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by Rentec Direct

# Impact of COVID-19 On Rent Payments and Rent Payment Methods

Rental payment data from April 2020 reveals that tenants with online rent payment options are more likely to pay rent.

In the face of massive layoffs and economic upset, local and state governments across the country have been scrambling to find short-term solutions for those in financial distress. Many states have implemented programs that institute eviction moratoriums, disallow landlords from charging late fees and other programs to protect renters. It stands to reason that landlords are experiencing a trickle-down effect, as lack of rent payments will result in an inability for landlords to pay mortgages and other bills.

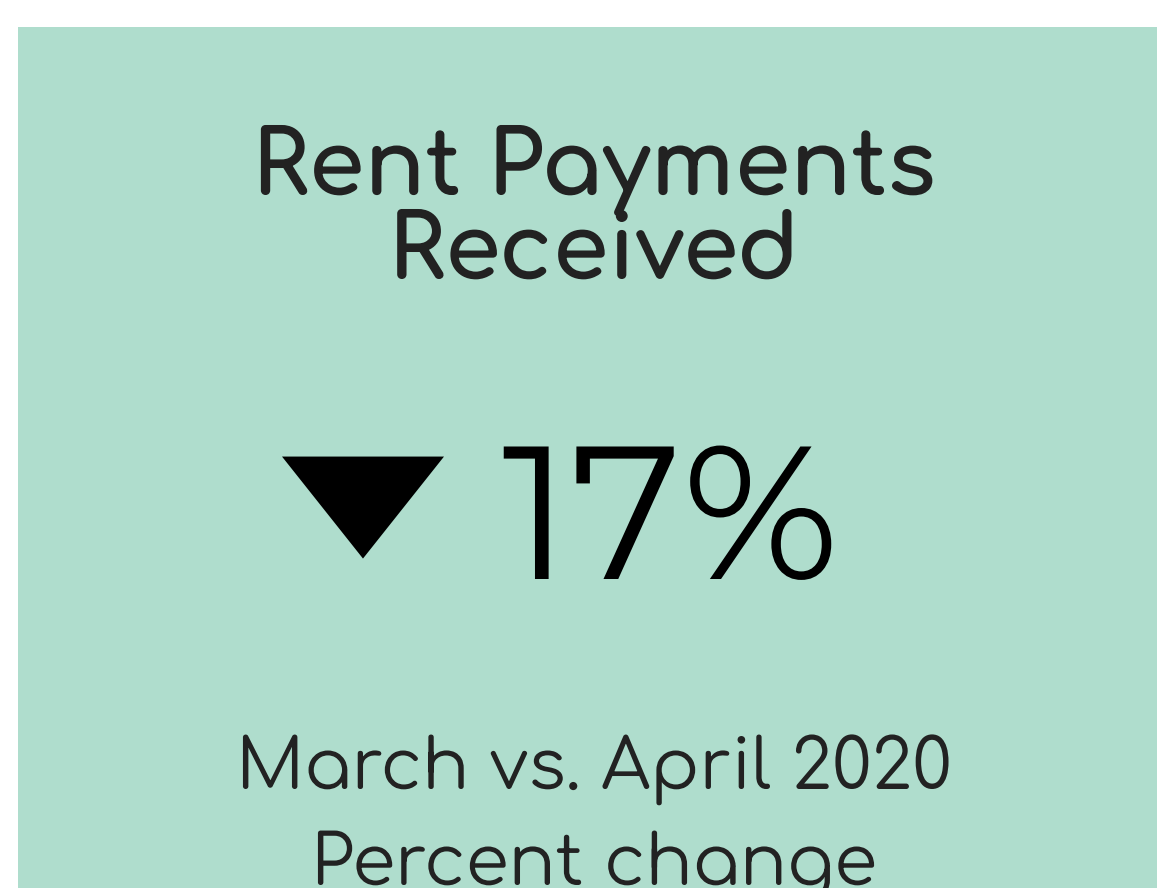
To add another layer of complication, shelter-in-place orders and social distancing mandates have made paying rent in person or even by mail more difficult. Many are turning to digital solutions to manage daily life, such as video conferencing for work and social meetings, online grocery shopping solutions and online bill paying options - such as paying rent electronically.

We set out to uncover just how many people had changed their habits by comparing the first week of April to the same period in March. Since most people pay rent in the first week of the month, we determined that this could give us some definitive data surrounding rent payment behaviors. Additionally, because most state shutdown orders occurred in mid to late March, we could determine the impact of COVID-19 on these behaviors.

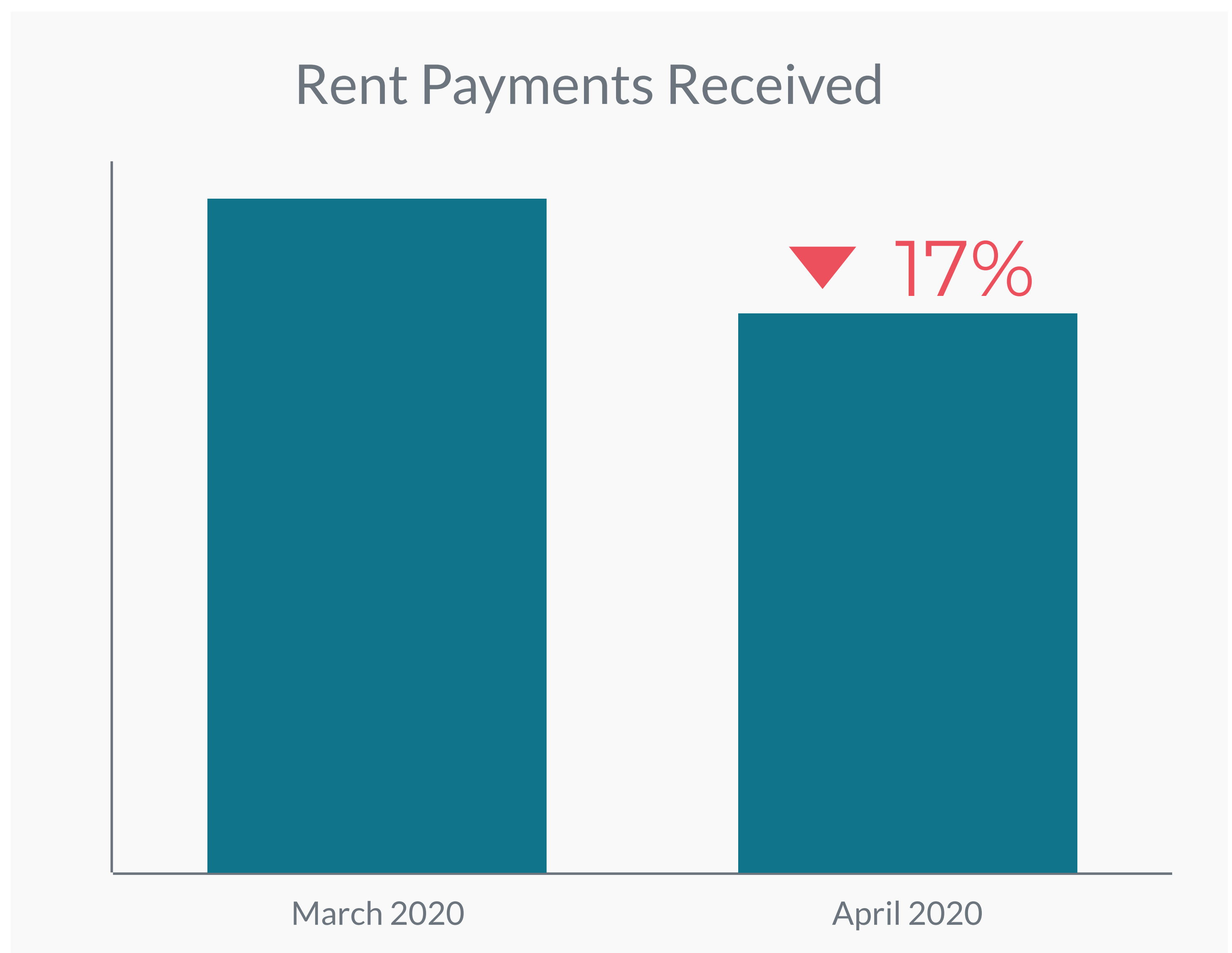
#### About the study

We pulled aggregated anonymous data from the Rentec Direct property management software platform, representing 620,000 rental properties nationwide.

## Property managers and landlords received fewer rent payments in April 2020.

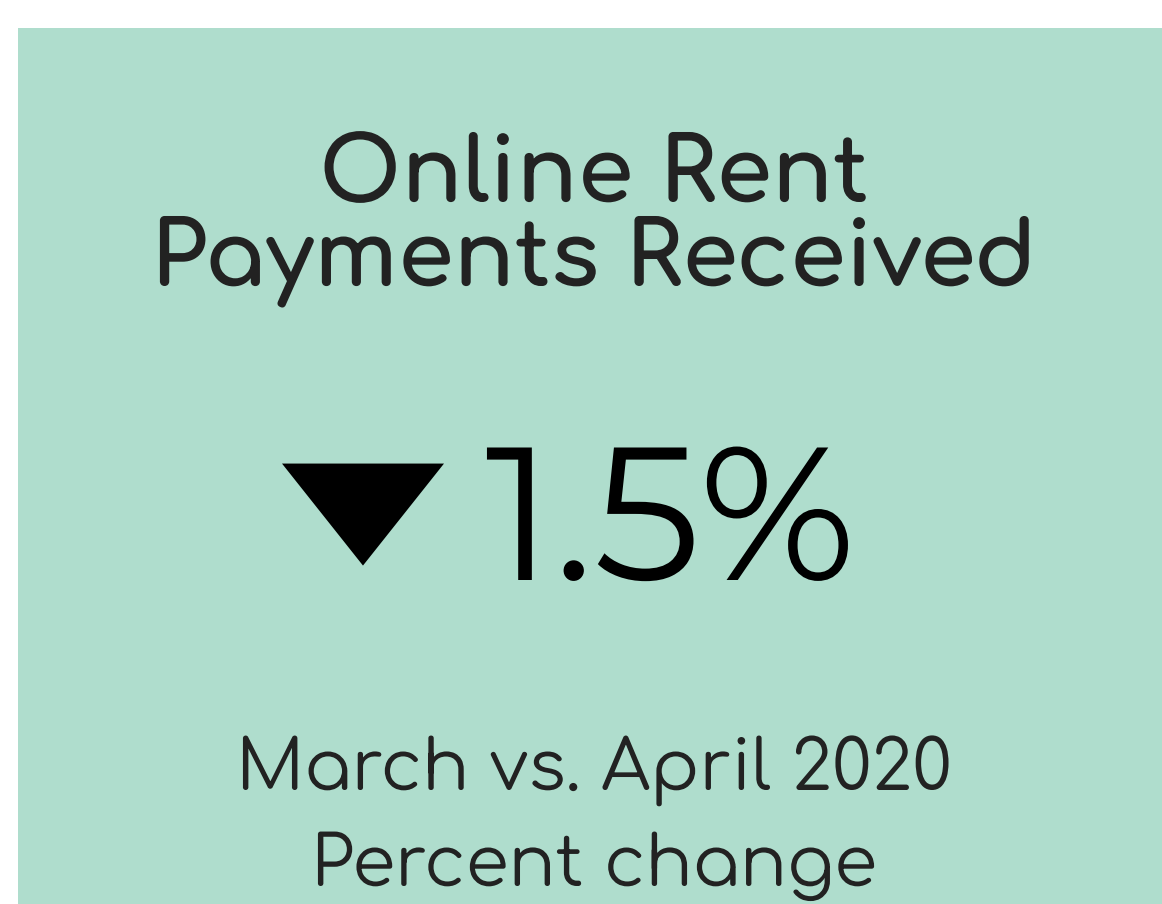


Rent received nationwide by property managers and landlords as of April 8th is 17% lower than the rent received for the same period in March.



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**Renters were more likely to pay rent online than by cash or check.**



Of tenants who pay rent electronically, nationwide rent payments in April 2020 are 1.5% lower than the payments received for the same period in March 2020.

When compared to the 17% decrease in total rent received for April 2020, it is clear, online rent payment options increase likelihood of paying rent.

**Tenant and landlord interest in accepting online payments is increasing.**



On average, approximately 124 property managers submit applications to turn on online payments each month. In March, this number increased by 24%.

In April, we predict to receive over 200 applications for online rent payment capabilities.

