



Small Rental Property Owners Keeping Renters Sheltered in Place Face Immense Financial Pressures

Renters and Small Housing Providers Alike are Economically Burdened Amid COVID-19 Pandemic

SACRAMENTO, Calif. – April 06, 2020 – New legislation, Assembly Bill 828 (Ting), intended to help with the financial stress caused by the COVID-19 health crisis will create even more economic distress for tens of thousands of small rental property owners who, like many renters, are already under immense financial pressure due to the COVID-19 pandemic.

“Rental housing providers are committed to help renters stay sheltered in place. We understand that some renters are facing great financial stress during the COVID-19 pandemic and we are open to working with them to agree on unique payment plans that keep them sheltered in place. But legislation like AB 828 will shift even more economic hardship onto small rental property owners who are dependent on rental payments for expenses such as property maintenance, utilities, property taxes, mortgages, and insurance bills,” said California Rental Housing Association (CalRHA) President Sid Lakireddy.

“The Legislature needs to look at the economic challenges facing both rental housing providers and renters holistically and support policies such as a state Renter Assistance program to help with rental payments. It is unfair for small and pop rental owners to be asked to bear the economic burden that this legislation will place upon them. We want nothing more than the ability to work with our impacted residents while also continuing to be able to pay workers and contractors who maintain our properties and rely on us for a steady income.”

Governor Gavin Newsom’s March 27th Executive Order granted relief for renters hit by the pandemic. AB 828 establishes a court-ordered, blanket reduction of rent by 25% for 12 months for renters who claim they cannot pay due to the COVID-19 crisis. This policy will impose an overwhelming burden on small property owners, many of whom are in no better position to weather this storm than their residents.

This legislation, instead, would virtually eliminate any incentive for renters who need COVID-19 related financial assistance to work cooperatively with their housing providers on a negotiated rent reduction and/or payment plan. Rental property owners do not want vacancies, especially during economic uncertainty.

“Rental housing providers need help in keeping renters affected by this pandemic sheltered,” said Lakireddy. “When rent relief is needed, many rental housing providers recognize it is better to work with residents on a rent relief payment plan. We need our elected officials to oppose policies that penalize rental housing providers but instead work with us so that we can all recover from this unprecedented health and economic crisis.”

Rental housing providers pump hundreds of billions of dollars into the California economy annually and this is a time to encourage housing providers to continue their operations, not stifle them.

For media interviews, please contact: Alma Maldonado 323-804-2561.

About the California Rental Housing Association

The California Rental Housing Association represents 20,000+ members totaling more than 523,000+ units, made up of small, medium and large rental housing owners throughout the State of California. Our purpose is to advocate in the best interest of the rental housing industry and collectively address industry needs.

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