

R E N T A L
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R E P O R T

by Rentec Direct

Impact of COVID-19 On Rent Payments and Rent Payment Methods | May 2020

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

As COVID-19 continues to impact markets across the globe and varied data continues to roll in, many are left wondering what the future will hold in the rental industry. Landlords are curious about their rights, responsibilities and best practices during this time, while renters are asking the same questions in the face of widespread layoffs and income loss. Tenants' ability to pay rent is changing, along with the way tenants are paying rent. It's safe to assume landlords are directly feeling the effects of this global shift.

We are on a mission to determine how COVID-19 has impacted rental payment habits by comparing the first week of each month to the same period in March, when most state shutdown orders occurred. Because most tenants pay rent during the first week of the month, we determined that this would give us some definitive data surrounding rental payment behaviors. Here is what our data shows for the month of May when compared to the same period in March and April. We can also look at data from the first couple of months of 2020 as a baseline for rent payment behavior prior to the COVID-19 pandemic.

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 May 2020.

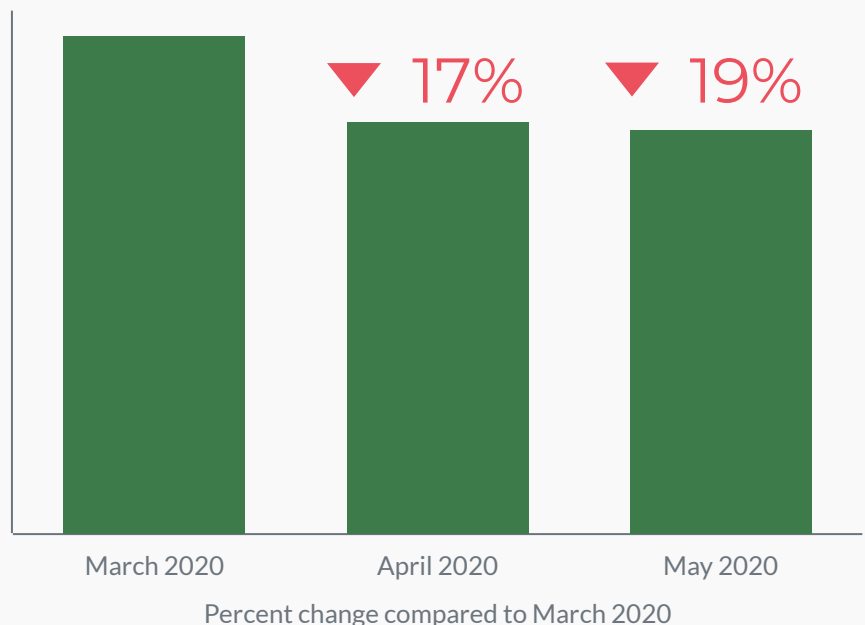
Rent Payments Received

▼ 19%

March vs. May 2020
Percent change

As of May 8th, rent payments received nationwide by property managers and landlords are 19% lower than rent received for the same period in March, prior to the onset of the COVID-19 pandemic in the US.

Rent Payments Received



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

Online Rent Payments Received

▲ 1.5%

April 2020 vs. May 2020
Percent change

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

When compared to the 19% decrease in total rent received for May 2020, it is clear, online rent payment options increase likelihood of paying rent.

Landlords and property managers continue to explore online rent payment options.

Interest in Online Payments

▲ 15%

Feb. 2020 vs. April 2020
Percent growth

On average, approximately 124 property managers submit applications to turn on online payments each month.

In April 2020, the number of applications increased by 15% compared to the monthly average prior to the COVID-19 pandemic.

So far in May 2020, interest in online rent payment options appears to be stabilizing.

Online Rent Payments Received



Interest in Online Rent Payments

