RENTEC DIRECT

2021 Rental Market Trends:
Online Rent Payments

Interest in online rent payment services from landlords and property managers is up 16% in 2021. What trends can we expect in 2022?

December 14, 2021

SUMMARY

As 2021 comes to a close, the global pandemic continues to impact our daily lives. The crisis has had widespread impacts on many aspects of everyday life, and one key area is housing. Varied regulations surrounding the rental housing market have impacted both tenants and landlords in a myriad of ways.

Throughout the pandemic, Rentec Direct has collected and analyzed monthly rent payment data to determine the impact of the pandemic on rent payments and rent payment behavior in the U.S. One of the trends that emerged was a substantial increase in interest in online rent collection options from landlords and property managers.

On average, 124 property managers per month submit applications through the Rentec Direct software platform to turn on online rent collection capabilities via ACH, credit card or debit card. This number spiked by as much as 40% in 2021, after 2020 saw a similar trend. The number of applications for online rent collection services remains above average as we close out 2021 and look toward 2022.

KEY TAKEAWAYS

✓ Applications for online rent collection services from landlords and property managers have increased by almost 20% in 2021 compared to pre-pandemic numbers. At its peak, this number spiked by as high as 40% in February 2021.

✓ The number of applications is up 9% in 2021 compared to the number of applications in 2020, after 2020 saw a similar 8% increase compared to pre-pandemic numbers.

2021 FINDINGS

Interest in online rent payment services from landlords and property managers increased by **16%** in 2021.

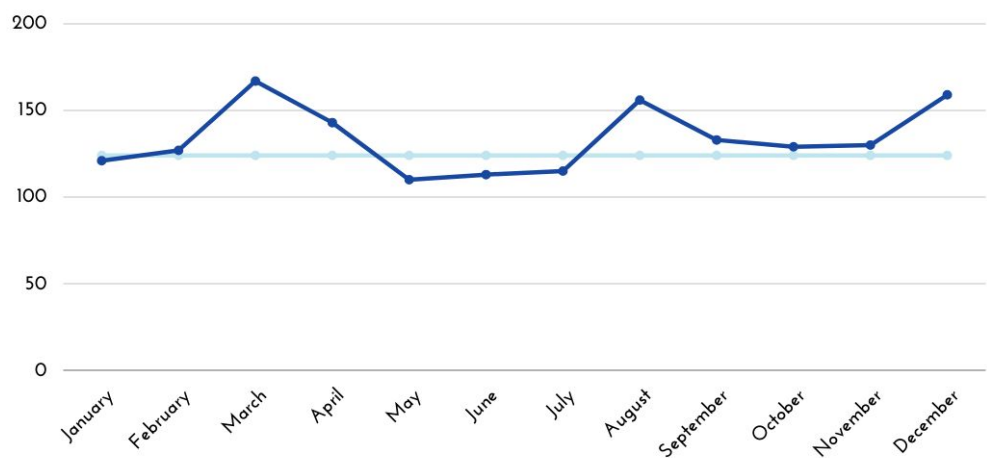### INTEREST IN ONLINE RENT PAYMENT SERVICES
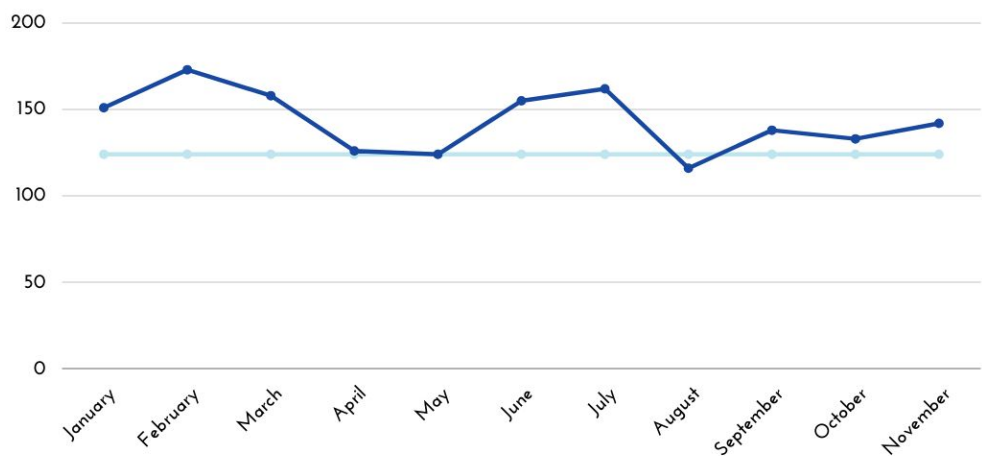
- On average, Rentec Direct receives 124 applications per month from landlords and property managers to turn on online rent collection services. This number has been above average nine months so far in 2021.

- February, March and July have seen the most dramatic increases in interest from landlords and property managers. Online rent collection applications were up 40% in February 2021, 27% in March 2021, and 31% in July 2021.

2020 FINDINGS

Interest in online rent payment services from landlords and property managers increased by **8%** in 2020.

INTEREST IN ONLINE RENT PAYMENT SERVICES

- On average, Rentec Direct receives 124 applications per month from landlords and property managers to turn on online rent collection services. This number was above average 8 out of 12 months in 2020.

- March, August and December saw the most dramatic increase in interest from landlords and property managers. Online rent collection applications were up 24% in March 2020, 26% in August 2020, and 28% in December 2020.

2022 PREDICTIONS

Increased interest in online rent collection services from landlords and property managers will continue in 2022.

- Not many of us predicted that the pandemic would still be affecting our lives so dramatically at this point in time. Even though life has returned to some sense of normalcy, it seems likely that COVID-19 will continue to be a factor in our lives for the foreseeable future as new variants continue to emerge. The drive toward digital, contactless payments will continue as a result.

- Landlords have been facing unprecedented state and federal regulations that have made business more difficult and more expensive for many. As a result, landlords and property managers are searching for ways to reduce costs and automate operations. Online rent payments can be fully automated, which saves landlords significant time and money as opposed to handling manual payments.

- As younger, digital-savvy generations continue to enter the rental market, they are demanding technology and asking for convenient ways to pay using their mobile devices. We will continue to see increasing demand for online rent payment capabilities from both tenants and landlords purely based on the rental age demographics.

CONCLUSION

ABOUT THE RESEARCH

Rentec Direct collected aggregated anonymous rent payment data and analyzed rent payment behavior from clients using Rentec Direct's property management software platform in 2020 and 2021. Data represents information from 620,000 rental properties nationwide.

**Please note: This data was pulled from clients using the Rentec Direct property management software platform. Data is intended to show trends only, and may not be a representative sample of industry as a whole.

ABOUT RENTEC DIRECT

Rentec Direct offers industry-leading property management software and tenant screening solutions for real estate professionals. Features include online rent payments, tenant and owner portals, the industry's largest vacancy listing syndication network, full property, tenant, and owner accounting, 1099-MISC reporting and more. Rentec Direct was recognized as Real Estate Company of the Year in the 2021 American Business Awards®, was named one of the Most Customer Friendly Companies of the Year in the 2021 Best in Biz Awards, has been named to the Inc. 5000 List of Fastest-Growing Private Companies for five years in a row (as of 2021), and was also included on the 2017, 2018 and 2019 Entrepreneur360 list for Best Entrepreneurial Companies in America.