

How apartment tenants staying home affected properties, property managers



Apartment-dwellers have been hanging around a lot more often than any property manager could have expected, thanks to the pandemic.

ILLUSTRATION BY MAGGIE LYNN / WBJ; GETTY IMAGES



By **Carolyn M. Proctor** – Data Editor, Washington Business Journal
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As many of us enter the 21st consecutive month of working from home, consider some of the new habits or side effects we've picked up from this new way of life.

Well, our landlords have noticed some significant changes, too, and we're not talking about your new penchant for sweatpants or your latest streaming binge-watch. We're talking both tangible, and psychological, metamorphoses among our region's thousands of apartment dwellers – many of which have made life more difficult for property managers.

Here's what they told us.

The drama

The biggest concern many property managers had at the outset of the pandemic was that tenants would resist public health mandates and guidance like mask-wearing and social distancing.

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“There were one or two residents who did not want to follow the mask mandate. To help them better understand, we posted signs at the property to remind all residents about the mask mandate. We emailed residents to make sure they were aware of the mandate, and we made it a point to regularly share local and national resources, such as links to [Centers for Disease Control and Prevention] articles, where they could learn more about the virus and ways to keep safe. After a few weeks, those individuals began to comply and wear their masks,” said [Ashley Atwater](#), principal with MBB Affiliates LLC.



Ashley Atwater is a principal with MBB Affiliates LLC.
MBB AFFILIATES LLC

But sometimes, people just got on each other's nerves.

“With more residents at home, there are more parking complaints, noise disturbances, online grocery and package deliveries and a need for increased customer service to accommodate the increased census on property,” said [Avery Solomon](#), senior managing director of client services for Cushman & Wakefield's Multifamily Asset Services, Americas.



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The wear and tear

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One thing you may not have considered is how much more strain the increased and prolonged volume of people can have on a building. In some cases, maintenance requests increased, and in others, tenants put off needed repairs a little too long in trying to avoid maintenance workers from entering their homes.

“On the whole, the deferred preventive maintenance and additional wear and tear on the apartments has created extra work for our service teams in 2021. Another consequence of so many residents working from home is the increase in trash generation which has a significant impact on our trash removal expenses,” said [Robert Grealy](#), executive vice president of operations for Kettler.



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Concurrent maintenance and supply chain issues have caused the most unexpected problems, said [James Dailey](#), property manager and co-owner at Coakley Realty Management LLC.

“In cases where an HVAC system needed maintenance, sometimes it’s taken a month and half versus a week to resolve due to not being about to get parts or a whole system. With the improvement projects we’ve been working on we’ve also seen delays due to not being able to get materials on time,” he said, noting that it could take months instead of the usual weeks to get new kitchen cabinets, for example.

The unintended positive

There are pros to tenants spending an inordinate amount of time at home. They’re paying much closer attention to their properties, Atwater noted, and discovering addressable issues before it’s too late.

“After going on daily walks for several months, one resident noticed the leaves on a few maple trees in the community were

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turning brown while other trees remained green. This concern was reported to us. With help from an arborist it was learned that some trees were not receiving enough water due to the summer drought. The positive impact was that a community-led effort to save the distressed trees was instituted. A resident-led watering committee was created where residents rotated watering the distressed trees for several weeks,” said Atwater.



Hold onto your staff

Maintaining tenant contentment is one thing in the property management biz, but in this economy, holding onto staff has proven to be quite the challenge as well. Here's what our property managers are doing to ensure their employees don't leave.

Kettler: Corporate pay raises were suspended in 2020, but were retained for on-site employees, Grealy said. The company also ramped up staff recognition and awards, along with training opportunities and virtual town halls to maintain staff engagement.

MBB Affiliates: The property management firm has prioritized virtual check-ins with staff and allowing more flexible scheduled, in addition to rewarding standout work, Atwater said.

Quadrangle Management Co.: Provides lunch for staff on a fairly frequent basis and tries to work around the needs of parents dealing with child care and schooling issues, said [Amy LeFaivre Dolan](#), director of residential operations.

“Everyone had different needs and different levels of external stress based on their family situation, so it was important for us to remain flexible and understanding while still maintaining a high level of service and care for our residents.”

— [Amy LeFaivre Dolan](#), director of residential operations, Quadrangle Management

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The status of eviction moratoriums

Eviction moratoriums, locally and nationally, were designed to protect tenants who have faced economic crisis during the pandemic – the loss of a job, the loss of a family member to Covid and their income.

But the bans have taken their toll on property owners, Grealy, of Kettler, said.

“The eviction moratorium has directly increased the amount of delinquency and bad debt across every product class and geographic region in our portfolio,” he said. “Ultimately, NOI, cash flow and investor distributions have been negatively impacted.”

The U.S. Supreme Court in late August vacated the U.S. Centers for Disease Control and Prevention's federal eviction moratorium, finding the CDC exceeded its statutory authority. However, state regulations remain in effect. And those rules are all over the place.

Here's an update on where Greater Washington evictions stand.

Maryland: Allowed its rent relief program to expire on Aug. 15. Evictions have resumed in the state.

Virginia: Governor **Ralph Northam** signed a bill extending Virginia's eviction ban through June 2022, while also renewing funding for the state's rent relief program. Virginia landlords during this time cannot force out tenants who are financially affected by the pandemic for nonpayment of rent unless the tenant is either found ineligible for rent relief or refuses to cooperate in applying for rent relief through the state.

District of Columbia: D.C. is winding down its moratorium in phases. As of Aug. 26, eviction requests filed pre-pandemic were allowed to resume with 30-day notice provided to the tenant. As of Oct. 12, landlords could again file new evictions based on unpaid rent of more than \$600 with 60-day notice – but landlords must also have completed a rental assistance application through STAY DC for any rent due after April 1, 2020. A ban on utility shut-offs expired Oct. 12, with exceptions for low-income tenants. A ban on rent increases ends Dec. 31, and evictions of all types can resume Jan. 1.

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T H E C I S T

Largest Property Management Companies in Greater D.C.

Ranked by Square feet managed locally

Rank	Company	Square Feet Managed Locally
1	Cushman & Wakefield	72.14 million
2	Lincoln Property Co.	43.31 million
3	JLL	42.65 million

<https://www.bizjournals.com/washington/news/2021/10/22/apartment-tenants-home-pandemic-property-managers.html>