quality of the units they design, both inside and out.

Very early on, apartments and BTR were very basic; BTR developers wanted to test the market and see if people

would actually rent these new concepts over a traditional apartment in a three-story complex. The past decade has clearly demonstrated they will.

Now, most SFR homes have fenced-in backyards. Some have sidewalks leading to clusters of homes with a courtyard. Generally, more thought is going into the way these are placed on the site, so they encourage community and interaction but still provide privacy.

Inside, developers have upgraded the finishes and replaced carpet with hard floor surfaces. Similarly, quartz countertops and stainless-steel appliances are now common.

If you plan on owning your communities for the duration, providing materials that will last is always smart.

These upgrades ensure happy renters and long-term financial benefit for developers and property managers.

Paying attention to the shifts in consumer demand as well as municipality requirements and answering the call to upgrade amenities and interior spaces pays off in the long run, especially as teams look to be best in class and hold assets for long-term profits and long-term renter loyalty.

Robert Trujillo serves as vice president of Harvard Investments, overseeing the FirstStreet™ division. He has more than 25 years of multifamily development experience including previous roles in Phoenix; Santa Fe, N.M., and the southeastern United States.




He has overseen multiple industry functions including land acquisition, project feasibility, planning, public agency entitlements, community relations, financing, environmental mitigation, construction management and leasing and sales.

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From the Desk of the Executive Director

Participation Matters, in Voting and at RHA Oregon

By Ron Garcia
EXECUTIVE DIRECTOR OF PUBLIC POLICY

It is finally election month, and even though I am writing this letter prior to the polls closing, by the time you are reading this, the results should (hopefully) be in.

Thomas Jefferson said: “We do not have government by the majority. We have government by the majority who participate.” And (hopefully) as a rental housing provider who has been affected by increased statewide regulations, you felt compelled to add your vote to help influence the outcome.

Another quote by Plato is more cynical: “One of the penalties for refusing to participate in politics is that you end up being governed by your inferiors.” (I’m not sure, though, if his notion of superiority is politically correct.)

RHA Oregon has traditionally not given voter recommendations. I violated that earlier in the year and was met with resistance. Suffice it to say that we have been vocal about the inferior results and negative impact on housing providers that our current single-party, super-majority government has provided in recent years.

To get true democratic output, we need more diversity of thought. To have true diversity, we need a healthy two-party system. Yet even if our political preferences are easily visible, our input and impact on statewide housing issues is now, and will continue to be, critical to crafting laws that affect Oregon’s urgent housing issues no matter which party

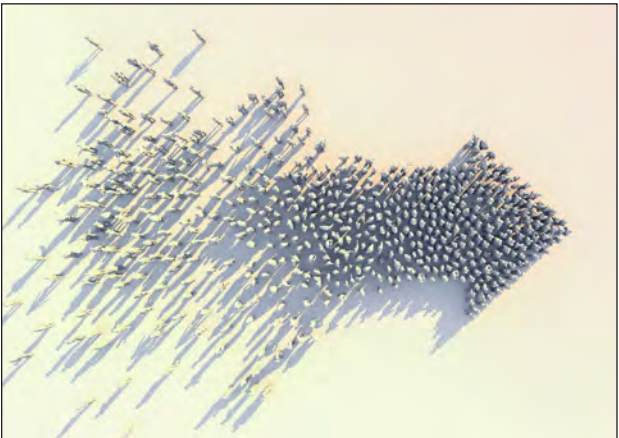
is in power. Our collective voice matters.

Why? Because our organization has been representing Oregon property owners since 1927. Our legal name is Oregon Apartment Association Inc, dba Rental Housing Alliance Oregon. We are a 503(c)(6) nonprofit with more than 2,000 members.

Our mission is to help improve the “CRAFT” of managing rental properties through Community involvement, rental Resources, political Advocacy, up-to-date Forms, and professional Training. Our service has spanned 95 years and 21 governors, from Walter Pierce to Kate Brown. But our most important asset is not found in our history; our legacy will be determined by how relevant we remain today.

Over the last two years, we have updated some of our structure, including revising our bylaws, our membership categories, and our dues. We have also updated our office space, installed a new phone system, and just finished painting our building (courtesy of a longtime volunteer, Jim Herman). As regulations dramatically changed, especially with the impact of the COVID-19 rental moratorium, we found ourselves drowning in phone calls from members seeking legal advice above our scope of expertise. We remedied this situation by having longtime member Diana Lindemann continue taking calls as she did before COVID, from her desk in the office. Now working remotely, she heads up the Helpline with a staff of volunteer members, devoting their time and knowledge to help assist their peers.

We now have four categories of membership: active



landlords, vendor affiliates, and professional property managers, who are then permitted to share a premium access to their owner-clients. Our current board of directors is made up of 15 volunteers, three of whom are vendors.

RHA Oregon has always been and will remain an operation of service to our industry and community. And we have much to do! As you read this letter today, please consider the impact you can have by becoming more involved. Call or email our office and leave a message to let us know you want to help influence your profession by becoming more active – no matter if you are a longtime participant or a brand-new investor; if you own many rental units or just one, or you’re a vendor who provides relevant services.

In closing, regardless of whether you’re happy with the election results, consider what coach Don Shula said: “The superior man blames himself. The inferior man blames others.” I say don’t blame anyone, just join in and help make it better, for superior results.

Ron Garcia is the Executive Director of RHAOregon and can be reached by phone at 503-254-4723 Ext 4 or email at ron@rhahoregon.org.

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Due Diligence Needed to Verify Requests for Accommodation

By The Fair Housing Institute

Reasonable-accommodation requests can be completely obvious and straightforward. Still, more often than not, they require a little bit more due diligence or investigation to verify the need for what is being requested.

Along with that is the range of requests a leasing office can come across: accessible unit, live-in aide, and parking-spot requests, just to name a few. Forms are a practical way to help a leasing office gather the information needed to make a determination. But it raises the questions: What kind of forms should a leasing office use, and what should you do if a resident refuses to fill one out?

BEST PRACTICES FOR FORMS

Many offices have a pretty basic or boilerplate type of form that they use. This is fine but can result in missing information that can be helpful when making a determination. Having forms specific to each type of request can help you avoid this. Also, pre-made forms can ensure that every resident is asked the same questions to avoid any appearance of discrimination.

For example, a resident is requesting that they need to change units because they have allergies and their next-door neighbors own a bird. Having a form that asks specific questions regarding allergies will help determine if the tenant has an allergy that meets the definition of a disability, therefore having an identified need which should be accommodated. But what should you do if a request is being

REASONABLE
ACCOMMODATION
FORMS -
*How Can They Be
Helpful?*





made and the resident refuses to fill out your form, perhaps insisting that the doctor’s note they gave you is enough?

I DON’T NEED TO FILL OUT YOUR FORM!

We have all been there. A resident is requesting an accommodation but doesn’t want to do the paperwork. First off, you can try to defuse the situation by stating that the easiest way to get the ball rolling is to complete the form and that you would be happy to help them fill it out. Just be sure that the information contained and the signature authorizing the verifier to provide the information must be from the resident.

Another common hurdle we see is that a resident has brought in a note from their physician insisting that it is all they need to do. While it’s true – we technically can’t require a resident to use or fill out a form – if the doctor’s note is missing critical information, then the verification process

can’t move forward. Only then can you ask that a verification form be completed if there is needed information missing, with the form outlining the specific information required.

REASONABLE ACCOMMODATION FORMS - FINAL TAKEAWAY

Having carefully created forms for specific accommodation requests helps to create a streamlined process and reduces the chances of miscommunication that can lead to a charge of discrimination. Having forms ready for your staff, along with proper training on how to execute them, will help your leasing office manage these requests and keep everything fair-housing focused.

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RENTAL HOUSING JOURNAL METRO · NOVEMBER 2022

7



MULTIFAMILY NW

The Association Promoting Quality Rental Housing

**MULTIFAMILY NW**
The Association Promoting Quality Rental Housing

OREGON

CONSTRUCTION NOTICE

DATE _____

PROPERTY NAME / NUMBER _____

RESIDENT NAME(S) _____

UNIT NUMBER _____

CITY _____

STREET ADDRESS _____

STATE _____

ZIP _____

This notice is to inform you of upcoming construction.

Scheduled dates: _____ to _____ from _____ to _____

Please note that these are the scheduled dates of the project. Extenuating circumstances such as weather, staff, or supply shortages, etc., may delay this timeline.

An increase in activity, debris, noise, and people are a normal part of the construction process. You may hear loud noises and/or experience vibrations or banging during this time. We appreciate your cooperation and patience while we work to improve our community.

Anticipated scope of work:

Anticipated interruption of parking, utilities, service, or access to common areas:

To ensure that workers have full access to the area of construction please complete the following no later than _____ DATE _____

To ensure that none of your personal belongings are damaged we advise the following until all work has been completed:

at _____ TIME _____

☐ Remove items (pictures, mirrors, etc.) from interior walls

☐ Remove items from patio/balcony

As always, no personal items should be placed in common areas such as hallways, entryways, and/or stairs at any time. Management is in no way responsible for any items damaged or compromised during construction, except as otherwise required by law.

Additional information:


OWNER/AGENT ☒ X

ADDRESS _____

TELEPHONE _____

EMAIL _____

☐ ON SITE ☐ RESIDENT ☐ MAIN OFFICE (IF REQUIRED)

**MULTIFAMILY NW**
The Association Promoting Quality Rental Housing

CONSTRUCTION NOTICE

DATE _____

PROPERTY NAME / NUMBER _____

RESIDENT NAME(S) _____

UNIT NUMBER _____

CITY _____

STREET ADDRESS _____

STATE _____

ZIP _____

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Additional information:

OWNER/AGENT ☐ _____

ADDRESS _____

TELEPHONE _____

EMAIL _____

☐ ON SITE ☐ RESIDENT ☐ MAIN OFFICE (IF REQUIRED)

FORM OF THE MONTH

M198 OR Construction Notice

This is a NEW form to the Forms Collection designed as a good faith effort to communicate to residents all aspects of pending construction plans at the property. The form provides a template to convey the anticipated dates, scope of work, and possible interruptions to the property.

The Multifamily NW Forms Collection is available immediately and electronically at www.RentalFormsCenter.com, via electronic subscription software through www.tenanttech.com & by mail or pick-up of printed triplicate forms at www.multifamilynw.org.

Multifamily NW Schedule		
NOVEMBER 1	WEBINAR: OREGON LANDLORD TENANT LAW-FEES, FAIR HOUSING, TENANT RULES	10:00 AM - 11:00 PM PDT
NOVEMBER 2	WEBINAR: LANDLORD STUDY HALL - 1031 EXCHANGE STRATEGIES	6:30 PM - 8:00 PM PDT
NOVEMBER 7	PRISM 2022	
NOVEMBER 8	WEBINAR: OREGON LANDLORD TENANT LAW -RENT INCREASES, MAINTENANCE, AND ENTRY	10:00 AM - 11:00 PM PST
NOVEMBER 10	ASPIRE RISING LEADERS MIXER	5:00 PM - 7:00 PM PST
NOVEMBER 11	WEBINAR: IT’S THE LAW: SETTLE WHEN YOU HAVE TO	12:00 PM - 1:00 PM PST
NOVEMBER 15	WEBINAR: OREGON LANDLORD TENANT LAW - TERMINATION OF TENANCY BASICS	10:00 AM - 11:00 PM PST
NOVEMBER 16	WEBINAR: HR ANSWERS - INTERNAL INVESTIGATIONS	8:00 AM - 9:00 AM PST
NOVEMBER 17	2022 ACE AWARDS CEREMONY	6:00 PM - 10:00 PM PST
NOVEMBER 22	WEBINAR: OREGON LANDLORD TENANT LAW - WRAPPING UP TENANCIES	10:00 AM - 11:00 PM PST
NOVEMBER 29	AFFORDABLE AFTERNOONS-SENIOR HOUSING: DOS AND DON’TS	12:00 PM - 1:00 PM PST
NOVEMBER 30	WEBINAR: LAW AND RULE REQUIRED COURSE (LARRC)	10:00 AM - 1:00 PM PST
DECEMBER 7	BEND HOLIDAY PARTY AT LAVA LANES	5:00 PM - 8:00 PM PST
DECEMBER 8	SALEM HOLIDAY PARTY AT ROTH’S EVENT CENTER	5:00 PM -7:00 PM PST
DECEMBER 9	WEBINAR: IT’S THE LAW: A YEAR IN REVIEW AND A GLIMPSE INTO THE FUTURE	12:00 PM - 1:00 PM PST
DECEMBER 14	WEBINAR: HR ANSWERS - DON’T BE A BAD BOSS	12:00 PM - 1:00 PM PST
DECEMBER 14	EUGENE HOLIDAY PARTY AT THE GRADUATE	4:00 PM -7:00 PM PST
DECEMBER 15	PORTLAND HOLIDAY PARTY AT THE EMBASSY SUITES	3:00 PM -6:00 PM PST

Apartment Rents Won't be Heading to Sky, Report Says

RENTAL HOUSING JOURNAL

The combination of recession concerns, requests to return to the office, rents that are just too high, and a multi-decade high of new rental supply are all combining to cause rents to soften and potentially decline, writes John Burns Real Estate Consulting.

In a report by Alex Thomas and Jesse McConnico called “Apartment Rents Don’t Grow to the Sky” they write, “Rents are set to fall in many areas around the country, which is exactly what the Fed needs to help get inflation under control. This short-term pain for rental investors should be offset by the long-term gain of a stable economy and lower borrowing rates.

“Every quarter, we summarize the earnings calls of six publicly traded apartment REITs (Real Estate Investment Trusts) for our research clients, and our consultants have been busier than ever helping apartment and build-to-rent developers understand local market dynamics as they build and lease new communities,” they write in the report and in a recent email newsletter.

WHY RENTS SOARED

Rents soared for a couple of reasons, the report says.

It was the combination of record demand due to working from home and relocations, plus capital flowing into apartment

construction resulting in a 36-year high of multifamily starts and a 34-year high of multifamily completions.

Even with the level of construction it was still not enough to meet demand.

WHAT SOME REITs TOLD JOHN BURNS CONSULTING

- **AvalonBay Communities:** “We’ve assumed that [rents] will decline, just at a more modest pace than pre-COVID periods would typically dictate.”
- **Essex Property Trust:** “What we are expecting is normal seasonality. We do have headwinds from tougher year-over-year comps. Last year, in the first half, our blended lease rate was -4 percent. But in the second half, it surged to about +13.25 percent. That’s the tough year-over-year comp.”
- **Equity Residential:** “We assume we’re going to have rents peak somewhere in this first or second week of August and then have a normal kind of trail off in rents until you get to that January period.”

CONCLUSION: WATCH APARTMENT MARKET FOR SIGNS OF JOB LOSSES

“Watch the apartment market carefully for



early signs of job losses, which is something that the Fed wants and is even forecasting,” the report says.

“The increase in rental demand due to homeownership becoming less attainable doesn’t mean rents can rise to the sky, and the rental market demand/supply balance can quickly turn upside down when job losses coincide with a lot of apartment

completions.”

For more information on the apartment market and a comprehensive view on housing demand and supply, or help understanding your local market dynamics, see www.realestateconsulting.com or email clientservices@realestateconsulting.com.





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More Answers to Questions from Landlords

Continued from Page 1

standard MLS agreement for finding a tenant for an owner. The standard agreement from MLS indicates that if the same tenant renews, then the owner would owe an additional commission, to be determined.

That is not how we work; we think one commission is fair for a tenant no matter how long they stay — whether one year or 10. I can see the reason for the commission for renewal, though, IF the agent is managing the property.

I usually ask why tenants are not renewing. Usually it's because they need more space, found a better location or want more amenities, but sometimes I hear that the tenants complain about the property management.

They sometimes say that when they called for maintenance that the property manager took forever to get anything fixed and the tenants felt like property management didn't care about them so they are moving for that reason.

Anyway, check the agreement you signed with your agent for the answer.



CAN I USE SURVEILLANCE CAMERAS TO PROTECT MY RENTAL PROPERTY?

Dear Landlord Hank: I have been told that cameras are an invasion of privacy. However, I am aware that several professionally managed sites use them.

My situation involves use of cameras (NOT pointed at individual doors) placed to cut down on trash and toys that make my rentals dangerous and unattractive to tenants. Would you please clarify what the law says?

We don't want to leave our tenants having to report their neighbors. — Pam

Dear Landlord Pam: You'd have to check with your state and local laws,

but you should be able to place cameras viewing common areas without an issue as long as the cameras are not hidden and not IN someone's residence, as that could be construed as spying.

Also, cameras with audio capability are another issue you would need to check on.

I think it is a great idea but I would let current and future residents know in advance that cameras are being put in use to cover common areas around the property.

TENANT MOVED OUT, SOMEONE ELSE FINISHING LEASE; WHAT DO I DO?

Dear Landlord Hank: What should a landlord do and how should it be handled if you find out your tenant moved out and someone else moved in to finish the lease? The six-month lease is up Oct 31, 2020, and I'm unsure how to handle this. Any suggestions? Lori

Dear Landlady Lori: I would talk to the current tenant and ask them if they are planning to move out at the end of term or if they'd like to continue on (this assumes

they've been a good tenant and you may want to keep them).

If they are moving, you have your answer. If they'd like to stay, I'd tell them they haven't gone through the application process and they must proceed like a real tenant if they want to stay.

Then I would check the lease I'd had with the original tenant and see what it says about what happens if the tenant leaves early and what the consequences of subletting are. Then I'd call the original tenant and tell them the consequences.

Make sure you follow your state's guidelines for handling security-deposit refunds and do so in a timely manner. It sounds like you have a good replacement tenant.

Good luck, Lori.

Each week Hank Rossi answers questions from landlords and property managers across the country in his "Dear Landlord Hank" blog in the digital magazine Rental Housing Journal. <https://rentalhousingjournal.com/asklandlordhank/>

Longstanding Rent Growth Coming to An End

Continued from Page 1

30," the report says.

MORE THAN JUST REGULAR SEASONAL DECLINE

The report says while the U.S. economy is not in a recession, the chances for one are increasing in the next year.

"Our forecasts for the end of 2022 and for 2023 have broadly been revised downward, as the usual seasonal deceleration has been exacerbated by a more uncertain economic horizon in the medium term.

"Moving into 2023, we do not expect to see rents accelerate again nearly as much as they did in the first half of 2021 and 2022, but inflationary pressures remain high and employment gains are still very strong, so there is potential for a stronger-than-average jump out of the gate in the spring," the Yardi report says.

"However, eventually the Fed's actions will noticeably cause inflation to fall and unemployment to rise, and when that happens rent growth will largely become anemic. Until the Fed's policy moves work their way through the economy, though, we should expect a period of increased volatility,"

Semmes writes.

Get the full report at www.yardimatrix.com/Publications.

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Dealing With Habitability Issues, Substitute Housing

By **BRADLEY S. KRAUS**
PARTNER, WARREN ALLEN LLP

Life happens. Common sense tells us that things inevitably break, require replacement, and/or cause issues. This fact also exists in the landlord/tenant context, as fixtures/appliances break, require replacement, and cause irritation to everyone. Most of the time, these repairs/replacements are no big deal, and are quickly and painlessly resolved.

However, even the smallest of molehills can be made into a mountain by unreasonable individuals. As a landlord's attorney, I have seen cases wherein a simple light bulb being out causes the other side to melt down and claim the premises is uninhabitable. While this is obviously an extreme case, there are varying degrees of these cases.

Sometimes, a flood or fire occurs, which does in fact render the premises uninhabitable. Landlords intrinsically understand that these problems need to be addressed, as ORS 90.320 requires. However, acting without a plan can create a scattered process—which can paint us in a bad light, should the tenant decide to pursue damages.

As an initial matter, I should go without saying that any reasonable maintenance request should be addressed with as much haste as possible. Varying degrees exist, as a light bulb being out does not have the same urgency as a shower leak. However,

when a maintenance request comes that requires action, an entry should be requested from the tenant if the tenant makes a verbal maintenance request. That request should be documented, and if the tenant denies consent to enter, then (a) that should be noted, as it clearly is not severe, and (b) a Notice of Intent to Enter should be served to inspect and document the issues.

If the maintenance request is in writing, then ORS 90.322(1)(c) allows the landlord to enter upon demand to make the repairs without further notice or consent. Many landlords still do request or inquire as to a good time to enter, simply out of courtesy, but the statute would not require it. Once inspecting, photos should be taken of the issue and placed in the file, providing the landlord with evidence of the issues. If they are significant and/or require an outside vendor, those requests/calls should be made immediately and documented.

If the issues/repairs render the place uninhabitable or unusable, then substitute housing may be something to explore, depending on the circumstances (more on that below). If substitute housing is appropriate, then it is important that landlords control this process. If the landlord has a comparable unit available, that should be offered to the tenant with a temporary transfer agreement. It is important that this understanding be put in writing, as I have seen cases wherein tenants refuse to leave



their new place of occupancy, even after the repairs are made. Having this agreement in writing is important to spell out what will occur, and when, if the tenant fails to vacate.

Landlords also want to control this process to control the cost. In the context of substitute housing, tenants are only entitled to “comparable housing” which has a specific definition under ORS 90.365. When landlords do not have control, cases can arise wherein tenants decide it is appropriate to stay at the Ritz Carlton. While ORS 90.365 says that they can do this as long as they pay for the additional cost, litigation often arises as to “who pays what” which can be just as expensive.

Finally, keep in mind that the cost of repairs, or the requirement of substitute housing, are only borne by the landlord if the tenant did not cause the issues which

necessitated the repairs. In other words, if the tenant causes a flood, then (a) they are responsible for those damages, and (b) the landlord is not required to provide substitute housing. Due to this fact, it is important to quickly identify any issues in the premises, completely document the same, and, if necessary, have a third-party expert/vendor determine the cause and/or extent of the issue. Doing so can set you up for success if litigation arises and save you money in the long run.

Bradley S. Kraus is an attorney and partner at Warren Allen LLP. His primary practice area is landlord/tenant law, but he also assists clients with various litigation matters, probate matters, real estate disputes, and family law matters. You can reach him at kraus@warrenallen.com or at 503-255-8795

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What a Possible 2023 HUD Announcement Could Mean for You As a Private Landlord

Both You and Your Property Could be at Risk Financially and Physically

Continued from Page 1

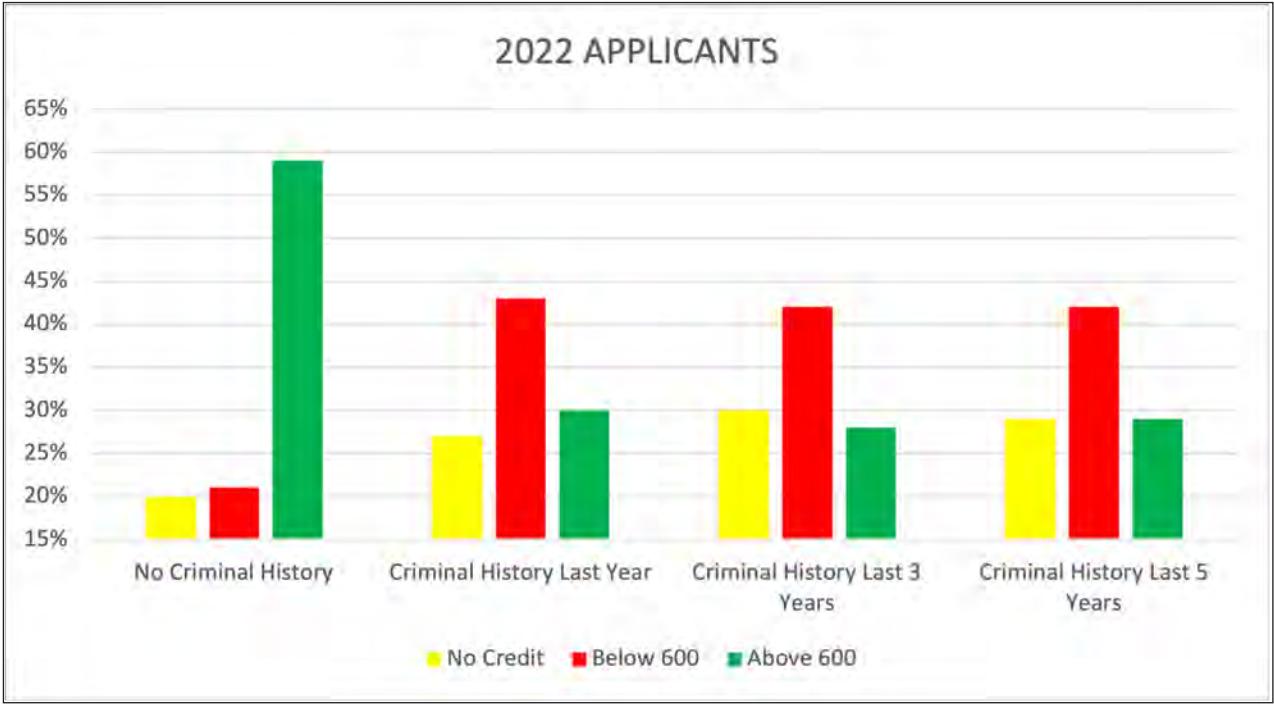
this scenario may soon play out based on some recent actions being considered by HUD.

On April 12, 2022, Marcia Fudge, Secretary of the U.S. Department of Housing and Urban Development, issued a memorandum to her staff with the subject line: Eliminating Barriers That May Unnecessarily Prevent Individuals with Criminal Histories from Participating in HUD Programs. In short, HUD is trying to determine what criminal criteria HUD programs should use, if any, when qualifying an applicant. At that time, she called for a six-month study period that ended October 14, 2022. History shows, when HUD makes a policy for government housing, it slowly tries to implement it into the private sector. And even though it hasn't happened yet, it may be coming.

This is where the “unfair” results kick in. Think about those jurisdictions that have source of income as a protected class, where it is illegal to discriminate against people who use Section 8 vouchers as income. As a private landlord, whether you want to or not, you are required to take Section 8 housing if your rents are in line with the standard rental rate of local housing providers. If this happens, the government just took your private housing and turned it into government housing, and you must follow all of HUD’s rules and recommendations or else.

As an example, I have an income-producing rental home in Tucson, Arizona. The market value of rent is \$1,100 per month and a Section 8 voucher is willing to pay \$1,100. Section 8 rationalizes that your financial risk is covered by the government so there is no need for me as a private landlord to financially qualify an applicant any further. The most I can require is three times the applicant’s portion of the rent, which is usually zero to begin with. As part of my normal tenant-onboarding process, I then run the applicant through a background check to see if there is any criminal history and subsequently find this individual has several felony drug convictions. Right now, I can decline this individual based on a “no-felony-drug-conviction-in-the-last-seven-years” rule that is a key part of my rental-applicant criteria. This is where it gets tricky based on what HUD could propose regarding criminal history because of the memo referenced above. They are trying to justify mandating the removal of any criminal history search, claiming that a criminal history has no correlation with you as a private landlord receiving the rent because the government is covering that part. That is a scary thought process.

As more jurisdictions vote to add source of income as a protected class, more private rentals will be sucked into government housing rules and criminal histories could become a thing of the past. And it won't stop there, as HUD



will slowly try and use a similar disparate-impact argument in the other areas that we as private landlords use to protect our investments, forcing the private market to follow the direction of HUD, leading to the demise of criminal history and ultimately private landlords.

Knowing the Section 8 payment tables in your area and comparing them with market rent will help you decide if you want the government as a partner or not. If you have homes or rentals that can demand higher rents than what the housing authority is willing to pay, you will be able to duck this discrimination claim for now. But you never know how long that is going to last, as the market has something to say about it.

All these moves have made me look at landlords in the private market and get to the root of the HUD study by asking this critical question: Does criminal history affect a person’s ability to pay rent? I accessed my own data sets from our tenant-background-screening company, Rent Perfect, and analyzed actual and factual numbers to answer this question. We took all applicants who applied for a qualification to rent either a single-family or multifamily rental across all 50 states from Jan. 1, 2022, through Oct. 15, 2022. See the graphic for specific results. Generally speaking, applicants with NO criminal history are twice as likely to have a credit score over 600, which translates to rent getting paid more consistently and on-time. As a landlord, those are the type

of odds that play in my favor.

Getting rid of criminal history as a qualifying factor for HUD properties now, and inevitably for private individuals in the future, would put you and your property at risk financially and physically. At Rent Perfect we know different criminal histories pose more of a threat than others, but we also know landlords are not the judge and jury and hold no special training on how to determine recidivism rates or risk based on each crime. Our research results clearly show that no matter what the crime is, whether felony or misdemeanor, credit scores go down and collecting rent is riskier for those with a criminal history than without.

So, what do you do about it? Rather than sulk in the corner – which may have been your childhood response to unfair treatment – we all need to band together and fight to protect our rights as private landlords. Uniting your voice with a local Real Estate Investment Association (REIA) can help us as landlords stand our ground and protect our investments. After all, we didn't do anything wrong.

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

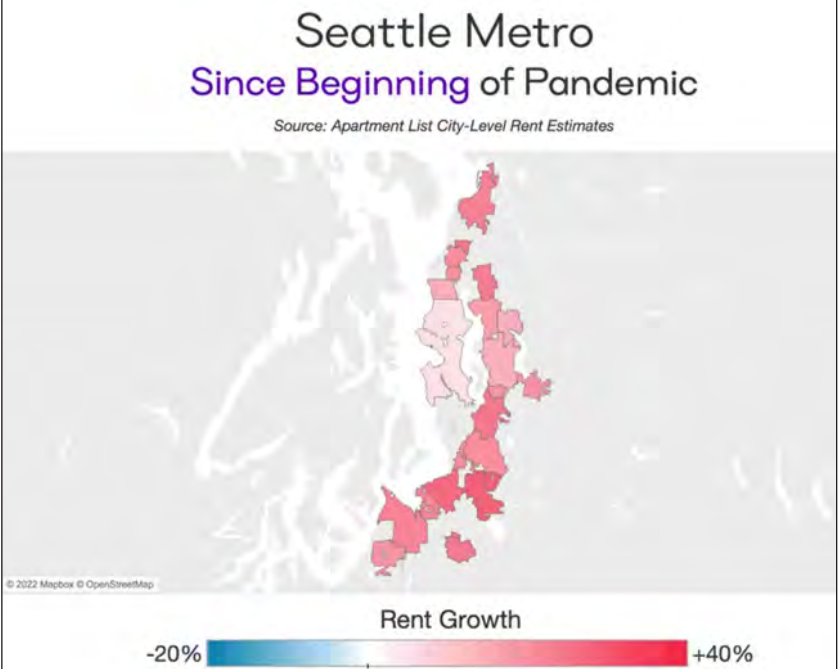
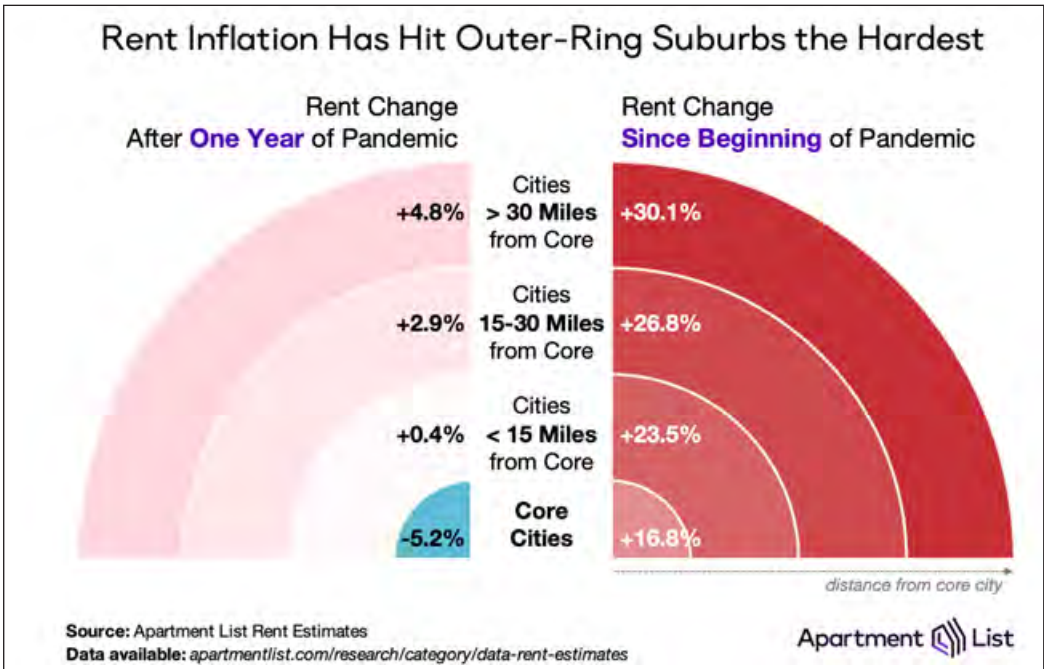
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Outer Suburbs Hit Hardest by Rent Inflation Since 2020

BY CHRIS SALVIATI AND ROB WARNOCK
APARTMENT LIST

Rent inflation has hit the outer-ring suburbs of major metros the hardest in the last two and a half years, according to new research from Apartment List.

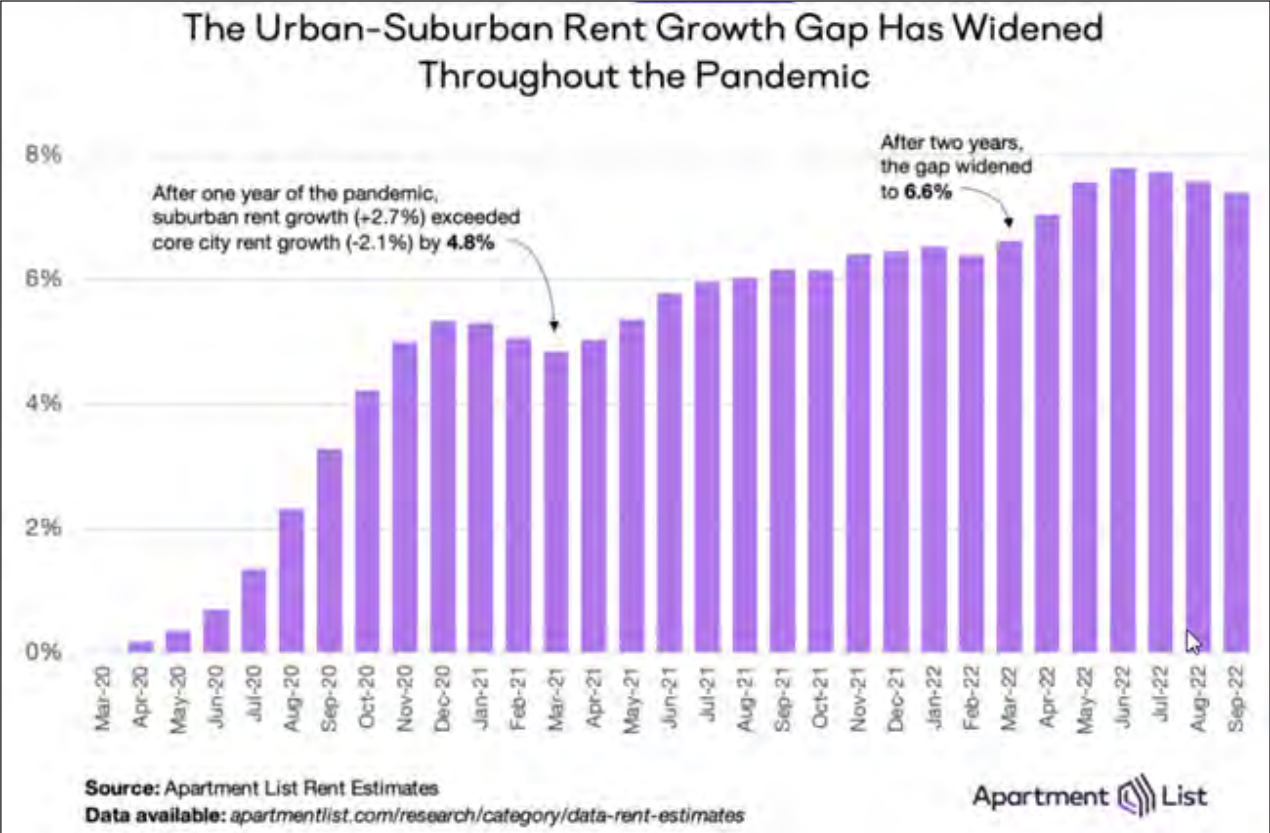
The report says, “Over the past two and a half years, the rental market has been on a rollercoaster ride, as the pandemic has shaken up the ways that we live and work. As remote (work) has made proximity to the office less of a concern for housing choice, one result has been that the suburbs of large metros have been experiencing notably faster rent growth than the core cities that they surround,” write Chris Salvati and Rob Warnock in the report.

“We estimate that since March 2020, rents have increased by an average 19.8 percent in the core cities of large metros, while the suburbs of these metros have seen rents spike by 27.2 percent,” Salvati and Warnock write.

The report says the impact of remote work on these changing preferences “would seem to be validated by an additional finding that emerges when we break down our suburban rent data into more granular categories.

“Namely, the fastest rent growth since March 2020 has been occurring in the suburbs that sit furthest from the urban core. For the purposes of this analysis, we have limited the data to 13 large metros where we have robust rent estimates for a wide swath of suburbs at varying distances from the core city.

“Among these 13 metros, the first year of the pandemic brought an average rent decline of 5.2 percent in the core cities. Over that same year, the outer-ring suburbs that sit more than 30 miles from the core city saw the fastest rent growth, with an average increase of 4.8 percent, roughly proportional to the decline in the core cities. Looking over the full pandemic period, rents in the core cities have risen by



an average of 16.8 percent since March 2020. Over the same period, the near suburbs that lie within 15 miles of the core cities saw rents increase by 23.5 percent,” the report says.

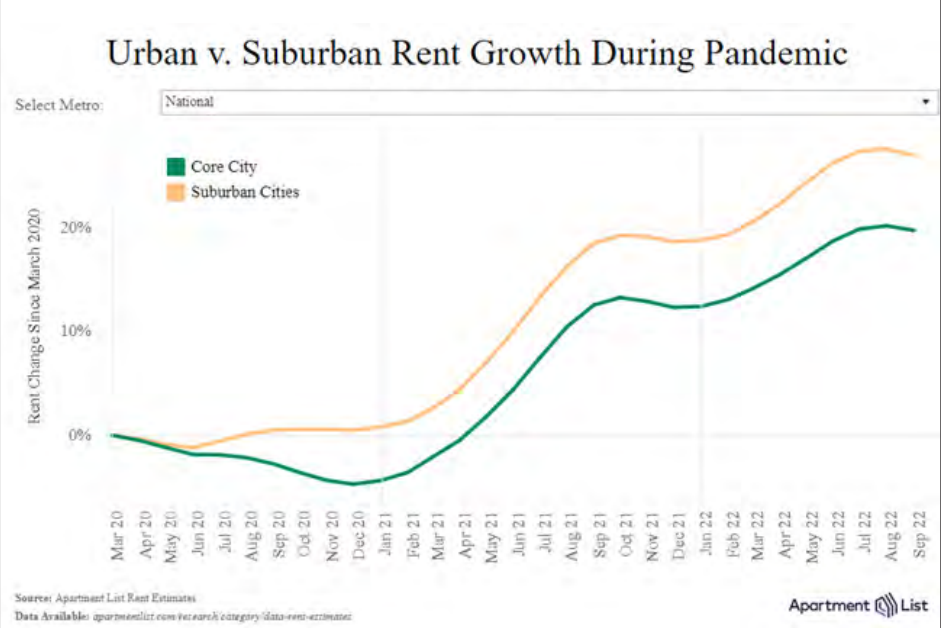
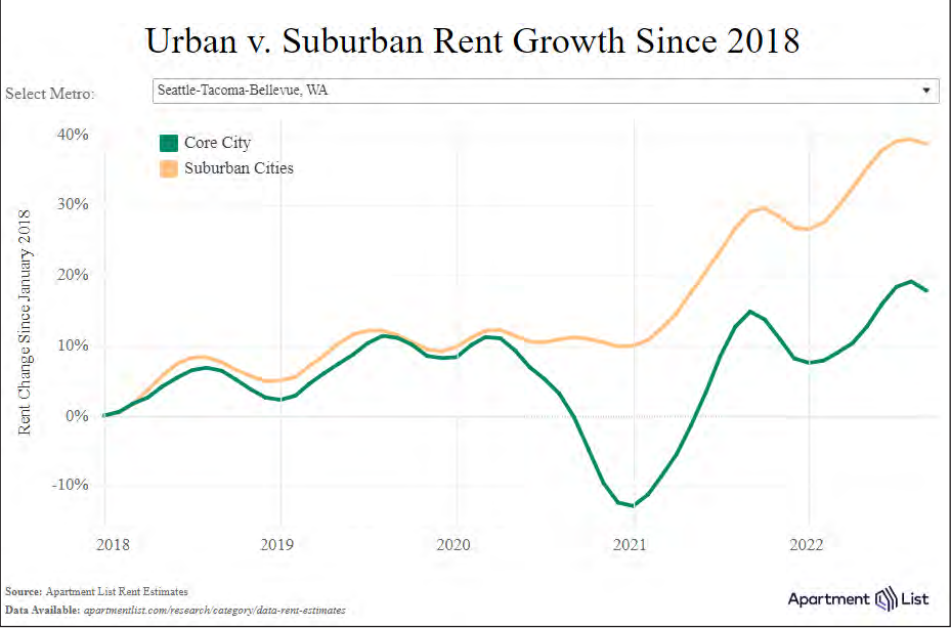
“Meanwhile, the mid-distance suburbs (15 to 30 miles from the core city) experienced rent growth of 26.8 percent, and the farthest flung suburbs that are more than 30 miles from the urban core have seen the fastest rent growth at 30.1 percent. In other words, rent growth has been progressively hotter moving outward in concentric rings from the urban core.”

SOME HIGHLIGHTS:

- In the first year of the pandemic, rents in the city of Phoenix rose by 5.8 percent, compared to an increase of 7.8 percent in the metro’s surrounding suburbs.
- From the start of the pandemic to present, Phoenix rents are up by 33.2 percent, while the metro’s suburbs have seen rents rise by 34.9 percent.
- Among the 39 metros analyzed, 33 have seen rent growth in the suburbs outpacing that of the core cities. On average, rent growth has been fastest in the suburbs that sit farthest from the urban core.

The past two and half years “have ushered in rapid changes to the ways that we live and work, driving significant shakeups to the housing market. One such disruption has been a spike in demand for suburban rentals. Even before the pandemic, increasingly unaffordable housing costs close to the urban core had been pushing more and more renters to the far peripheries of the nation’s large metro areas, resulting in a proliferation of ‘super commuters.’ Spiking demand in the far suburbs appears to have more to do with affordability than with geographic preference – this trend should only emphasize the need for sustainable development with easy transit-oriented access to the urban core.”

Chris Salvati is a senior housing economist at Apartment List, where he conducts research on economic trends in the housing market. Chris previously worked as a research assistant at the Federal Reserve and an economic consultant, and he has BA and MA degrees in economics from Boston University. Rob Warnock is a senior research associate at Apartment List, where he examines trends in the housing and rental markets. Previously he worked in public health policy, and before that, graduated from UCLA with a degree in Globalization.





Cost to Upgrade to Extra Room/Work Space

RENTAL HOUSING JOURNAL

The average American renter could make the switch to an apartment with an extra bedroom for \$200 per month, according to a new study from RentCafé.

More than half of the job holders in the United States have the opportunity to work from home at least one day a week, so the need for ample living spaces with work space has intensified even more.

Overall, over the last 10 years, the size of new apartments has decreased, putting more pressure on extra space and extra bedrooms.

“For apartment-dwellers who want more space, one simple solution is to upsize on the cheap. That may not be an easy thing to accomplish in some cities — but do not worry, we found plenty of places where all you’d have to do is give up a couple of pizzas each month for an extra bedroom,” RentCafé says in the study.

“So, we looked at 728 U.S. cities and determined that, on average, it costs \$199 extra per month to upgrade to an

apartment with an additional bedroom. We then ranked the cities based on the lowest amount necessary to upgrade. Of these, in 83 locations — mostly suburbs — you could upsize for less than \$100 per month.

“To be more specific, renters looking to upsize from a studio to a larger rental where the living room doesn’t double as a bedroom could do so just by paying an extra \$71 per month.

“Furthermore, Americans living in one-bedroom apartments could make the move to a two-bedroom rental for an average extra cost of \$236 per month. Meanwhile, those who already live in a two-bedroom apartment but need more space would need to take \$294 per month, on average, out of their pockets,” the study says.

RentCafé.com is a nationwide apartment-search website featuring apartments and houses for rent throughout the United States. It regularly analyzes rental data from across the United States

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Fannie Mae to Include Rent Payments in Mortgage Approval Process

Datalinx clients have always known that reporting consistently on-time rent payments to the credit bureaus can have an incredibly positive impact on a consumer's borrowing power. Now it seems that Fannie Mae — the nation's leading source of mortgage financing — has also realized the power of rent-payment reporting, and it could be a game-changer for first-time homebuyers.

INTRODUCING “POSITIVE RENT-PAYMENT HISTORY”

In September 2021, Fannie Mae announced that it would be adding a new “positive rent-payment history” feature to its Desktop Underwriter® (DU®) software. The feature allows the program to use verification-of-asset (VOA) reports to identify and factor in recurring rent payments when assessing a borrower's credit.

Rent payments traditionally will not appear on consumer credit reports without a third-party reporting service like Datalinx — and Fannie Mae's new feature won't change that. However, through VOA reports (like bank statements), potential borrowers can prove to a mortgage lender that they have made their recurring rent payments on time and consistently. Fannie Mae's DU software will also automatically identify rent payments in an applicant's bank statement data, but only with the applicant's permission.

Like the major credit bureaus' recent addition of buy now, pay later (BNPL) loans to their credit



reporting data, Fannie Mae's new program was created to promote a more inclusive credit evaluation.

“This is one step in a series of efforts Fannie Mae is exploring to help expand sustainable homeownership opportunities for underserved populations and support a more equitable housing finance system,” the Fannie Mae website reads.

Your renters could already be benefiting from

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Sponsored Content

How to Winterize Your Rental Property

By PHIL SCHALLER

It's that time of the year again. Winter will bring cold and wet weather, and it's critical to prepare your rental for the elements.

Just one cold spell can wreak havoc on your pipes, gutters, roof, and unfortunately more. But have no fear, we are here to help!

The checklist below is a must-do heading into winter.

While the items listed below will set your property up well for the months ahead, it is not exhaustive. The koi pond in the front yard will require some attention, although we don't have it listed below (maybe a future article).

1. BLOW THE IRRIGATION SYSTEM.

This will require a landscaping company to come out to clear your systems, but it's quick and not very expensive.

2. DETACH YOUR GARDEN HOSE(S) AND COVER THE SPIGOTS.

Water left in the hose/spout can cause pipes to crack and the spouts to malfunction (not to mention the hose as well).

3. CAULK ANY CRACKS OR HOLES AROUND YOUR WINDOWS.

Exterior silicone caulk is the way to go here. It's water-resistant and very durable.

4. CLEAR THE GUTTERS.

With more precipitation ahead in the winter months, your gutters need to function as well as possible. All those needles, leaves, pinecones, etc., clog things up.



5. CLEAN UP THE ROOF AND SIDING.

If you notice any moss buildup (common in the Pacific Northwest), it's best to scrape it to prevent further buildup. We don't recommend hopping on the roof yourself; hire someone who has the proper equipment.

6. BRING IN OUTDOOR FURNITURE AND GRILLS.

If your furniture sits outside all winter in the elements, you'll be buying new furniture before you know it.

7. INSULATE WATER-SUPPLY PIPES.

Focus on pipes that aren't kept warm by insulation or heating – pipes in the attic, crawl spaces, garage. Foam pipe covers work well and are easy to install.

8. INSTALL DRAFT GUARDS AND WEATHER STRIPPING TO NECESSARY DOORS.

Draft guards are inexpensive and slide onto the

bottom of a door.

9. REPLACE THE FURNACE FILTERS.

This is important to do regularly, but especially important heading into winter. You and your tenants will want the furnace working as well as possible.

10. ADJUST THE THERMOSTAT.

If you're turning over a unit or a single-family home, make sure you don't let the temperature dip below 50 degrees. Damage to uninsulated pipes can ensue if it gets too cold.

While that's a decent to-do list, winterizing your rental property (or any property for that matter) will pay dividends in the long run. On top of that, these tasks aren't very time-consuming or expensive.

If you have any questions for us, please feel free to reach out anytime. Happy winterizing!

Founded in 2020 by Phil Schaller, an experienced startup operator and landlord, and Pete Hanks, a Seattle-based general contractor, RentalRiff's mission is to change the way small rental properties are managed. Their solution allows landlords



to be hands-off while knowing the property is well-cared for - it also provides tenants with a tremendous support system, all for a fraction of the cost of hiring a property manager. The service is based on a system developed by the founders to manage their own rental properties.

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