**SVN Rock Advisors: Script for Landlords – Recouping Rent Payments**

**Context:**

April 1st will be a difficult day for many landlords and property managers. The outbreak of COVID-19 has had a strong negative effect on many current renters’ capacity to pay rent in the short term however, it has also created the opportunity for many more to forgo their responsibilities, whether through collective organization or simply individual refusal. Many have decided not to pay their rent.

**As a property owner, it is your responsibility be proactive and reach out to tenants.** Our guide for this discussion:

1. **It’s a Discussion not an Interrogation:** You want to keep good residents! - Resident retention is imperative – for a strong ongoing NOI. We have developed 3 separate documents to help you with this discussion:

All documents are downloadable at this site: <https://svnrock.ca/events/webinars/>

1. Document to send pre-April 1st: How to identify tenants who **may** be in trouble paying April 1st rent.
2. Document to send post-April 1st: How to follow up with tenants who **have not paid the rent.**
3. Rent Arrears Payment Plan: How to follow up with tenants to create a payment plan in the COVID -19 Environment.

We also have provided a fourth document which provides your staff with the details they need to keep your building running smoothly in this COVID environment.

**The goal is to identify residents who may require the ability to enter into a rent arrears plan as of April 1st, and to provide them with the mechanism to work with you and your staff.**

1. **It’s Your Responsibility to Review which Tenants Qualify for COVID-19 Agreements:**

You’ll likely have many tenants who can still pay their rent. **In this environment, your job is to figure out which tenants are directly affected by COVID-19.** Specifically:

* Prior to reaching out to these tenants you should review their applications and current resident profiles: payment history, current employer, income, and size of household.
* Look at your rent roll: Both higher rent, and lower rent tenants are going to be at risk. **We can help you with this – reach out to us:** [**derek.lobo@svn.com**](mailto:derek.lobo@svn.com)**.**

By reviewing resident profiles, you can best determine who the high risk residents are for either contracting COVID-19, or who may be unable to afford their rent, and determine what the potential options are before-hand whether it be a payment plan, or partially deferred payments. This ensures that the process is efficient and accurate.

**By doing this, it becomes a productive discussion.**

1. **Who’s at Risk?**

* It’s not families with dual incomes, young professionals, or seniors on a fixed income
* It’s:
  + Residents working in retail, food service, and other services that have had their incomes shut down by the current shut down

1. **Who Should Call?**

* These calls are important and should be completed by the property manager, or leasing manager, and not be by front line staff.
* Be careful not to antagonize the resident during this call even if they push back as that can break down communications and remove any potential to recoup rents. This will continue to be an on-going process and will require careful consideration and a flexible attitude.

We have provided a script below that can be edited for your purposes:

**Script and phone guidelines**:

Hello it’s NAME from COMPANY How are you keeping during these times?  
  
We wanted to reach out to our residents during this time to talk about any issues you might have. Has the shutdown affected you? or have you been able to continue working from home?

Have there been any issues you wanted to report in your apartment or the community? the large influx of residents at home can have a taxing effect on building systems and we wanted to make sure it wasn’t affecting you and your family.

We are doing everything we can to keep your building clean. NAME OF SUPER the property manager mentioned that they have been hearing from some residents that have been severely affected and may be unable to pay their rent. We noticed that we have not received April’s rent which is the reason for this call.

Let’s talk about how we address your rent payment. If you are not able to pay the full amount:

* **Option 1:** We can offer you a deferred payment plan that would spread out the cost of Aprils rent $X,XXX over the remainder of your lease “X number of months”. We would require a minimal payment in April of at-least XX% of your current monthly rent and can prorate the remainder.
* **Option 2:** **…**

This would ensure perseveration of your housing needs and we can have the paperwork emailed to you shortly. Can you please confirm your email address?

Excellent we can have that sent over to you, please sign and either scan or photograph a copy of the signed and dated document back. We won’t ask you to come in person, as all of this can be completed over email.

**If the resident is being aggressive or uncooperative, we would suggest you don’t engage them, and give this file to your supervisor.**

Thank you for taking the time today to talk with us and we hope you and your family remain in good health.