

entrata

COVID-19 Rental Housing Trends

RENT WEEK REPORT

DISCLAIMER

The data for these findings consists of the available information for Entrata Clients through the date of publication of this document or as otherwise indicated. Data has been aggregated and normalized to provide trends, and Entrata makes every effort to ensure accuracy and completeness, but does not guarantee, warrant, or represent the information is accurate or complete.

[ENTRATA.COM/COVID19](https://www.entrata.com/covid19)

COVID-19 Rental Housing Trends



As the widespread impact of COVID-19 develops around the country, Entrata continues to pay close attention to the trends among its student housing clients. Entrata will update these findings regularly as we gauge the economic impact that this pandemic is having in the student housing space. These findings cover several main areas of impact: Occupancy & Renewals, Rent Payments, Fees & Repayment Agreements, and Leasing.

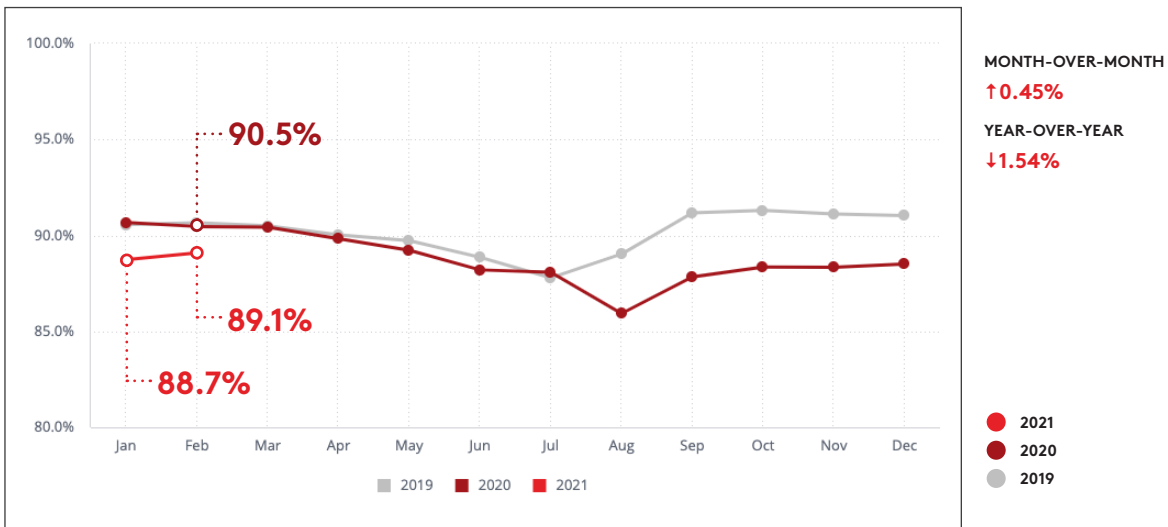
All findings in this study are specific to Entrata’s student housing clients. The data for these findings consists of the available information through March 7, 2021. Be aware that factors such as holidays, days of the week, property policies and office closures, campus closures and local shelter-in-place regulations, and other circumstances may affect how this data is processed, recorded, and interpreted.

OCCUPANCY & RENEWALS

OCCUPANCY

Occupancy rate continued steady through February for student housing and finished the month at nearly 89.1% - down about 1% compared with February 2020, but up almost a half percent from January 2021. These numbers reflect the impact of campus housing policies as they continue to evolve across the country, as a number of universities are continuing to operate with limited campus capacity and providing online learning opportunities in the spring semester. We anticipate these numbers to fluctuate as campus pandemic policies evolve throughout the 2020-21 school year.

OCCUPANCY PERCENTAGE



PAYMENTS

RENT PAID

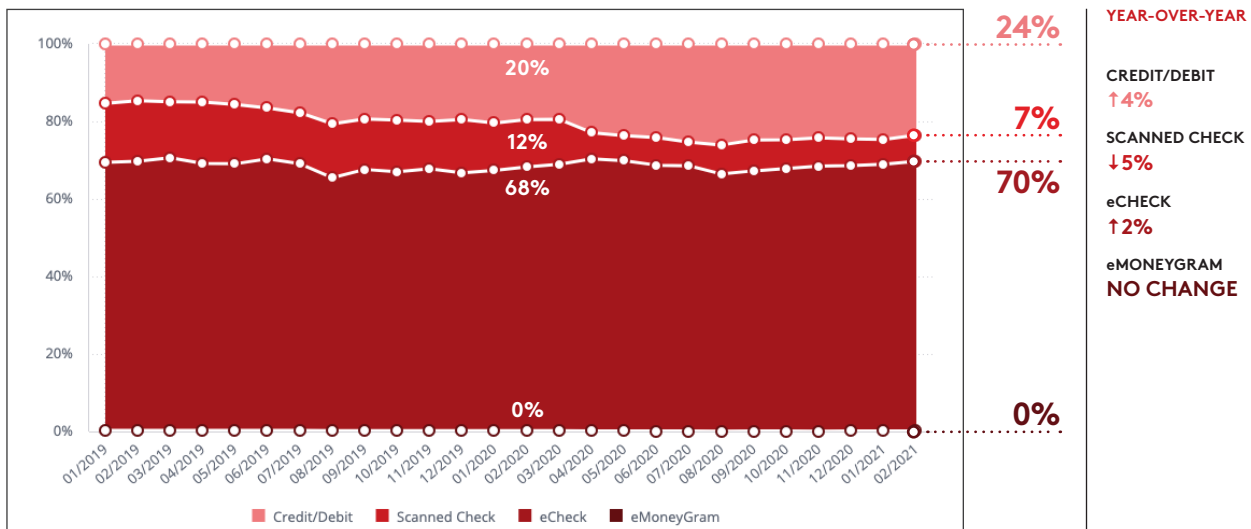
Rent collection numbers for Entrata’s student housing clients remain strong. By the end of February, properties received rent payments for over 88% of units, down about 1% compared to February 2020 but up almost 3% compared to January 2021. The percentage of uncollected rent in February was, at just under 5%, up almost 3% year-over-year.

Through March 7, student properties have collected rent from over 89% of units, which is only 1% lower than year-over-year numbers. About 10% of rent remained uncollected at the end of March’s rent week, down almost 2% from February 2021’s rent week but up about 2% from rent week in March 2020. These trends are reflected across most of the country with only a few hotspots that are more affected by uncollected rent numbers.

PAYMENT TYPES

The number of residents choosing to pay online via credit and debit card has settled into a new normal, with card payments up 4% year-over-year and making up 24% of all payments made. This trend seems to indicate renters’ preference for paying online combined with the willingness by many properties to waive convenience fees. Online payments made via eCheck are up 2% year-over-year to 70%. Scanned checks made up 7% of all payments in February (representing a 5% decrease year-over-year).

RENT COLLECTION DISTRIBUTION BY CHANNEL





FEES & REPAYMENT AGREEMENTS

LATE FEES

Averaging \$3.74 per unit over the properties surveyed in February, posted fees decreased 34% month-over-month and 19% year-over-year. The number of late fees waived decreased 59% in February, though are up 20% compared to this time last year. These trends are more likely to vary by region, perhaps reflecting differences in local and state regulations.

LATE FEES POSTED PER UNIT

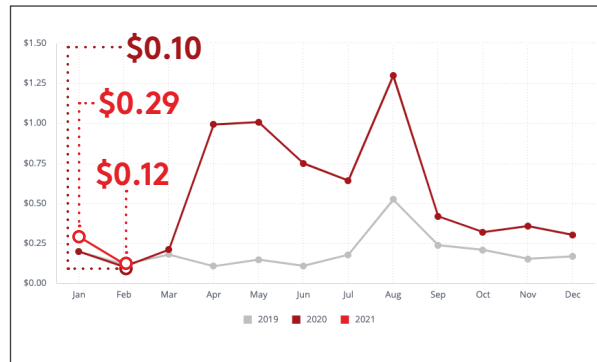


MONTH-OVER-MONTH
↓33.57%

YEAR-OVER-YEAR
↓19.22%

● 2021 ● 2020 ● 2019

LATE FEES WAIVED PER UNIT



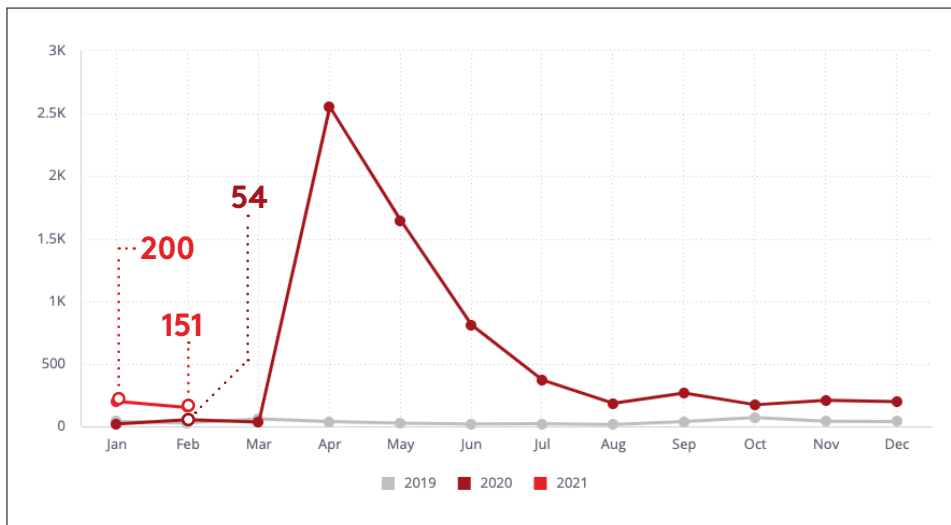
MONTH-OVER-MONTH
↓58.62%

YEAR-OVER-YEAR
↑20%

REPAYMENT AGREEMENTS

The number of new repayment agreements created by the end of February came in at 151 agreements across the total number of student units included in our data set. This number, down 25% from the previous month, is still over 180% higher than February 2020's count of 54 agreements.

REPAYMENT PLANS CREATED EACH MONTH



MONTH-OVER-MONTH
↓24.5%

YEAR-OVER-YEAR
↑179.63%

● 2021 ● 2020 ● 2019

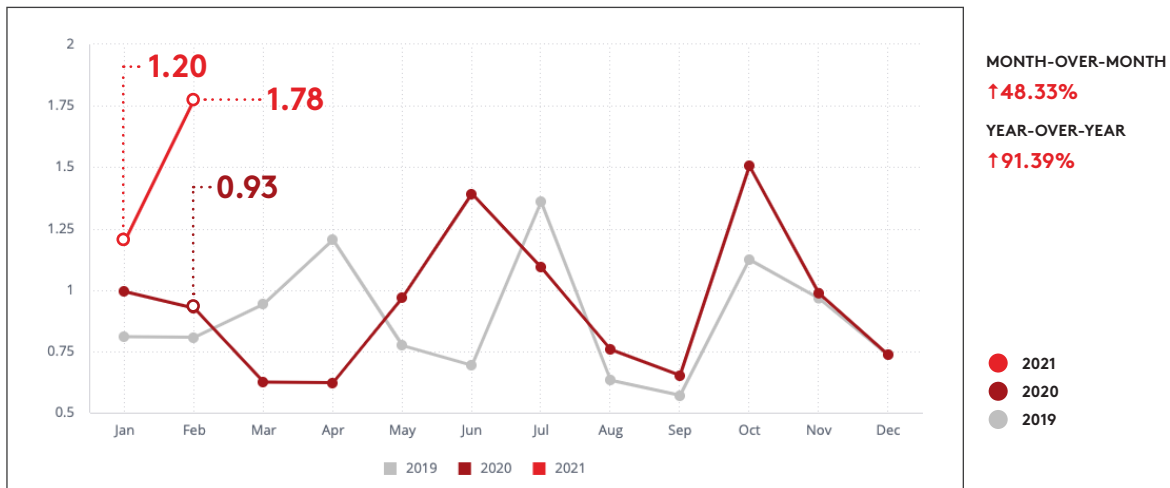
 LEASING

Several factors affect the leasing velocity of any given property. Entrata tracks a variety of leasing metrics, including the number of new leads per unit, new applications completed, how many resident screenings are conducted, and the number of leases properties generate and approve. January’s leasing numbers reflect continuing strong activity as students evaluate their options, indicating a potential for leasing growth in coming months.

NEW LEADS

The average number of new leads per unit reached 1.78 in February, 48% higher than January 2021 and 91% higher than February 2020. Regional analysis shows some regional variation in this trend. A closer examination of leasing activity shows strong numbers throughout, but most activity happening during the fourth week of the month. This reflects the strong fourth-week pattern established last year. Awareness of this trend can help properties adjust staffing levels to handle times of increased demand and move prospective renters forward in the leasing process.

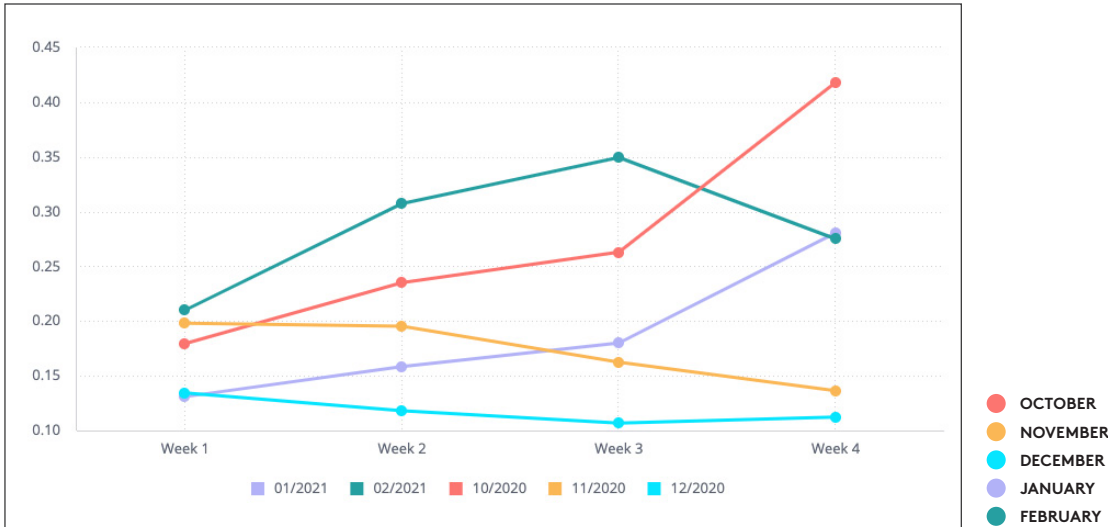
NEW LEADS PER UNIT



NEW LEADS

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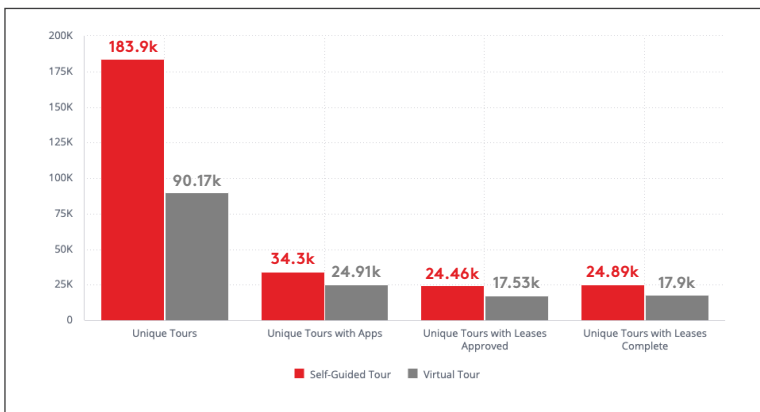
LEAD BREAKDOWN BY WEEK



	WEEK 1 (1-7)	WEEK 2 (8-14)	WEEK 3 (15-21)	WEEK 4 (22-EOM)	TOTAL
OCT	0.18	0.24	0.26	0.42	1.10
NOV	0.20	0.20	0.16	0.14	0.70
DEC	0.13	0.12	0.11	0.11	0.47
JAN	0.13	0.16	0.18	0.28	0.75
FEB	0.21	0.31	0.35	0.28	1.15

 **SELF-GUIDED TOURS**

TOUR TYPES



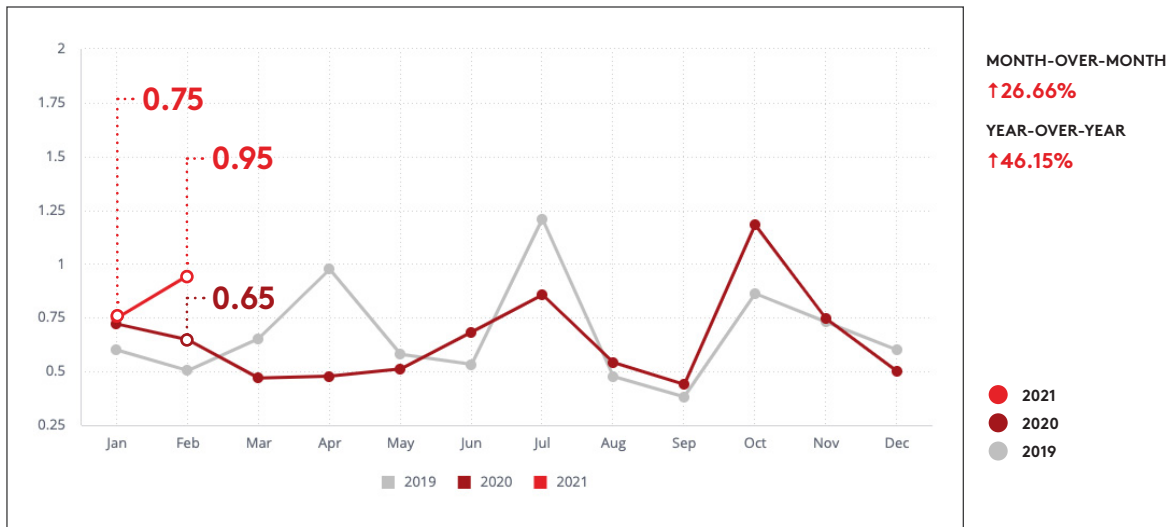
As students moved in and the fall term began, we observed a rapid adoption of self-guided and virtual tour options. Since Entrata launched its flexible self-guided tour option on July 15, 2020, over 180 thousand tours have been completed. In that same time, over 90 thousand virtual tours were completed. These tours have resulted in thousands of approved leases. The new tour types are proving very effective at driving conversions, and have resulted in more than 24 thousand and 17 thousand completed leases, respectively.

NEW APPLICATIONS AND SCREENING

New applications climbed to 0.95 new applications per unit in February. This reflects a 27% jump from January 2021, and a 46% increase year-over-year. Although the national average is up, regional variations should not be neglected. Some states are holding steady in application numbers while others are still experiencing declines.

Further down the leasing funnel, applicant screenings are also on the rise. At a rate of 0.18 screenings per unit, screenings are up 6% month-over-month though down about 10% year-over-year. The fourth-week jump is evident at both the application and screening step of the leasing process.

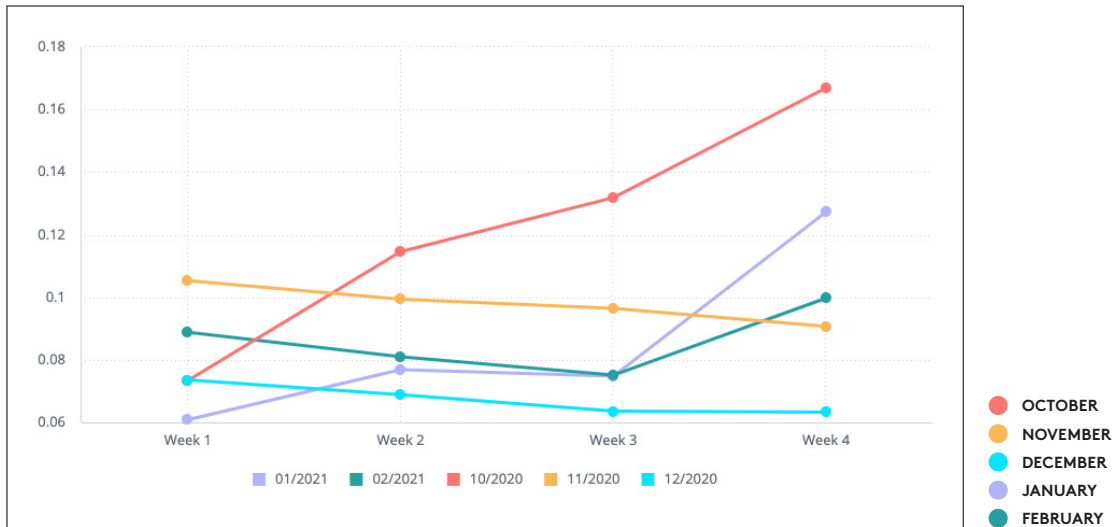
NEW APPLICATIONS PER UNIT



NEW APPLICATIONS AND SCREENING

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APPLICATION BREAKDOWN BY WEEK

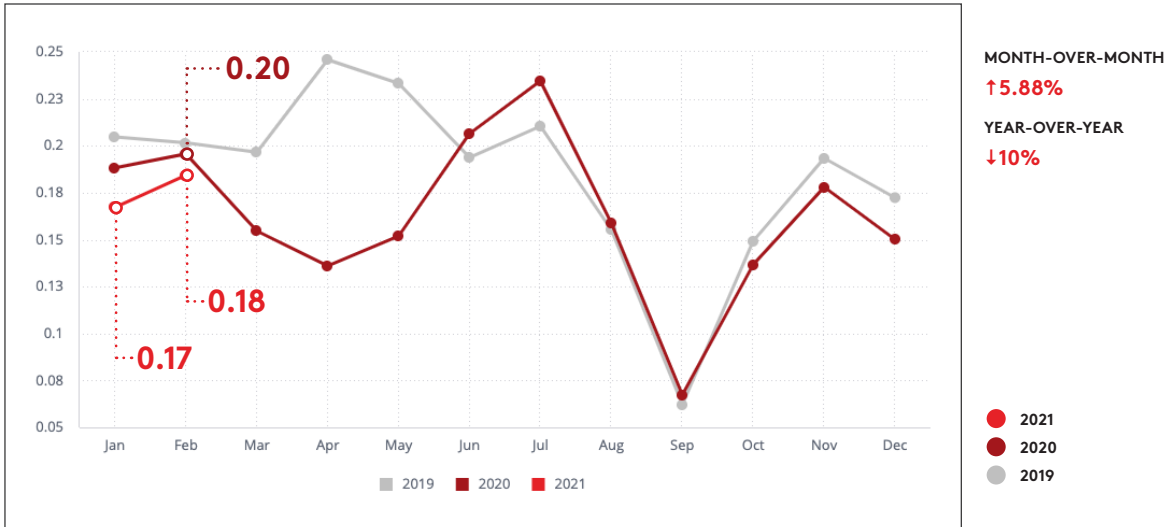


	WEEK 1 (1-7)	WEEK 2 (8-14)	WEEK 3 (15-21)	WEEK 4 (22-EOM)	TOTAL
OCT	0.07	0.11	0.13	0.17	0.48
NOV	0.10	0.10	0.10	0.09	0.39
DEC	0.07	0.07	0.06	0.06	0.26
JAN	0.06	0.08	0.08	0.13	0.39
FEB	0.09	0.08	0.08	0.10	0.35

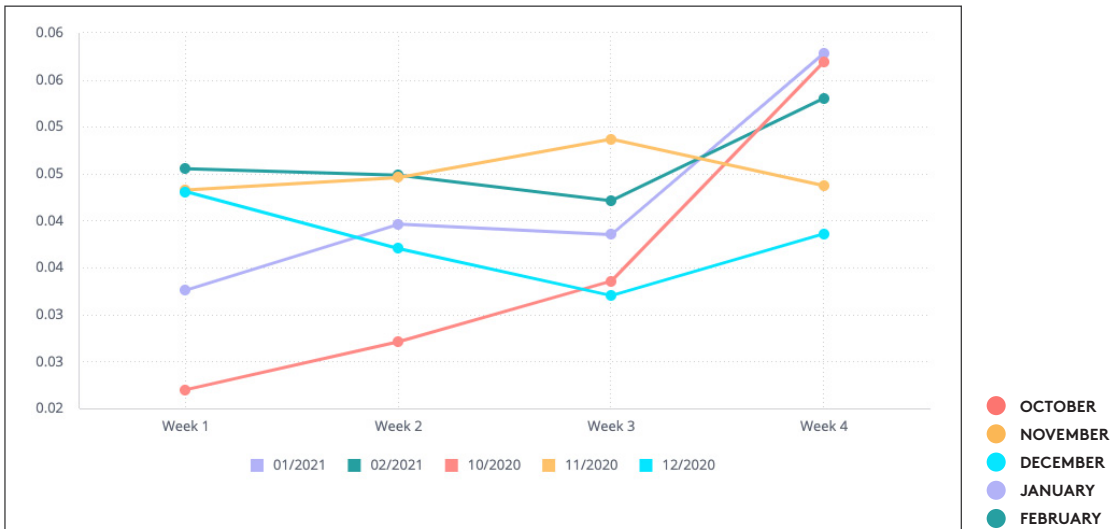
NEW APPLICATIONS AND SCREENING

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SCREENINGS PER UNIT



SCREENING BREAKDOWN BY WEEK

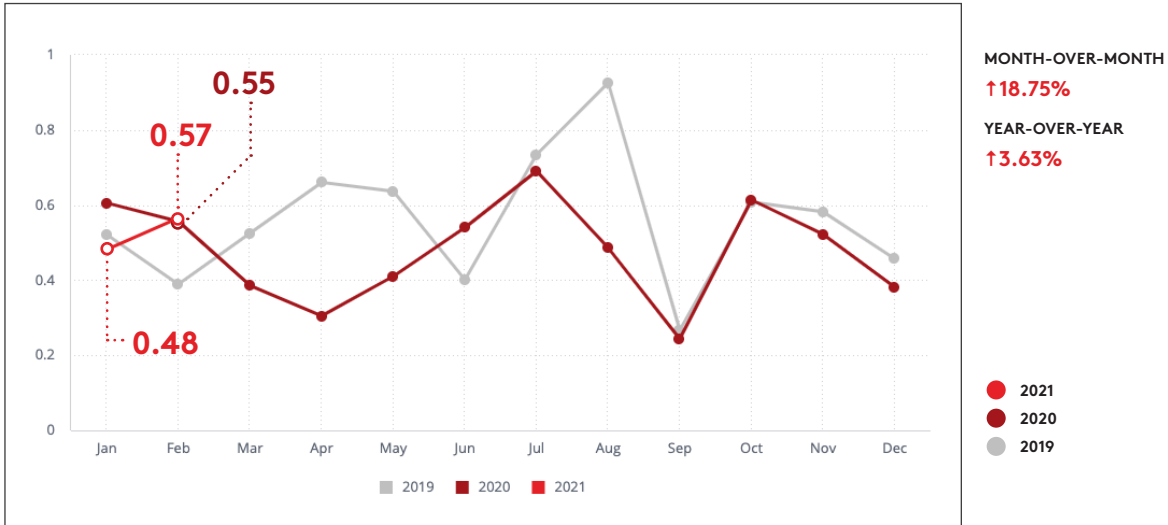


	WEEK 1 (1-7)	WEEK 2 (8-14)	WEEK 3 (15-21)	WEEK 4 (22-EOM)	TOTAL
OCT	0.02	0.03	0.03	0.06	0.14
NOV	0.04	0.04	0.05	0.04	0.17
DEC	0.04	0.04	0.03	0.04	0.15
JAN	0.03	0.04	0.04	0.06	0.17
FEB	0.05	0.04	0.04	0.05	0.18

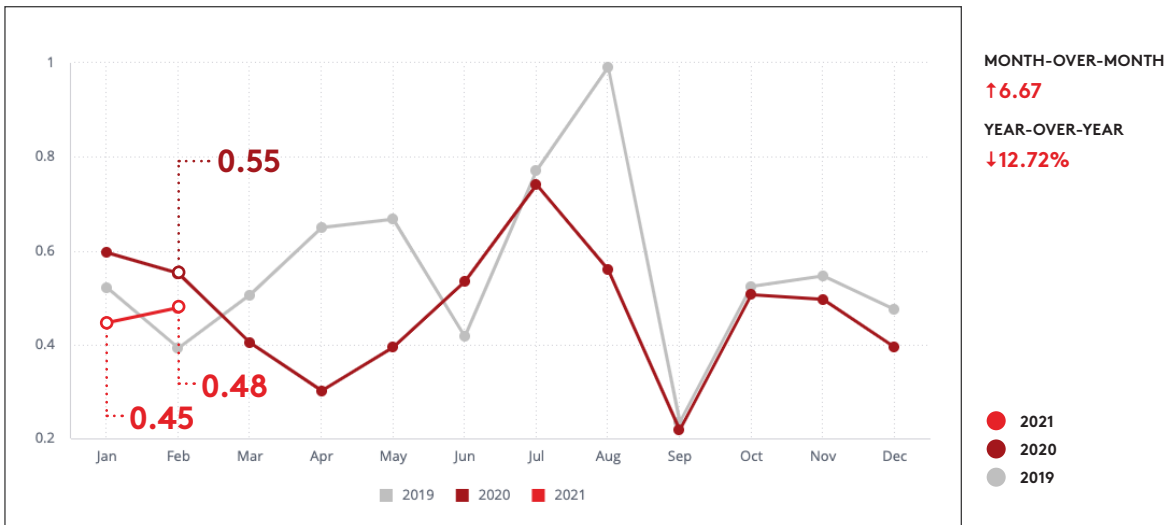
LEASES

New leases generated in February rose 19% from the previous month, and were up slightly (4%) year-over-year. New leases approved increased slightly in February, up about 7% from January's numbers, but are lower than a year ago by about 13%. This trend is also impacted by significant regional variations. Lease numbers were strongest in the fourth week of the month.

LEASES GENERATED PER UNIT

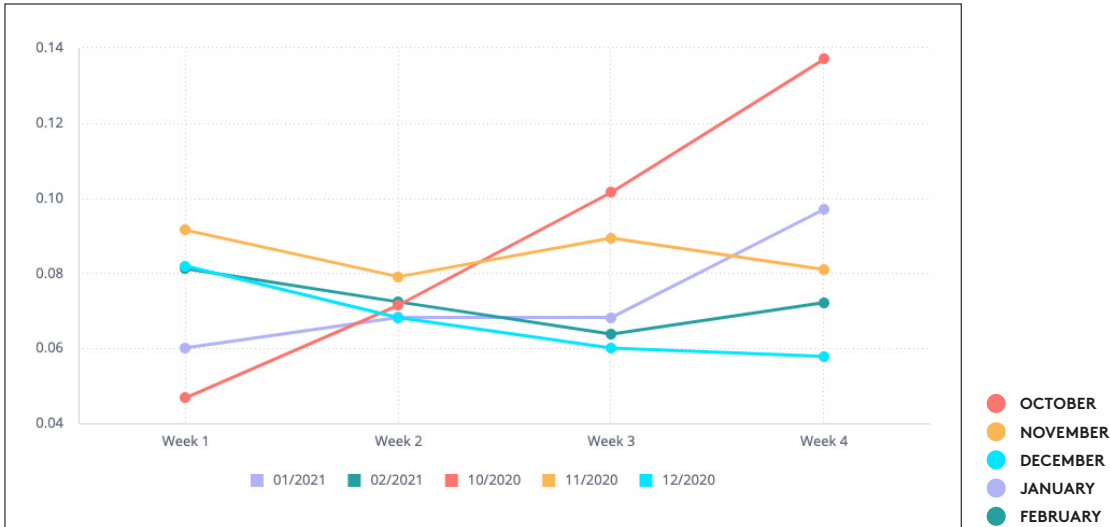


LEASES APPROVED PER UNIT



LEASES
Continued...

LEASE BREAKDOWN BY WEEK

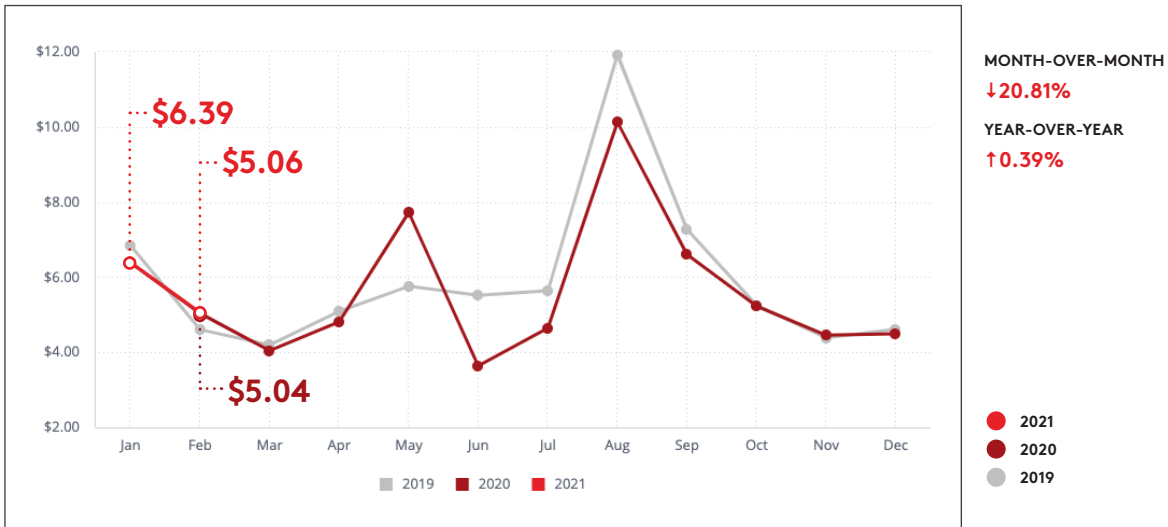


	WEEK 1 (1-7)	WEEK 2 (8-14)	WEEK 3 (15-21)	WEEK 4 (22-EOM)	TOTAL
OCT	0.05	0.07	0.10	0.14	0.36
NOV	0.09	0.08	0.09	0.08	0.34
DEC	0.08	0.07	0.06	0.06	0.27
JAN	0.06	0.07	0.07	0.10	0.30
FEB	0.08	0.07	0.06	0.07	0.28

CONCESSIONS

Student housing generally sees its highest concession rates at the beginning of the term (August & January). End-of-February numbers measure concessions at \$5.06 per unit, a decrease of 21% month-over-month and up about half a percent compared to February 2020's \$5.04 per unit. These metrics are generally following year-over-year trajectories.

CONCESSION DOLLARS PER UNIT

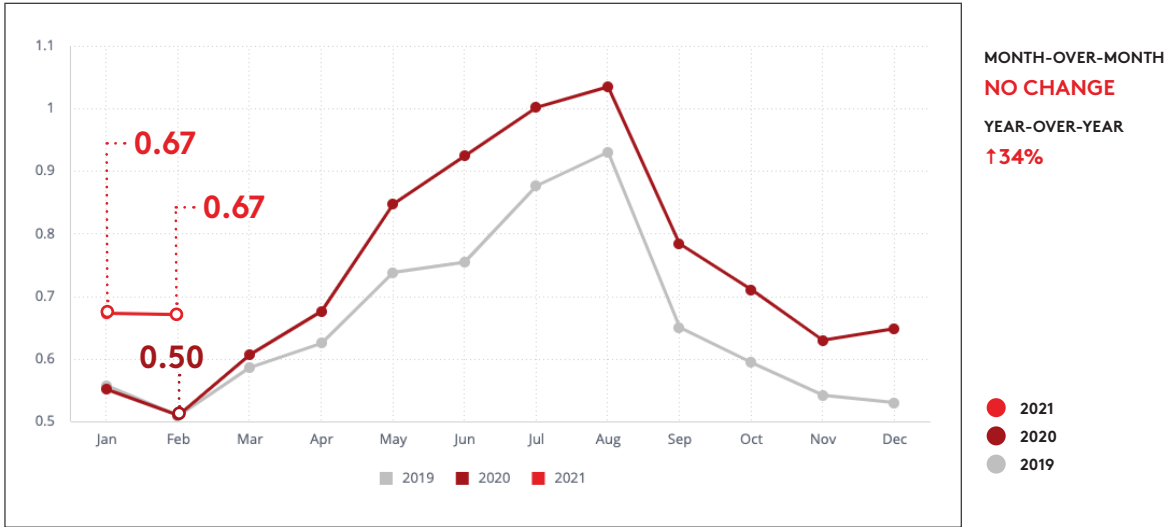


CALLS

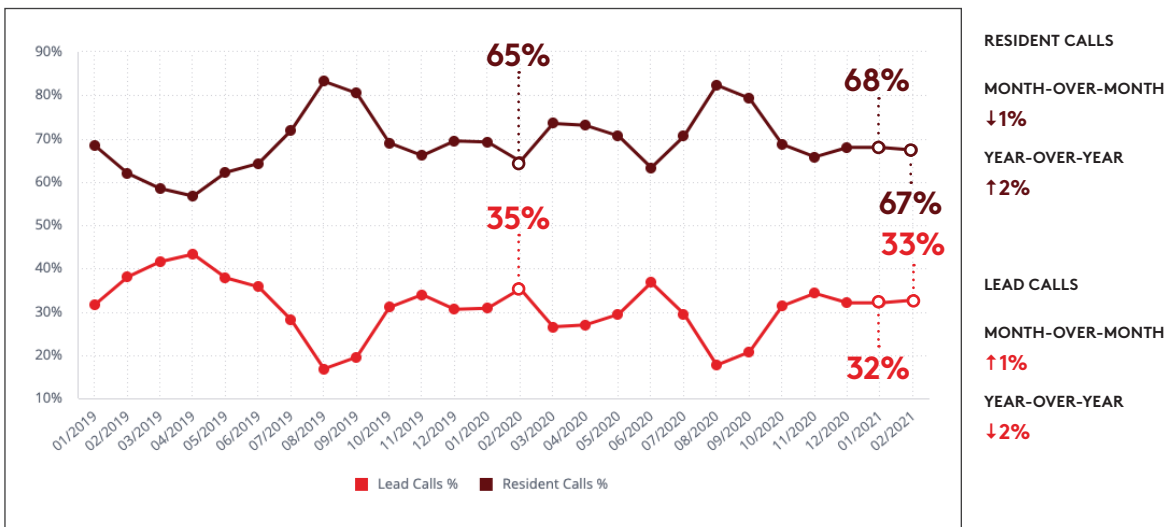
One indicator of leasing velocity monitored by Entrata is call volume. Call volume climbed rapidly from February to August 2020, following a similar trajectory from the same time period in 2019. Call volume reached an all-time high of 1.04 calls per unit in August 2020. End-of-February numbers measured calls at 0.67 per unit, aligned exactly with month-over-month numbers while up 34% year-over-year. These metrics are generally following year-over-year seasonal trends.

Resident calls, at 67%, represent a majority of incoming calls, while lead calls represent 33% of all incoming calls. These numbers are nearly aligned with month-over-month metrics.

CALLS PER UNIT

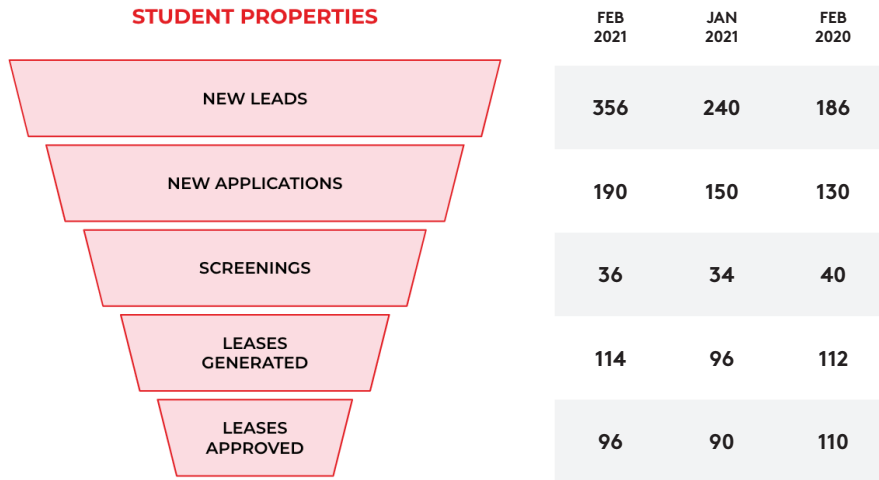


BREAKDOWN OF LEAD VS. RESIDENT CALLS BY MONTH



LEAD FUNNEL

Indicators continue to point to a very dynamic upcoming leasing season. The leasing activity in the first few steps of the leasing funnel (new leads and applications) continues to flourish while screenings and leases generated/approved remain close to year-over-year numbers in February. The following chart shows sample effects for a 200 unit student housing property through the end of February 2021 compared to January 2021 and February 2020.



CONCLUSION

The COVID-19 pandemic had a measurable impact on student housing properties’ ability to market their communities, lease, and collect rent. However, based on Entrata’s data from student housing properties across 50 states, property managers’ mitigation efforts (absorbing transaction fees for credit cards, waiving late fees, etc.) helped maintain rent payment rates and continue to generate leads for strong leasing activity. Properties who are prepared to take advantage of this potential leasing boom will find themselves in great shape in the coming months.

With maintained flexibility and responsiveness to resident needs and early planning for post-COVID’s new normal, property management companies have a lot to prepare for. As the pandemic recovery unfolds, flexibility and rapid decision-making will be required, but ongoing indicators suggest that the industry is positioned to weather this crisis well while providing housing and essential services to American families.