COVID-19 Resource Webinar

Seven Questions with Heather Wallace, SVP, Sares Regis Group

April 22, 2020
NMHC is the place where the leaders of the apartment industry come together to guide their future success. With the industry’s most prominent and creative leaders at the helm, NMHC provides a forum for insight, advocacy and action that enable both members and the communities they build to thrive.
Speakers

Sarah Yaussi  
Vice President, Business Strategy  
NMHC

Heather Wallace  
Senior Vice President  
Sares Regis Group
February 26 to March 7

- **CENTER FOR DISEASE CONTROL**
  - Warning: Coronavirus will spread through communities in the US

- **RESIDENTS**
  - Notice sent regarding Coronavirus and possible office closure

- **EMPLOYEE HEALTH & SAFETY**
  - Personal protective equipment dispatched to all sites

- **CALIFORNIA**
  - State of emergency

- **SRG ANNUAL LEADERSHIP TRAVEL BAN**
  - Canceled flights and hotel reservations

**TIMELINE**
SRG RESIDENTIAL CLIENT UPDATE FOR COVID-19 ORDINANCES

**CALIFORNIA STATE**
March 27, 2020, CA Governor Newsom signed Eviction Moratorium which expires May 31, 2020.
- 6-Month Payback timeline
- Documents required 7 days after rent is due

**CITY AND COUNTY OF LOS ANGELES**
March 27, 2020, CA Governor Newsom signed Eviction Moratorium which expires May 31, 2020.
- 12-Month Payback timeline
- No documentation required from residents

**ARIZONA STATE**
- Payback timeline unspecified
- Documents can be collected but no timeframe specified

**COLORADO STATE**
March 20, 2020, CO Governor Polis signed Eviction Moratorium which expires April 30, 2020.
- Payback timeline unspecified
- Documents can be collected but no timeframe specified

**OREGON STATE**
March 22, 2020, OR Governor Brown signed Eviction Moratorium which expires June 22, 2020.
- 6-Month Payback timeline
- No documentation required by residents

**WASHINGTON STATE**
- Payback timeline is undefined; it must be reasonable
- No documentation required by residents
The Federal CARES Act established a 120-day moratorium (through July 24, 2020), which prohibits certain property owners from filing non-payment of rent evictions, as well as collecting late fees.

CARES Act includes: Federally Backed Mortgage Loan, Federally Backed Multifamily Mortgage Loan, Covered Properties (Properties that participate in a covered program (as defined by Section 41411(a) of the Violence Against Women Act of 1994 (34 USC 12491(a), Covered Housing Programs)

Late fees are PROHIBITED by CARES (charge fees, penalties, or other charges imposed on the tenant related to non-payment of rent). Late fees cannot be added to notices or accounts. Landlords who own or manage Covered Properties can commence eviction on July 26, 2020. To be able to file on July 26, 2020, a landlord would need to serve a 10-Day Demand for Rent or Possession for the balance due as of July 2020. As a practical note, the Courts are not going to allow every eviction to be filed on July 26, 2020.
DELINQUENCY REPORT

**Property Summary**

- **3.9% Deferred**
- **94.0% Collected**

- **San Francisco**
  - Collected: 94.0%
  - Deferred: 1.3%

- **East Bay**
  - Collected: 95.9%
  - Deferred: 0.9%

- **Silicon Valley/South Bay**
  - Collected: 96.7%
  - Deferred: 2.3%

- **Peninsula**
  - Collected: 95.5%
  - Deferred: 4.4%

- **North Bay**
  - Collected: 92.4%
  - Deferred: 5.5%

- **Ventura County**
  - Collected: 91.6%
  - Deferred: 6.1%

- **Los Angeles**
  - Collected: 89.9%
  - Deferred: 5.8%

- **San Bernardino County**
  - Collected: 89.6%
  - Deferred: 5.5%

- **Orange County**
  - Collected: 93.4%
  - Deferred: 4.4%

- **Riverside County**
  - Collected: 94.9%
  - Deferred: 4.2%

- **San Diego County**
  - Collected: 95.3%
  - Deferred: 5.0%

- **Colorado**
  - Collected: 97.1%
  - Deferred: 1.7%
RENT DEFERRAL REQUEST WORKFLOW

Resident
- Completes rent deferral request form
- Form information populates server list
- Resident emails supporting documentation to Community Manager

Community Manager
- Receives supporting documentation from resident
- Uploads supporting documentation to Yardi resident attachments
- Verifies three items on Yardi resident card
- Daily by 6PM, sends list of completed uploads to Clearing House

Clearing House
- Confirms supporting documents have been uploaded
- Updates the Yardi resident card with information from the RDR SharePoint List
- Verifies whether supporting documentation meets qualifying criteria

Regional Manager
- Reviews Yardi RDR Report daily to see which requests to evaluate
- Updates approval status in Yardi resident card, noting any changes to terms

Clearing House
- Sends approval or denial letter

Community Manager
- Community Manager initiates payment agreement
- Payment agreement is signed by all parties
- Property confirms the executed agreement is in Yardi or uploads it if needed
The Team Lead for the Clearing House verifies that the supporting documentation meets qualifying criteria.

After receiving supporting documentation from the resident, the Community Manager verifies Lease Type, Resident, and In Eviction Prior. Comments may be entered in the "Manager Comments" box.

If Deferral Amount exceeds the Lease Total, then the Community Manager or Assistant Manager must enter the Lease Total and notify the resident of the correction.

After the Community Manager sends their daily upload list, the Clearing House verifies Documents Received. Then the Clearing House reviews the RDR SharePoint list and verifies Crisis, Request Date, Hardship Type, Deferral Start Date, Measures to Mitigate Loss, Applicant Comments, and Documents Received.

The Team Lead for the Clearing House verifies that the supporting documentation meets qualifying criteria.

The Regional Manager reviews all notes and attachments and determines if the request is approved and any terms.

After the Rent Payment Agreement has been executed and the Deferral Amount has been posted to the Resident Ledger, the Community Manager confirms that the Deferral Amount has been posted to Yardi.

SAVE YOUR WORK!
<table>
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<th>Property Code</th>
<th>Property</th>
<th>Approval Status</th>
<th>Unit</th>
<th>Unit Type</th>
<th>Unit Sq Ft</th>
<th>Resident Name</th>
<th>Current Status</th>
<th>Lease Type</th>
<th>Lease Total</th>
<th>Deferral Amount</th>
<th>Lease Begin</th>
<th>Lease Expiration</th>
<th>Notice Prior to Crisis</th>
<th>In Eviction Due to Crisis</th>
<th>Hardship Verified</th>
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RENT DEFERRAL REQUEST WORKFLOW
NEW APPLICANTS

EMPLOYMENT VERIFICATION IS NOW REQUIRED

PAYMENT PLAN AGREEMENT

FOLLOW-UP WEBINAR

REOPENING TASK FORCE

STRATEGY AND LOGISTICS FOR REOPENING LEASING AND MANAGEMENT OFFICES

EMPLOYEES

April 29 – TOWN HALL

CLIENTS

May 1 – TOWN HALL (tentative)
APARTMENT LEADERSHIP RESIDES HERE™

www.nmhc.org/covid19