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Special Report for Landlords:

Rental Property Business
Contingency Plans from
Belaire Property Management LLC

Insights

Commenting on community relationships that affect all of us concerning the coronavirus.

Right now, none of us have any solid answers.

We are all concerned about our families, our finances, employment, our homes, our bills, the economy and what lies around the corner for tomorrow. The one definite answer for sure – is that no one knows what is going to happen. There are a lot of rumors and fake news going around on social media about how bad things are going to get. We are not going to feed into that or promote any fear. Property management is a difficult enough task during normal times without feeding into the fear of a world-wide pandemic. We are staying the course with what we have been doing for decades, and doing what we keep on doing every day.



We continue to operate our property management business on a day-to-day basis. We are monitoring the programs and policies as they are coming out from the government agencies and programs, and state official's day to day. There is still a lot of uncertainty as to what is going to happen next. This affects us too as we are also property owners, and managers of our own Real Estate investment property. From day one on the job, we have always stayed true to manage your property as if it were our own.

That, has not changed.

We are in a unique situation as your property managers. We are working with our residents to keep them informed about the issues that concern them. "Will we be evicted if we lose our jobs and cannot pay rent?" "Will you still come and make my repair requests?" "Will my family be safe if you come into my home?" The list of concerns goes on. We are doing our best to treat all of our residents with respect during these difficult times. We may all be in the same situation, but we are not all in the same boat. They are at risk of losing much more than most of us. Some

of us are concerned about paying our mortgage, or collecting our rent. Their concerns are being homeless, exposed to disease in the general public and not being able to put food on the table.

We totally understand their fear. We are putting ourselves at risk every day we get into our service vehicles to address the maintenance concerns in their homes. We are just as afraid to enter a property on a maintenance call as our residents are to let us into their homes. They are afraid we will put their family at risk, and we feel the same way. We have families too and share the same concerns. "Are we entering a home that may put our families in harms way?" We are entering a new level of service responsibility we have never encountered before as property managers.

We are taking extreme precautions for all maintenance calls. Gloves, masks, and requesting social distancing is the norm as we prepare to enter homes of our families to make repairs.

We are also property owners, with the same concerns as our landlord client owners, "What is going to happen if my tenants cannot pay rent, and I cannot pay my mortgage?" "If they do not pay rent, will I be able to perform Summary Process?" "What if tenants take advantage of all of the news out there and stop paying rent?"

All we can do from today forward is work under the new normal on a case by case basis. Along with medical workers, first responders, municipalities, and other critical personnel that must stay the course in the face of adversity – we will continue to service our clients, customers, landlords, and residents as long as possible, or until this virus has played out its course.

We will continue to do our jobs, under new protocol safety measures and continue to monitor the new policies and conditions as we move forward into uncharted territory.

Landlord, resident, manager – we all have families we want to make it home to safely.

Outreach

Keeping Residents informed pertaining to coronavirus and how this can impact their housing.

On March 16th, one week after the Supreme Judicial Court put a moratorium on housing policies and evictions on March 10th, 2020; we wrote a letter to all residents to update them on our new protocols for maintenance work to be performed at the properties. Masks and blue gloves are the new normal upon entering a property. We are learning more every day and will continue to update these protocols to keep our residents' families, and our families as safe as possible from infection from the coronavirus.

We now know we need to take measures to treat each maintenance call as a potential risk hazard. Upon entering a unit, while wearing gloves, we need to Clorox wipe door handles and surfaces that the residents come into contact with as we work our way into the job site. We require the technician to work alone in the room without any contact from any other persons in the unit. We actually prefer to enter to make repairs when no one else is at home.

We as of March 22nd, 2020 updated our web site with links to the following web sites:



[Information on the Outbreak of Coronavirus Disease 2019 \(COVID-19\)](https://www.mass.gov/resource/information-on-the-outbreak-of-coronavirus-disease-2019-covid-19)

www.mass.gov/resource/information-on-the-outbreak-of-coronavirus-disease-2019-covid-19



[Occupational Safety and Health Administration](https://www.osha.gov/SLTC/covid-19/)

www.osha.gov/SLTC/covid-19/



[Center for Disease Control and Prevention](https://www.cdc.gov/coronavirus/2019-ncov/index.html)

www.cdc.gov/coronavirus/2019-ncov/index.html



[World Health Organization](http://www.who.int/)

www.who.int/



[Coronavirus \(COVID-19\)](http://www.coronavirus.gov)

www.coronavirus.gov



[Government Response to Coronavirus, COVID-19](http://www.usa.gov/coronavirus)

www.usa.gov/coronavirus

We are not experts on this disease. We are not health care providers or doctors. We are not qualified to answer any of the questions our residents may have, our landlords may have, or even our own families may have. This is uncharted territory for all of us. It is our hope that by providing the official resources that are available on the coronavirus, as more information becomes available, that all of us may be able to take the needed precautions moving forward to know what to do to keep our loved ones safe.

As of this date, we do not have any answers as to what is available to help our residents if they cannot pay the rent. But we have created an extensive resource on our web site of government programs, agencies and financial aid available to help families. When we created these pages on our web site many months ago – we never dreamed of the impact they could make on the lives of the families under our care today. We created these pages to help families, that was all.

As we learn more from day to day, we will continue to share the information with the families we interact with in the properties we manage. We will also encourage our friends, families and

colleagues to make use of these resources as well. As we learn more, and more information becomes available, we will share this with all of our Belaire Community.

Upward

Working with Landlords and Clients to keep them informed on updates pertaining to coronavirus and how this can impact their business.

LEGAL

We are not attorneys. This is what we know for sure. Housing Court, Summary Process, Evictions, and Foreclosures have been suspended right now as of March 10th until further notice. This is subject to change at any time.

The Bill HD.4935 is an emergency statute to ensure the stability of housing evictions and foreclosures in the Commonwealth of Massachusetts. This bill was declared into law under the extreme circumstances we are now living in.

Property owners are concerned that this bill puts a moratorium on evictions, which we fear some “professional tenants” may exploit to live rent free with disregard to the obligation to pay rent. But the new law also works to benefit landlords in that it also places a moratorium on foreclosures as well. Giving some relief to the property owner who may not be collecting rent during this world-wide crisis.

The emergency bill into law on March 10th 2020 reads as follows:

Bill HD.4935 *191st (Current)*

An Act Providing for a Moratorium on Evictions and Foreclosures During the COVID19 Emergency

Emergency Preamble

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to establish forthwith a Moratorium on Evictions and Foreclosures during the Governor’s COVID 19 emergency declaration, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public safety, health and convenience.

SECTION 1. (a) Notwithstanding chapters 186 or 239 of the General Laws or any general or special law to the contrary, no court having jurisdiction of an action for summary process pursuant to chapter 239 or other form of eviction action shall: (i) enter a

judgment or default judgment for a plaintiff for possession of a residential dwelling unit, (ii) issue an execution for possession of a residential dwelling unit; (iii) accept for filing a writ, summons or complaint for possession of a residential dwelling; or (iv) deny, upon the request of a defendant, a stay of execution or continuance of a summary process case from the date of the emergency declaration issued by the Governor, dated March 10, 2020 and designated as executive order number 591, until such time as the emergency declaration is rescinded by the governor.

(b) Any deadline or time period for action by a party to a summary process defendant, such as a date to answer a complaint, or to appeal a judgment, is tolled until the emergency declaration is rescinded by the governor. The time period for action shall begin to run from when the emergency declaration is rescinded by the governor.

(c) No sheriff, deputy sheriff, constable or other person shall enforce or levy upon an execution for possession from the date of the emergency declaration issued by the Governor, dated March 10, 2020 and designated as executive order number 591, until such time as the emergency declaration is rescinded by the governor. A violation of this subsection shall be punishable by a fine of \$5,000 or 6-months imprisonment in a county jail, or by both.

SECTION 2. Notwithstanding chapters 239 or 244 of the General Laws or any general or special law to the contrary, no creditor, mortgagee or person having estate in the land mortgaged, or a person authorized by a power of sale pursuant to section 14 of said chapter 244 or right of entry, or the attorney duly authorized by a writing under seal or the legal guardian or conservator of such mortgagee or person acting in the name of such mortgagee or person, shall for the purposes of foreclosure of a residential property, as that term is defined in section 35B of said chapter 24: (A)(i) cause publication of notice of a foreclosure sale pursuant to said section 14; (ii) exercise a power of sale; (iii) exercise a right of entry or (B) (i) initiate a summary process action from the date of the emergency declaration issued by the Governor, dated March 10, 2020 and designated as executive order number 591, until such time as the emergency declaration is rescinded by the governor. A violation of this section shall be punishable by a fine of \$5,000, or 6 months imprisonment in a county jail, or by both.

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<https://malegislature.gov/Bills/191/HD4935.pdf>

Please make note of the disclaimer above. The penalties are \$5,000 dollars in fines or 6 months in jail. We strongly urge all of our landlord clients to consult with their attorney, or other law legal assistance for the correct interpretation of this emergency law and the ramifications and consequences of any actions in opposition of this bill.

Either way I would strongly suggest the following to all of our landlord clients:

1. Immediate halt to any Summary Process Proceedings or court dates
2. Do not file any new Notices to Quit under the moratorium
3. Initiate communications with all residents to keep them informed of your policies
4. Offer options for rent payment as deferred payments, credit cards, or rent reductions
5. Take care of your resident families and be understanding of the trauma they are facing
6. Suspend any late fees or other fiduciary penalties under the moratorium

Here are a few blog posts from www.BiggerPockets.com offers some good advice for property managers about new policies for rent under the coronavirus.

- <https://www.biggerpockets.com/blog/coronavirus-covid-19-economy-real-estate-market-what-investors-need-to-know>
- <https://www.biggerpockets.com/blog/tenants-unable-pay-rent-landlord-advice>
- <https://www.biggerpockets.com/blog/category/coronavirus-updates>

We can only imagine the terror our resident families are going through today. We are asking for compassion moving forward to be considerate of the circumstances. Again, we may all be under the same situation, but we are not all in the same boat. Some of us are riding a large enough boat to carry us through the storms ahead, while most of our renter families are trying to stay afloat on a life raft. I am sure of this. Doing the right thing now and taking care of families is going to be what pulls all of this through to the other shore.

Have faith, stay the course, and be considerate of all the families being affected by this terrible virus. Of this, I can be sure of – we will all get through this together.

SUPPORT

While we are tracking what some of the legal ramifications may mean living in the new normal, we are also doing our best to provide assistance and available resources to our residents. If they are able to provide for their families, that is the priority, just as it is the priority for our clients and our families. We are all facing the same health risks and this disease does not discriminate.

We have shared the following links page on our website to help our residents, and we are updating this over the weekend to supply more links related to programs related to the virus.

http://www.belaire.co/2020/Property_Management/12_links/01_links.html

These links offer Housing Aid, Fuel Assistance Aid, Food Pantry Locations, Health and other resources all gathered in one site to provide for families.

Some residents can work from home and are still getting paid. The biggest impact we know of are the food service industries where restaurants and food servers are currently not getting paid and being asked to stay home. Of the over 200+ units we have under management we have had only one resident reach out to us so far letting us know they would need help.

FINANCIAL



The Small Business Administration has set up loan assistance online to help small businesses being affected by coronavirus.

Disaster Loan Assistance

Federal Disaster Loans for Businesses, Private Nonprofits, Homeowners, and Renters

<https://disasterloan.sba.gov/ela/>

Disaster Loan Information

SBA provides low-interest disaster loans to businesses of all sizes, private non-profit organizations, homeowners, and renters. SBA disaster loans can be used to repair or replace the following items damaged or destroyed in a declared disaster: real estate, personal property, machinery and equipment, and inventory and business assets.



The IRS has established a special section focused on steps to help taxpayers, businesses and others affected by the coronavirus. This page will be updated as new information is available. For other information about the COVID-19 virus, people should visit the Centers for Disease Control and Prevention (CDC) (<https://www.coronavirus.gov>) for health information. Other information about actions being taken by the U.S. government is available at <https://www.usa.gov/coronavirus> and in Spanish at <https://gobierno.usa.gov/coronavirus>. The Department of Treasury also has information available at [Coronavirus: Resources, Updates, and What You Should Know](#).

News Releases

- [IR-2020-58](#), Tax Day now July 15: Treasury, IRS extend filing deadline and federal tax payments regardless of amount
- [IR-2020-57](#), Treasury, IRS and Labor announce plan to implement Coronavirus-related paid leave for workers and tax credits for small and midsize businesses to swiftly recover the cost of providing Coronavirus-related leave
- Treasury News Release: [Treasury and IRS Issue Guidance on Deferring Tax Payments Due to COVID-19 Outbreak](#)
- [IR-2020-54](#), IRS: High-deductible health plans can cover coronavirus costs

Statements

- [Taxpayer Assistance Center Closure Statement](#)
- [Filing and Payment Deadline Extended to July 15, 2020 - Updated Statement](#)

Guidance

- [Notice 2020-18 \(PDF\)](#), Relief for Taxpayers Affected by Ongoing Coronavirus Disease 2019 Pandemic
- [Notice 2020-17 \(PDF\)](#), Relief for Taxpayers Affected by Ongoing Coronavirus Disease 2019 Pandemic
- [Notice 2020-15 \(PDF\)](#), High deductible health plans and expenses related to COVID-19

We are in the same uncharted waters as everyone else in regards to the legal, fiscal, and the personal family matters we are all facing. Our primary focus is to be respectful of the fears and the situation our residents are in as well as the same risks to you and our own families. We are monitoring several blogs and resources for landlords to keep one tap for programs and assistance as it becomes available.

Forward United

Moving forward into a new normal and getting past the coronavirus

Today we are living in a new world. We do not have answers. We are all riding the same storm looking for a beacon of hope to get us through tomorrow.

A lot of our renters are asking us what comes next. We have been contacted by more landlords the past 2 weeks than we have been contacted in the past 6 months. While they look to us for answers, we can only have enough hope for today.

Tomorrow is uncharted.

Tomorrow has always been uncharted. That has not changed. But a lot of how we get from here to there – depends on what we do today. This is not the first world crisis we have been through. I do not make light of the seriousness of what we are facing, but I will not succumb to giving up. We will continue to service your properties, plan for the future, and hold onto hope for tomorrow. I am an optimist. I will continue to be here for the families I have dedicated myself to serve. We will continue to care for the buildings in which they make their homes and do our best in the challenging days ahead.

Belaire Property Management will continue to provide a beautiful uplifting experience.