

# Multifamily Builder/Developer Poll

Data Collected: April 10 - April 16, 2020

**Economics & Housing Policy Group**



**Executive Summary**

- In an effort to understand how the novel coronavirus, COVID-19, is impacting the multifamily industry, NAHB developed a series of weekly online polls to multifamily builders and developers. The results in this report summarize findings from the second week of polling (April 10 to April 16). Results from week 1 (April 3 to April 9) are also shown below.
- A total of 48 responses were received. The data collection period extended from April 10 through April 16.
- It is important to note that respondents’ characteristics may vary from week to week. As a result, comparisons across weeks should be interpreted cautiously.

- Respondents’ Profile:

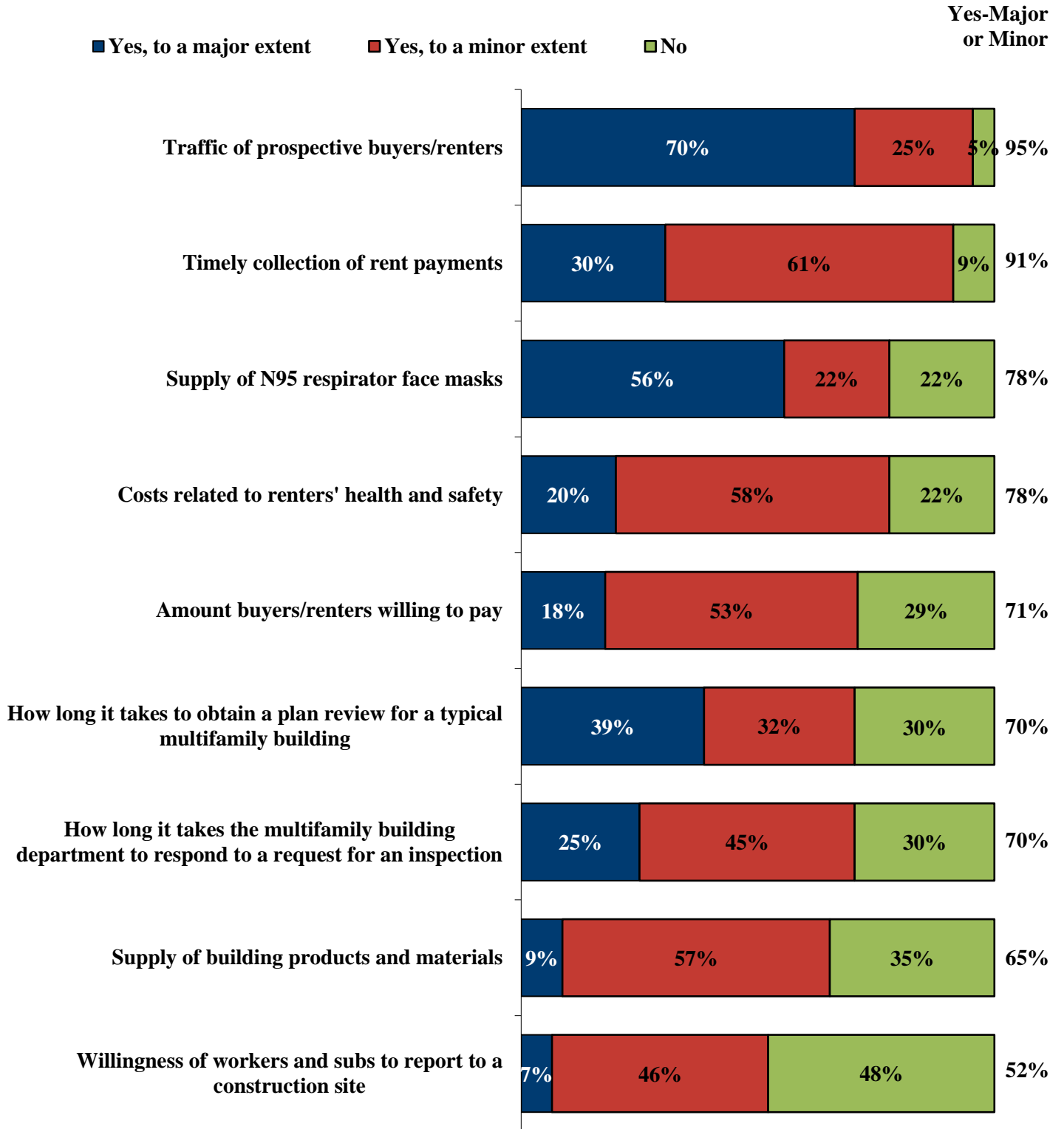
<p><b>NAHB Group</b>          NAHB Multifamily Council: 48%          NAHB Multifamily Leadership Board:31%          NAHB Affordable Housing Group:31%          None: 23%</p>	<p><b>Apartment Type Own/Manage</b>          Affordable or Middle-Income: 75%          Upper-Income: 42%          Do not own/manage: 6%</p>
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- At least 52% of respondents report a noticeable, adverse effect of the virus on various aspects of their businesses during this period, April 10 to April 16 (Exhibit 1).
- 95% report an impact on **traffic of prospective buyers/renters** (70% major impact; 25% minor impact). This share is up significantly from 85% in week 1 (Exhibit 1 & 2).
- 91% report an impact on **timely collection of rent payments** (30% major impact; 61% minor impact). This share is up slightly from 88% in week 1 (Exhibit 1 & 2).
- For each of the other business aspects, the share of builders and developers reporting a noticeable, adverse effect fell from week 1 to week 2 (Exhibit 2).
- Most notably, the share reporting a noticeable, adverse effect on **how long it takes to obtain a plan review for a typical multifamily building** dropped by 20 percentage points, from 90% in week 1 to 70% in week 2 (Exhibit 1 & 2).
- 98% report that some portion of their tenants missed their last rent payment in week 2, essentially the same share as in week 1 (96%) (Exhibit 3 & 4).

- 43% report between 1% and 10% missed their last payment, 41% between 11% and 20%, 9% between 21% and 30%, and 4% report more than 30% of their tenants missed their last rent payment (Exhibit 3 & 4).
- Builders and developers report that, on average, 14% of their tenants missed their last scheduled rent payment. The share is slightly down from 18% in week 1 (Exhibit 3 & 4).
- 42% of respondents report they don't know the share of tenants **who missed their last rent payment** who will be able to pay rent within the next 6 months, while 58% said that they know the share. The share reporting that they know is up from 47% in week 1 (Exhibit 5 & 6).
- Respondents who **do know** report that 36% of their tenants are expected to **not** be able pay rent within the next 6 months, slightly down from 40% in week 1 (Exhibit 5 & 7).

**Exhibit 1**

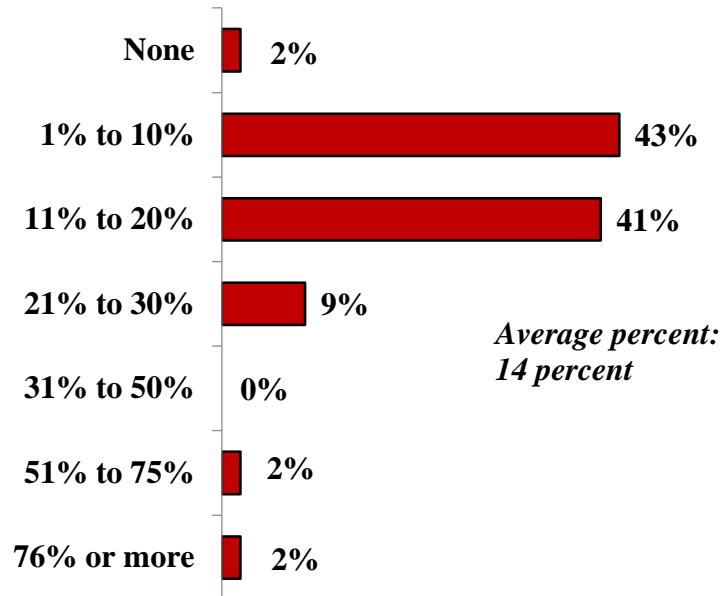
**As of this date, has the coronavirus had a noticeable, adverse effect on any of the following aspects of your business?**



**Exhibit 2**  
**Adverse Effects – History**  
**(Percent of Respondents Reporting Minor or Major Impact on Business)**

	Week 1: April 3-9	Week 2: April 10-16
Traffic of prospective buyers/renters	85%	95%
Timely collection of rent payments	88	91
Supply of N95 respirator face masks	86	78
Costs related to renters' health and safety	82	78
Amount buyers/renters willing to pay	79	71
How long it takes to obtain a plan review for a typical multifamily building	90	70
How long it takes the multifamily building department to respond to a request for an inspection	76	70
Supply of building products and materials	70	65
Willingness of workers and subs to report to a construction site	63	52

**Exhibit 3**  
**What percent of your tenants missed their last scheduled rent payment?**  
**(Percent of Respondents)**



**Exhibit 4**

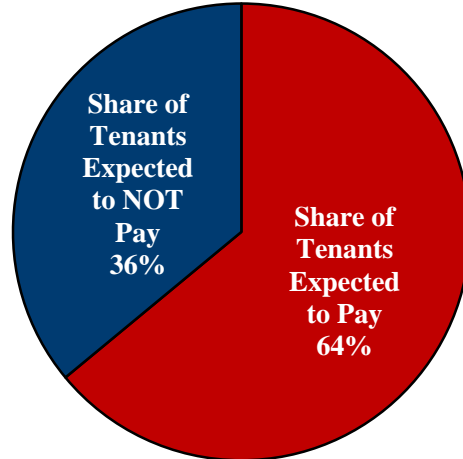
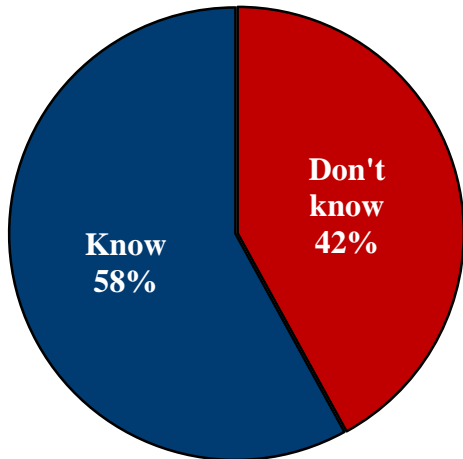
**What percent of your tenants missed their last scheduled rent payment? – History  
(Percent of Respondents)**

	Week 1: April 3-9	Week 2: April 10-16
None	4%	2%
1% to 10%	39	43
11% to 20%	22	41
21% to 30%	17	9
31% to 50%	11	0
51% to 75%	7	2
76% or more	0	2
<i>Average</i>	<i>18</i>	<i>14</i>

**Exhibit 5**

**Of your tenants who missed a rent payment, what share do you expect to pay and what share will probably not be able to pay within the next 6 months?  
(Percent of Respondents)**

**Among Those Who Know,  
Average Share Who:**



**Exhibit 6**

**Of your tenants who missed a rent payment, what share do you expect to pay and what share will probably not be able to pay within the next 6 months? - History  
(Percent of Respondents)**

	Week 1: April 3-9	Week 2: April 10-16
Don't Know	53%	42%
Know	47	58

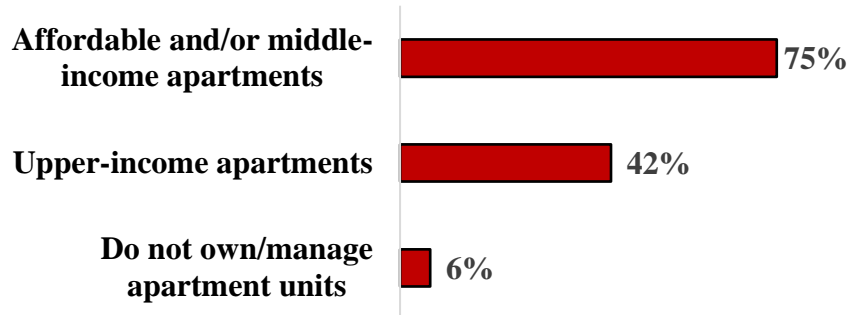
**Exhibit 7**

**Of your tenants who missed a rent payment, what share do you expect to pay and what share will probably not be able to pay within the next 6 months? - History  
(Average)**

	Week 1: April 3-9	Week 2: April 10-16
Tenants Expected to Pay	60%	64%
Tenants Expected <b><i>NOT</i></b> to Pay	40%	36

**Exhibit 8**

**Please characterize the general nature of the apartments you own or manage.  
(Percent of Respondents)**



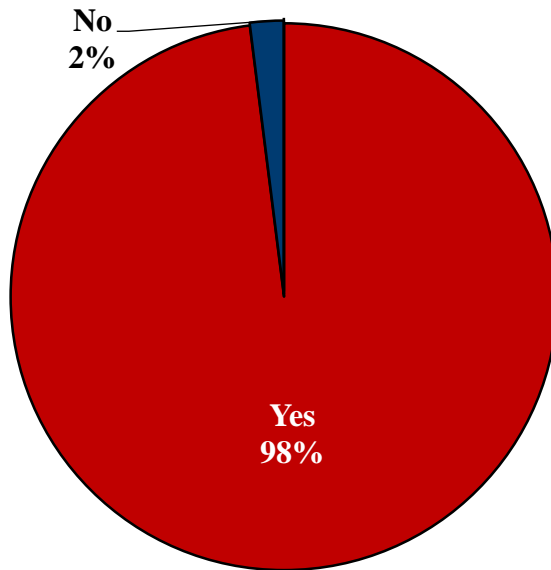
**Exhibit 9**

**Please characterize the general nature of the apartments you own or manage. - History  
(Percent of Respondents)**

	Week 1: April 3-9	Week 2: April 10-16
Affordable and/or middle-income apartments	78%	75%
Upper-income apartments	43	42
Do not own/manage apartment units	4	6



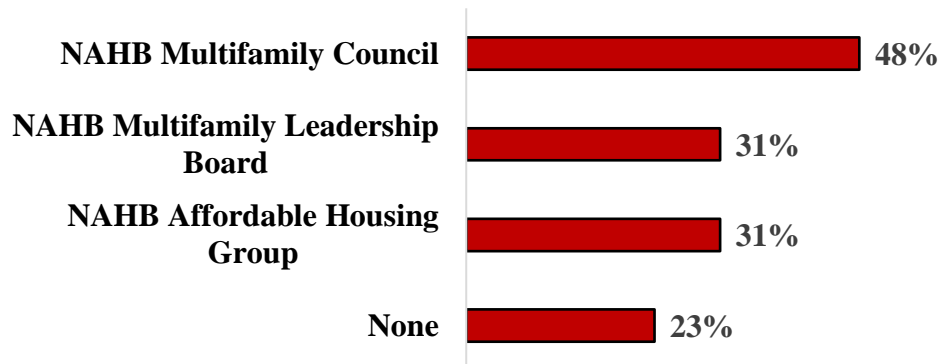
**Exhibit 10**  
**Are you a member of the National Association of Home Builders (NAHB)?**  
**(Percent of Respondents)**



**Exhibit 11**  
**Are you a member of the National Association of Home Builders (NAHB)?**  
**(Percent of Respondents)**

	Week 1: April 3-9	Week 2: April 10-16
Yes	86%	98%
No	11	2
Don't Know	2	

**Exhibit 12**  
**Are you a member of any of the following groups?**  
**(Percent of Respondents)**



**Exhibit 13**  
**Are you a member of any of the following groups? - History**  
**(Percent of Respondents)**

	Week 1: April 3-9	Week 2: April 10-16
NAHB Multifamily Council	63%	48%
NAHB Multifamily Leadership Board	29	31
NAHB Affordable Housing Group	46	31
None	13	23

**DETAILED TABLES: Multifamily/Developer Survey Poll - April 10th -16th**

*Q1: As of this date, has the coronavirus had a noticeable, adverse effect on any of the following aspects of your business?  
(Percent of Respondents)*

	Total	Group			Type of Apartment Owned/Managed	
		NAHB Multifamily Leadership Board	NAHB Multifamily Council	NAHB Affordable Housing Group	Affordable and/or Middle Income	Upper-Income
<b>Timely collection of rent payments</b>						
No	9	7	9	7	6	10
Yes, to a minor extent	61	67	50	50	63	60
Yes, to a major extent	30	27	41	43	31	30
Responses	46	15	22	14	35	20
<b>How long it takes to obtain a plan review for a typical multifamily building</b>						
No	30	27	25	14	33	25
Yes, to a minor extent	32	33	30	36	27	35
Yes, to a major extent	39	40	45	50	39	40
Responses	44	15	20	14	33	20
<b>How long it takes the multifamily building department to respond to a request for an inspection</b>						
No	30	33	30	21	30	25
Yes, to a minor extent	45	47	45	43	42	50
Yes, to a major extent	25	20	25	36	27	25
Responses	44	15	20	14	33	20
<b>Willingness of workers and subs to report to a construction site</b>						
No	48	47	41	57	49	50
Yes, to a minor extent	46	47	45	29	43	50
Yes, to a major extent	7	7	14	14	9	
Responses	46	15	22	14	35	20
<b>Supply of building products and materials</b>						
No	35	53	23	43	37	35
Yes, to a minor extent	57	33	64	57	54	60
Yes, to a major extent	9	13	14		9	5
Responses	46	15	22	14	35	20
<b>Supply of N95 respirator face masks</b>						
No	22	50	14	29	20	26
Yes, to a minor extent	22	14	23	36	23	21
Yes, to a major extent	56	36	64	36	57	53
Responses	45	14	22	14	35	19
<b>Traffic of prospective buyers/renters</b>						
No	5			7	6	
Yes, to a minor extent	25	33	25	36	30	15
Yes, to a major extent	70	67	75	57	64	85
Responses	44	15	20	14	33	20
<b>Amount buyers/renters willing to pay</b>						
No	29	40	24	50	35	20
Yes, to a minor extent	53	53	57	50	50	60
Yes, to a major extent	18	7	19		15	20
Responses	45	15	21	14	34	20
<b>Costs related to renters' health and safety</b>						
No	22	33	10	29	24	20
Yes, to a minor extent	58	53	67	57	56	65
Yes, to a major extent	20	13	24	14	21	15
Responses	45	15	21	14	34	20

**Q2. What percent of your tenants missed their last scheduled rent payment?**  
(Percent of Respondents)

	Total	Group			Type of Apartment Owned/Managed	
		NAHB Multifamily Leadership Board	NAHB Multifamily Council	NAHB Affordable Housing Group	Affordable and/or Middle Income	Upper-Income
None	2				3	
1% to 10%	43	53	36	21	34	70
11% to 20%	41	47	50	64	46	25
21% to 30%	9		9	7	11	
31% to 50%						
51% to 75%	2				3	
76% or more	2		5	7	3	5
Average Responses	14	10	16	19	16	12
Responses	46	15	22	14	35	20

**Q3. Of your tenants who missed a rent payment, what share do you expect to pay and what share will probably not be able to pay within the next 6 months? (Part 1)**  
(Percent of Respondents)

	Total	Group			Type of Apartment Owned/Managed	
		NAHB Multifamily Leadership Board	NAHB Multifamily Council	NAHB Affordable Housing Group	Affordable and/or Middle Income	Upper-Income
Don't Know	42	53	19	36	38	45
Know	58	47	81	64	62	55
Responses	45	15	21	14	34	20

**Q3. Of your tenants who missed a rent payment, what share do you expect to pay and what share will probably not be able to pay within the next 6 months? (Part 2)**  
(Average Share)

	Total	Group			Type of Apartment Owned/Managed	
		NAHB Multifamily Leadership Board	NAHB Multifamily Council	NAHB Affordable Housing Group	Affordable and/or Middle Income	Upper-Income
% of Tenants Who Will Be Able to Pay (Average)	64		57		66	60
% of Tenants Who Won't Be Able to Pay (Average)	36		43		34	40
Responses	26		17		21	11

*Q4. Please characterize the general nature of the apartments you own or manage.  
(Percent of Respondents)*

	Total	Group			Type of Apartment Owned/Managed	
		NAHB Multifamily Leadership Board	NAHB Multifamily Council	NAHB Affordable Housing Group	Affordable and/or Middle Income	Upper-Income
Affordable and/or middle-income apartments	75	53	83	100	100	45
Upper-income apartments	42	67	39	27	25	100
Do not own/manage apartment units	6	0	4	7	6	0
Responses	48	15	23	15	36	20

*Q5. Are you a member of the National Association of Home Builders (NAHB)?  
(Percent of Respondents)*

	Total	Group			Type of Apartment Owned/Managed	
		NAHB Multifamily Leadership Board	NAHB Multifamily Council	NAHB Affordable Housing Group	Affordable and/or Middle Income	Upper-Income
Yes	98	100	100	100	97	100
No	2				3	
Don't Know						
Responses	48	15	23	15	36	20

*Q6. Are you a member of any of the following groups?  
(Percent of Respondents)*

	Total	Group			Type of Apartment Owned/Managed	
		NAHB Multifamily Leadership Board	NAHB Multifamily Council	NAHB Affordable Housing Group	Affordable and/or Middle Income	Upper-Income
NAHB Multifamily Leadership Board	31	100	17	20	22	50
NAHB Multifamily Council	48	27	100	73	53	45
NAHB Affordable Housing Group	31	20	48	100	42	20
None	23				28	5
Responses	48	15	23	15	36	20



# National Association of Home Builders

## Multifamily Builder/Developer Poll

*NAHB would like to understand how the new coronavirus, COVID-19, may be impacting your business. This will help us advocate for policy changes to keep the housing sector running with as little disruption as possible during this difficult time.*

**1. As of this date, has the coronavirus had a noticeable, adverse effect on any of the following aspects of your business?**

	No	Yes, to a <u>minor</u> extent	Yes, to a <u>major</u> extent
Timely collection are rent payment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How long it takes to receive a plan review for a typical multifamily building	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How long it takes the local building department to respond to a request for inspection	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Willingness of workers and subs to report to a construction site	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Supply of building products and materials	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Supply of N95 respirator face masks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Traffic of prospective buyers/renters	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Amount buyers/renters are willing to pay	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Costs related to renter's health and safety	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**2. What percent of your tenants missed their last scheduled rent payment?**

- None
- 1% to 10%
- 11% to 20%
- 21% to 30%
- 31% to 50%
- 51% to 75%
- More than 75%

**3. Of your tenants who missed a rent payment, what share do you expect to pay and what share will probably not be able to pay within the next six months?**

Don't know

\_\_\_% you expect will be able to pay

\_\_\_% you expect will probably **not** be able to pay

**100% (Total must add to 100%)**

**4. Please characterize the general nature of the apartments you own/manage. (Check all that apply).**

- Affordable and/or middle-income apartments
- Upper-income apartments
- Do not own/manage apartment units

**5. Are you a member of the National Association of Home Builders (NAHB)?**

- Yes
- No
- Don't know

**6. Are you a member of any of the following groups?**

- NAHB Multifamily Leadership Board
- NAHB Multifamily Council
- NAHB Affordable Housing Group
- None

**7. What other concerns do you have about the effects of the coronavirus on your business?**