

# PLUS

## PROPERTY MANAGEMENT

*We protect what you can't predict*

May 21st  
2020  
Volume 1  
Issue II

### LETTER FROM THE OWNER:

In my 30 plus years in the property management business I think it is accurate to say that this is the most challenging time I have ever experienced. With unemployment exceeding twenty percent paired with frustration and fear for both landlords and tenants being at an all-time high, Property Managers are more crucial than ever. Both landlords and tenants look to their property management company for reputable guidance.

I must add, it has been heartwarming to see how tenants and landlords seem to understand the other side of the equation. PLUS has collected over 88% of the scheduled rents due. Now, that does not mean there are no hardships among our tenant population. There are numerous true hardships; cases of delayed unemployment checks, sudden job losses, tenants being denied eligibility for unemployment benefits and people borrowing money from their families in order to pay rent. My faith in humanity has truly been restored. Many of our tenants reached out to us prior to their rent's due date if they knew they would be late. Some of our owners worked out rent deferral terms; not forgiving rent but agreeing to payments on unpaid rents due. The majority of owners have mortgages on their rental property and need the rent to pay these mortgages. Some owners agreed to wait for rent payment until the tenants' stimulus checks arrived. Most owners waived late fees if the rent was paid in full. This is uncharted territory for the average owner and tenant and the fear of uncertainty is their enemy. The key to keeping the hysteria down is open and honest communication.

Before the first of each month, we field frequent calls from tenants asking for assistance if they cannot make their full rent payment. We have found our tenants to be very responsible in getting their rent paid in a timely fashion and have not experienced too many issues despite the COVID Pandemic and the unemployment rate across the United States.

We are thankful for you, our tenants and owners, for your trust in us to protect your livelihood and to help our tenants and owners navigate these uncertain times. We remain more committed than ever to deliver unprecedented service and protection throughout the life of our relationship with you.



Thank you, sincerely, for allowing us to protect what you can't predict.

**Sincerely,**  
**Lawnae Hunter, Owner**  
**PLUS Property Management, LLC**

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## HOME BUILDER SENTIMENT BOUNCES BACK IN MAY, AFTER RECORD PLUNGE IN APRIL

After the sharpest one-month drop in the history of the index in April, homebuilder sentiment bounced back slightly in May as builders saw a quick rebound in interest from buyers.

Confidence in the market for single-family, newly built homes rose 7 points in May to 37, according to the National Association of Home Builders/Wells Fargo Housing Market Index. Anything above 50 is considered positive, so sentiment remains in negative territory. The index stood at 66 in May 2019 and hit a recent high of 76 in December.

Sentiment plunged an unprecedented 42 points in April, as the coronavirus pandemic shut down much of the economy and job losses soared. Homebuilding continued, deemed an essential business, but buyers pulled back decisively. Now, buyers appear to be shopping again — in person and virtually. Record low mortgage rates are also helping with affordability.

READ FULL ARTICLE HERE:

<https://www.cnn.com/2020/05/18/homebuilder-sentiment-bounces-back-in-may-after-record-plunge.html>

*We are in full swing here at PLUS and we are happy to announce we are accepting new owners in all of our locations! Click here to get in touch!*

### Shift to the 'Burbs May Be on the Rise

George Ratiu, *Senior Economist at realtor.com* notes:

*“With the re-opening of the economy scheduled to be cautious, the impact on consumer preferences will likely shift buying behavior...consumers are already looking for larger homes, bigger yards, access to the outdoors and more separation from neighbors. As we move into the recovery stage, these preferences will play an important role in the type of homes consumers will want to buy. They will also play a role in the coming discussions on zoning and urban planning. While higher density has been a hallmark of urban development over the past decade, the pandemic may lead to a re-thinking of space allocation.”*

## METRO HOME PRICES INCREASE IN NEARLY ALL AREAS

The trend for home prices in the first quarter of 2020? Up, according to the National Association of REALTORS® latest quarterly report, which found that metro home prices increased in nearly all (96 percent) metro areas. Out of 181 metropolitan statistical areas, 174 saw price gains, an increase from the 94 percent reported in the fourth quarter of 2019.

“The first quarter price jumps mostly reflect conditions prior to the coronavirus outbreak and show the strength of the housing demand prior to the pandemic,” said Lawrence Yun, NAR chief economist. “Even now, due to very limited listings, home prices are showing no signs of buckling.”

The increased prices occurred primarily in the West and South—including Boise City, Ida. (18.1 percent), Eugene, Ore. (14.5 percent) and Colorado Springs, Colo. (14.4 percent)—where growth was in the double digits. However, it's not all good news. Even metro areas in which buyers are already priced out are experiencing fast growth. The most expensive metro areas include San Jose, Calif. (10.7 percent increase); San Francisco, Calif. (5.9 percent increase); Anaheim, Calif. (9.4 percent increase); San Diego, Calif. (8.1 percent increase); Boulder, Colo. (3.1 percent increase); Los Angeles, Calif. (8.1 percent increase); and Seattle, Wash. (11.5 percent increase).

To read more visit: [https://rismedia.com/2020/05/12/metro-home-prices-increase-nearly-all-markets/?](https://rismedia.com/2020/05/12/metro-home-prices-increase-nearly-all-markets/?utm_source=newsletter&utm_medium=email&utm_campaign=eNews)

[utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=eNews](https://rismedia.com/2020/05/12/metro-home-prices-increase-nearly-all-markets/?utm_source=newsletter&utm_medium=email&utm_campaign=eNews)



*Shift to the “burbs” on the rise...*

## FHFA EXTENDS FORECLOSURE AND EVICTION MORATORI-

The Federal Housing Finance Agency (FHFA) announced in mid-May that they are extending their moratorium on foreclosures and evictions until at least June 30, 2020. The foreclosure moratorium applies to Enterprise-backed (Fannie Mae & Freddie mac), single-family mortgages only. The current moratorium was set to expire on May 17th. The full text of the release is listed below:

### **FHFA Extends Foreclosure and Eviction Moratorium** *Moratorium applies to Enterprise-backed mortgages*

5/14/2020

**Washington, D.C.** – Today, to help borrowers and renters who are at risk of losing their home due to the coronavirus national emergency, the Federal Housing Finance Agency (FHFA) announced that Fannie Mae and Freddie Mac (the Enterprises) are extending their moratorium on foreclosures and evictions until at least June 30, 2020. The foreclosure moratorium applies to Enterprise-backed, single-family mortgages only. The current moratorium was set to expire on May 17th.

“During this national health emergency, no one should be forced from their home,” said Director Mark Calabria. “Extending the foreclosure and eviction moratoriums protects homeowners and renters with an Enterprise-backed mortgage and provides certainty for families.”

FHFA will continue to monitor the coronavirus situation and update policies as needed. To understand the protections and assistance the government is offering people having trouble paying their mortgage, please visit the joint Department of Housing and Urban Development, FHFA, and the Consumer Financial Protection Bureau website at [cfpb.gov/housing](http://cfpb.gov/housing)

### **REAL ESTATE TREND #1: HOME PRICES ARE STILL RISING SLOWLY**

Okay, let’s start with home prices. Overall, home prices grew slower in 2019 (3.3%) than in 2018 (5%). And this year seems like it will be no different. In fact, real estate gurus predict that home prices will only rise by 2.8% in 2020. So, you’ll likely see home prices continue to creep up, but they probably won’t knock your socks off with rapid growth like we’ve seen in previous years.

***Real Estate Gurus predict that home prices will only rise by 2.8% in 2020.***

### **Real Estate Trend #2: Mortgage Interest Rates Are on the Decline (for Now)**

Mortgage interest rates have been going down in 2019—steadily dropping below 4% for common types of loans. In 2020, economist geeks think interest rates will stay around 3.7% for a 30-year mortgage and 3.2% for a 15-year mortgage (the only type of mortgage we recommend).

### **REAL ESTATE TREND #3: THE MAJORITY OF HOME BUYERS ARE STILL MILLENNIALS**

That’s right, our final trend is about *who* is buying homes. And once again, millennials took the lead as the largest group (37%) of home buyers last year.

What is a millennial exactly? Well, the nerdy answer is anyone born between 1980 and 1998. The easiest way to spot a millennial home buyer? They can’t wait to post a pic of their new home on Instagram!



**Here are 5 great reasons to hire a property manager so you get can back to enjoying your life.**

- Screening Tenants. (The most important step **you** can take as a landlord is proper screening of a potential tenant.)
- Showing the Home.
- Ethics and Legal Issues.
- Rent Collection. ...
- Maintaining the **Property**.

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## WHAT IF I'M NOT BUYING OR SELLING A HOME THIS YEAR?

You may be thinking, *All this is great, but I'm not going anywhere anytime soon.* We hear you, and here's what you should know for now:

### 1. EQUITY IS UNLIKELY TO DECREASE THROUGH 2020.

With most housing markets at low risk for a downturn, the 2019 Housing and Mortgage Market Review estimates home prices will continue to rise for the next couple of years. Woo-hoo for sellers! If you sell your house before 2022, you'll likely still make a nice profit. Continue to monitor how much your home is worth to make sure your equity (what your home is worth minus how much you owe on it) is going up.

### 2. FROM WHAT WE CAN SEE, THE REAL ESTATE MARKET IS NOT GOING TO CRASH.

With price growth slowing down, some folks are wondering if the housing mar-

ket could collapse again. Well, it's impossible to know for sure, but a number of factors indicate a housing crash is unlikely—as long as tariffs and trade wars don't cause a dramatic ripple effect. But economists say we seem to be in good shape since people are spending money and new job opportunities keep popping up.

### 3. REGARDLESS OF YOUR NEIGHBORHOOD, BUYERS ARE INTERESTED.

Since home prices have experienced rapid growth over the past few years, some buyers may be less choosy. In fact, determined ones might be willing to consider neighborhoods that don't have easy access to highways or aren't in close proximity to a big city. If you think you live in an unpopular neighborhood or believe your home isn't what buyers are looking for, think again. Now may be your perfect time to consider selling.

## HOW TO BUY A HOUSE IN 7 STEPS

Buying a house takes time. And no house—not even that perfectly cute bungalow on the corner with the fenced-in backyard—is worth jumping into before you're ready.

You know what's more important than the house you buy? *How* you buy that house.

Use this step-by-step guide to buy a house the smart way.

### **7 STEPS FOR BUYING A HOUSE:**

1. **Save for a down payment.**
2. **Get pre-approved for a mortgage.**
3. **Find a real estate agent.**
4. **Go house hunting.**
5. **Submit an offer.**
6. **Get a home inspection.**
7. **Close on your house.**

The decisions you make in the home-buying process can make a difference between a home that's a blessing to your family for years to come and a home that becomes such a financial burden you feel like you can't breathe.

Buying a house doesn't have to be a stressful, draining experience. It can actually be a lot of fun—especially if you're making smart decisions that focus on the long term.

# PROPERTY MANAGERS AND COVID-19

## WHY USING A PROPERTY MANAGER IS CRUCIAL DURING A CRISIS

BY ***CHRISTIN J. HUNTER***

In recent weeks, life as we know it has changed. In fact, the word *change* is rather an understatement. For the first time in nearly 100 years in the United States, businesses have shuttered, schools are closed, the streets of cities are barren and our country is coping with one of the worst biological outbreaks since the flu pandemic of 1918. The only thing that we know for certain is that nothing is certain at the moment and in the foreseeable future.

As a real estate professional, our industry, like so many, is in a complete pivot mode. This applies to every sector of the industry, from lender to broker to property manager. It is wonderful to see how quickly and creatively my colleagues in the real estate industry are working to continue to best serve their clients both safely and effectively—all while working to help support their community in times of great uncertainty.....CONT'D BELOW



**Christin J. Hunter, Broker**  
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“All in for you”

*Fear becomes heightened at a frenetic pace with the uncertainty of one's home; even more so when our country, state and local leaders and health care professionals are telling us to stay home.*

## WHY USING A PROPERTY MANAGER... CONT'D

When it comes to maintenance requests and emergencies, property managers also have a stable of trusted vendors who are vetted, trusted and held to a high standard of safety and health precautions. This is particularly important during this pandemic, as we have already heard of price gouging and other unsavory behaviors occurring across many sectors taking advantage of fear and scarcity. Now more than ever it's crucial for both property owners and tenants to have peace of mind about who they're working with. In addition, it's imperative that landlords know what constitutes a maintenance emergency under the law and what kinds of maintenance requests or issues are legally able to wait until such time as it is safe to address them. Again, no one knows landlord-tenant law better than a property manager.

As we have become acutely aware, specifically in the last three weeks, our society is living in a digital age—now more than ever. Property managers have tools and software that allow them to safely handle

things such as rent collections and disbursement. In addition, property managers have marketing ability that runs far beyond a one-man show, as an example. Property managers are not only pivoting with virtual showings and video; so many have vast social media outlets, websites and blogs to market available properties and support the stability of the rental market. Like many realtors, property managers have made a quick and effective pivot, making what was once considered a face-to-face business, virtual and remain operational.

The last thing I believe to be a crucial role with property managers, particularly right now, is their ability to act as a mediator. Having formally worked in the management sector of the real estate industry, the one thing I know to be constant is the emotional response to fear around one's roof over their head, the ability to pay rent and a landlord's ability to maintain the property with the income generated from the rents.

*Ninety percent of all millionaires become so through owning real estate. More money has been made in real estate than in all industrial investments combined. The wise wage earner of today invests his money in real estate.*  
~ Andrew Carengie





## FOLLOW US ON SOCIAL MEDIA

PLUS has upped our Social Media game! As we move through this pandemic, the public has turned to social media and the internet more than ever before! We are using our LinkedIn, Facebook, and Instagram pages to highlight your properties and their wonderful qualities. Social distancing doesn't exist online and we've turned social media into a main gateway to human connection, interaction, and communication. Our results on our Facebook Marketing avenue have been very consistent and traffic has been heavy! The COVID Pandemic has not slowed tenants down from moving! We anticipate a busy and productive summer on your behalf. We would love to ask you to follow our Social Media channels and see what we're doing to ensure your investment is protected! Thank you!



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