

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

by Rentec Direct

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

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

The global COVID-19 pandemic is changing life as we know it, and almost every industry has been forced to adapt. The rental industry is no exception, and the industry as a whole has discovered new ways to meet safety regulations while continuing to provide essential housing to renters everywhere. Massive layoffs and economic upset have caused many Americans to struggle with cost-of-living expenses, with the national unemployment rate up nearly 10% since February 2020. Rent is often the most expensive cost-of-living expense, with the majority of Americans spending more than 30% of their income on housing.

The number of rent payments received by property managers and landlords has been steadily declining over the past four months, with data from July indicating that renters are more financially burdened now than at the onset of the pandemic.

Rentec Direct is on a mission to determine exactly how COVID-19 has impacted rental payment habits by comparing the first week of each month to the same period in March 2020, when most state shutdown orders occurred. We also look to data from the first couple months of 2020 as a baseline for rental payment behavior prior to the 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 July 2020.

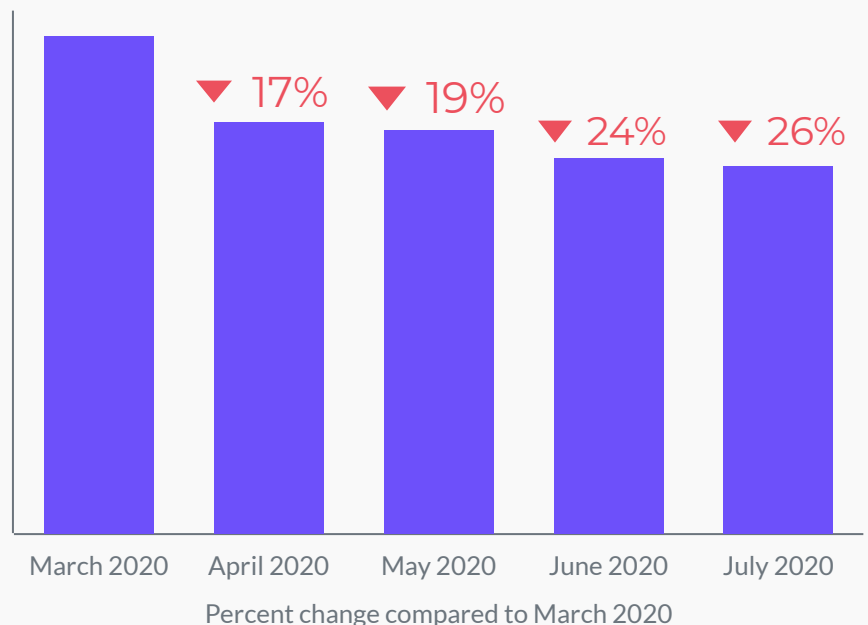
Rent Payments Received

▼ 26%

March vs. July 2020
Percent change

As of July 10th, rent payments received nationwide by property managers and landlords are 26% 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



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

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

Online Rent Payments Received

▼ 1.6%

March 2020 vs. July 2020
Percent change

Of tenants who pay rent electronically, nationwide rent payments in July 2020 are 1.6% lower than online payments received for the same period in March 2020.

When compared to the 26% decrease in total rent received for July 2020, it is clear, online rent payment options increase likelihood of paying rent.

Interest in online rent collection options for landlords and property managers is stabilizing.

Interest in Online Payments

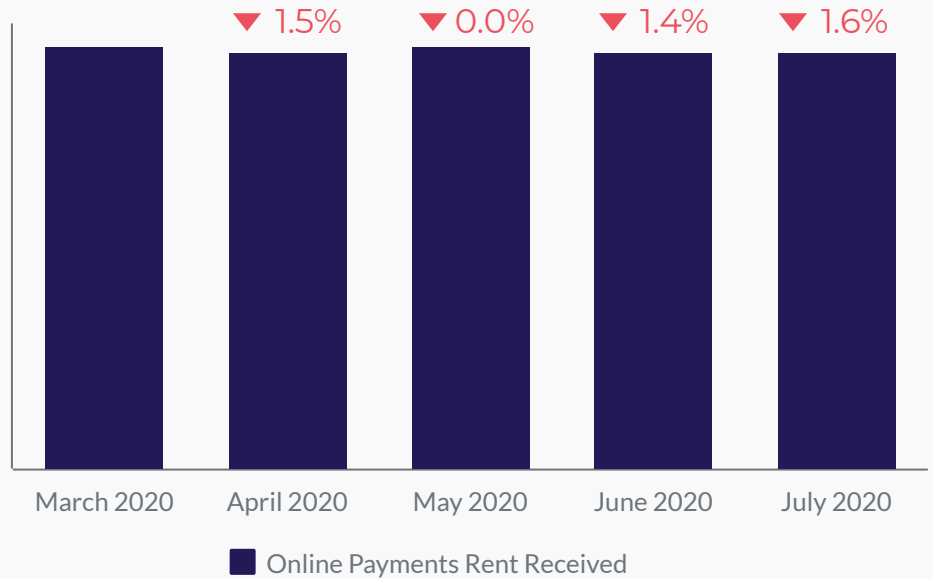
▼ 11%

Feb. 2020 vs. June 2020
Percent growth

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

In June 2020, the number of applications decreased by 11% compared to the monthly average prior to the COVID-19 pandemic.

Online Rent Payments Received



Interest in Online Rent Payments

