

Estimation of Households Experiencing Rental Shortfall and Potentially Facing Eviction  
and Needed Relief for Those Households

Statement of Methodology and Other Considerations

October 5, 2020

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Provided below is information to assist in understanding the methodology used in the development of the estimates of households experiencing rental shortfall and potentially facing evictions and the relief needed to stabilize those households, as well as other information considered in the development of these calculations.

**Sources Underlying the Analysis:**

This analysis relies on two primary sources of data to derive its estimates: (1) the U.S. Census Bureau’s Table of Household Income by Gross Rent as a Percentage of Household Income in the Past 12 Months (“Table B25074”) from its 2019 American Community Survey (“ACS”), released on September 17, 2020 and (2) the U.S. Census Bureau’s Table of Confidence in Ability to Make Next Month’s Payment for Renter Occupied Housing Units, by Select Characteristics for each State (Housing Table 2b) from its Household Pulse Survey (“HPS”), released weekly from June 17 through July 29, 2020 and biweekly since September 9, 2020.

The American Community Survey dataset uses a 90% confidence level to determine the margins of error for each of its point estimates.<sup>18</sup> This results in a range of between +/- 0.6% and 6.2% for the statewide estimate of the number of renter households across all income levels, depending on the state. As with any dataset, subsets of the data – by income level and rent as a percentage of income – have higher margins of error. Less than 2% of lowest-level subset of household estimates have margins of error above +/- 30%, which the U.S. Census Bureau considers the threshold for, “potentially serious data quality issues related to sampling error.” Over 78% of the lowest-level subset of 2019 1-year estimates of renter households resulted in a margin of error of less than +/- 10%.

As described by the U.S. Census Bureau, the sample sizes for the Household Pulse Survey datasets, “were determined such that a two-percentage point detectable difference in weekly estimates for an estimate of 40 percent of the population would be detectable with a 90% confidence interval within each sample area. The overall sample sizes within the sampling areas were adjusted for an anticipated response rate of five percent.” The results of the Household Pulse Survey for renter occupied households have demonstrated a consistent concern that renter households will be unable to make the next month’s rent. This is particularly the case for the lowest income categories with approximately two-thirds of respondents only moderately confident or less.

In our analysis of rent payment confidence, we have omitted the responses to the survey indicating “No response.” The number of these respondents is relatively small, less than 1% of all estimated renter households. Similarly, those responses indicating “Payment is or will be deferred,” also 1% or less of all estimated renter households, are included in the denominator of our calculations but are not separately identified as households potentially facing a rent shortfall. We also excluded renter occupied households with non-cash rent or occupied without rent from the analysis, representing approximately 5% of the total renter households estimate, as they are not expected to be at risk of eviction nor contribute to the rent shortage.

Household Pulse data reports both household estimates as well as the number of respondents (individuals) for their Public Use File datasets. U.S. Census Table B25074 is a measure of households. We have used the proportion of estimated households across each measure of the Household Pulse data as the unit of measure is most comparable to the numbers provided in Table B25074.

It should be noted that the income categories compiled in the Household Pulse Survey results, as well as the American Community Survey, are based on the 2019 annual income levels reported by the respondents. The economic impact of COVID-19 has likely reduced that income in 2020 for many households.

Additionally, the Household Pulse Survey income categories are slightly different than the income categories reported in Table B25074 of the 2019 American Community Survey. The three lowest reported income categories in Table B25074 are “Less than \$10,000,” “\$10,000 to \$19,999” and “\$20,000 - \$34,999.” The lowest reported income category in the Household Pulse data is “Less than \$25,000” and the second income category is “\$25,000 - \$34,999.” For purposes of this analysis we used the American Community Survey income categories and have assumed that the proportions indicated in the Household Pulse Survey data for the lowest two income categories would reasonably align with those of the American Community Survey. We have also combined the two lowest income categories from Table B25074 and combined all Household Pulse Survey income categories greater than \$100,000 into a single category for reporting purposes. All other income categories are aligned.

**Key Assumptions Driving Estimate of At-Risk Renter Households:**

We have assumed that all renter households estimated to have No or Slight confidence in the ability to make next month’s rent will have some degree of rent shortfall. Correspondingly, we have assumed that 25% of all renter households indicating Moderate confidence in the ability to make next month’s rent will have some degree of rent shortfall, as described below. It is possible that the proportion of respondents who indicated they have a Moderate confidence in paying next month’s rent that would have a rent shortfall could vary based on income levels or rent burden. That is, respondents at

higher income levels or lower rent burden who responded with Moderate confidence may have a lesser likelihood of having a rent shortfall. The inclusion of 25% of the households with Moderate confidence is intended to consider that certain incomes and rent burden may have a higher or lower likelihood of having a rent shortfall. A more refined analysis of this variation could cause the total estimated rent shortfall to be different – possibly higher or lower.

For purposes of determining the level of rent shortfall needed in this analysis, we have assumed that those households indicating No or Slight confidence in ability to pay next month's rent will have an average rent shortfall consistent with 50% of their monthly rent. This is consistent with further analysis of Household Pulse Survey regarding households that reported the loss of employment and any gainful work performed in the last 7 days. Likewise, we have assumed that the 25% of households indicating Moderate confidence in ability to pay next month's rent that will have a rent shortfall, will also fall short by 50% of their monthly rent owed for each month of rental arrears. As with our estimate of the proportion of Moderate confidence households that will experience a rent shortfall, our use of a 50% rent shortfall amount for Moderate confidence households is intended to consider that certain incomes and rent burden may have a higher or lower level of rent shortfall and is consistent with our analysis of other Household Pulse Survey results regarding employment impact for these households. Our analysis does not adjust for available (unused) local, state, or federal emergency rental assistance. We expect that renter household confidence will be informed by the availability of emergency rental assistance for which they may be eligible.

We have assumed that households with the greatest rent burden would be most likely to indicate they would not be able to make next month's rent. As such, we have measured the amount of rent shortfall for renter households with the greatest rent burden first. We then apply this to successive levels of lower rent burden until the total number of expected households having rent shortfall has been included – calculated separately for No/Slight confidence and Moderate confidence renter households. While it would certainly be expected that employment disruption and rental confidence has been impacted across all rent burden levels for all income categories, it is also reasonable to expect that the greatest risk would be faced by those with the highest rent burden especially at lower income levels. Therefore, certain of the income-level/rent burden cohorts in the model are displayed as having no impacted households due to the assumed application of need at the highest rent burden levels first. Modifying this assumption to distribute the impacted population across all rent burdens would reduce the estimate of rent shortfall, as the distribution of monthly rent shortfall for lower rent burdens would be modified, but would not change the overall number of households likely to experience a rent shortfall.

In considering renter households in the United States that receive some form of rental assistance, we have considered both the inclusion of these household in the calculation,

as well as their exclusion under the premise that they are subsidized units for whom other forms of relief or rental adjustment may be available. Under the exclusionary scenario, we analyzed housing data from the Center of Budget and Policy Priorities for the number of households in each state that use federal rental assistance in comparison to the American Community Survey estimates of total renter households in low-income brackets in each state. Nationally, 20% of the estimated number of low-income renter households received federal rental assistance. For the scenario excluding these households, we have calculated the percentage of low-income renter households living in federally subsidized housing in each state discretely and removed that percentage from the estimates for the three lowest income brackets. In other words, we assume, based on the ratio of subsidized units to the total number of renter households in each state for those income levels, that a certain percentage of those households that may have a rent shortfall are in subsidized units for whom other forms of relief or rental adjustment may be available and we have excluded these households from the calculation for this scenario. We have not included consideration of any other funding or relief that may be available to renter households, including CARES or unemployment compensation, or state/local rental assistance programs. Based on the timing of the survey results, it would be reasonable to expect that the survey responses have been informed by the receipt of CARES stimulus funding as well as unemployment benefits or other rental assistance programs for most households.

Additionally of note, when collecting information about rent burden the U.S Census Bureau's instructions direct the respondent to, "report the rent agreed to or contracted for, even if the rent for your home, apartment, or mobile home is unpaid or paid by someone else. Do not include any subsidy amount which may be paid by a local housing authority or other agency." Subsequently, the U.S. Census Bureau published a survey indicating that for this question, 25% of respondents are likely answering the question as it was intended to be answered, while 71% are reporting rent amounts that are less than the contract amount (reporting net of subsidy), and 4% are reporting an amount higher than the contract amount. This is relevant to consider when assessing rent burden reported, particularly by low-income households that may be receiving rental subsidies.

**Key Assumptions Driving Estimate of Potential Eviction Filings:**

To estimate the number of evictions that may occur by January 2021 resulting from the rent shortfall for these households, we first applied the percentage of respondents to the U.S. Census Household Pulse Survey who said that they were currently caught up on rent payments but had No or Slight confidence in the ability to make next month's rent – which was approximately 65% of respondents, to the total number of estimated renter households that will experience a shortfall this month, resulting in the number of renter households that are estimated to be only one-month in arrears next month. We then stratified the remaining 35% of households into two-, three-, and four-months in arrears

cohorts. These calculations do not adjust for or otherwise consider the number of households that are facing a pending eviction case. Households that indicated they will not be able to pay next month's rent may already be facing a pending eviction filing.

We have assumed that, in each subsequent month, 75% of households that were only one-month in arrears will be able to pay enough to remain only one-month behind, with the other 25% falling one month further behind in rent payments. For households that were two or more months in arrears, we have assumed that a significant portion (75% or more, increasing as months in arrears increases) of each cohort of renter households in arrears will continue to fall one month further behind in rent payments.

It is important to note that our analysis does not assume that there will be any expansion of the renter households that have No / Slight or Moderate confidence giving rise to a potential shortfall. That is, we assess the risks and potential outcomes associated with those currently at risk, but do not forecast that overall renter confidence will erode in the months ahead or that new households should be added to the at-risk population. There is thus an implicit assumption regarding a stabilization of the economy and a slow economic recovery.

When estimating the number of monthly eviction filings, we have assumed that in the current economic climate landlords will file an eviction notice after a tenant falls three months behind in rent payments. Pre-COVID research indicated that landlords typically filed evictions after 1.5 to 2.0 months of rental arrears (see additional supporting information and sources in Appendix A). Therefore, in each month, we assume that any households which have fallen three or more months into arrears on rent payments will receive an eviction notice. As noted above, it is important to note that Stout's assumption regarding how long a landlord may wait before filing an eviction (3 months) may be longer than what will be experienced. If landlords bring eviction filings after less than 3 months in all or partially missed rent, the number of eviction filings estimated would increase. This assumption is particularly challenging given the limited information available about landlord response in the current economic climate, as well as the economic climate that may exist by January 2021 and related months of rent shortfalls. Further, it is unclear at this time whether a significant number of eviction filings have been or will be stayed as a result of the CDC moratorium or state or local moratoriums.

Recently, the CDC issued an order establishing the first and only federal moratorium on evictions, set to remain in place until December 31, 2020. In light of this order, we have assumed that a portion of those households that would have received an eviction notice under the previously outlined criteria (three months or more in arrears) will be protected under the CDC order, deferring their eviction until January 2021. In order to be eligible for the CDC moratorium tenants must (1) fill out a form certifying that they meet certain eligibility requirements and give it to their landlord, (2) Make less than \$99,000 or \$198,000 if you file a joint tax return, (3) be unable to make full rent, "due to substantial

loss of household income, loss of compensable hours of work or wages, a lay-off, or extraordinary out-of-pocket medical expenses,” (4) be making an effort to make timely, partial rent payments, (5) have used your “best efforts” to seek out and apply for all available state or local rental assistance programs, and (6) be at risk of homelessness or at risk of having to double up with others in cramped, close quarters if you were evicted. Based on these requirements we have assumed that all renter households in the \$100,000 or more income level are ineligible for the CDC moratorium protection. At the time of this writing, it is unclear how courts across the country will interpret and apply the various criteria of the CDC moratorium. We have not included consideration for the incremental impact of any state or local moratoria efforts that may protect certain renter households over and above the CDC moratorium order.

### **Key Assumptions Driving Estimate of Rent Shortfall:**

We have estimated the average monthly rent using the midpoint income level and rent burden for each cohort. For the lowest and highest income and rent burden levels we have estimated a reasonable average income and expected rent for these households. Based on the distribution of the estimated renter households at risk of eviction across each income level/rent burden cohort, and the assumed 50% rent shortfall for these at-risk renter households, we calculate a weighted average monthly rent shortfall per household for each state. This rent shortfall per household is then applied to the number of renter household estimated to be in each group of rental arrears with each increasing group of months in arrears assumed to owe an additional month of rent shortfall. For each subsequent month, the weighted average monthly rent shortfall is assumed to be needed for all renter households estimated to be at risk of eviction based on the assumed aging of rental shortfall for these households. This calculation is performed for each state separately (using the separate state renter household numbers by income level and rental burden, as well as each state’s specific Household Pulse survey data) and is then aggregated for the National values. While there may be variation in the rental markets within each state, our calculations do consider the renter household responses and renter household market of each state individually.

### **Additional Data Sources and Considerations**

- In an April blog post, the NAR estimated that 42% of households across the country would struggle to pay for housing solely with unemployment benefits. Parsed further, the organization says that 31% of renters have monthly housing costs that are higher than the amount they can pay with unemployment benefits.
- An analysis of the Household Pulse Survey Public Use File (PUF) data files for Weeks 1 to 12 shows that about 40% of those respondents who indicated they have No/Slight confidence in making next month’s rent also indicated they were unable

to pay last month's rent as well. When the Census Bureau refreshed the Household Pulse Survey for Phase 2 it changed the language of its question related to the status of previous rent payments, now asking, "is this household currently caught up on rent payments?" Our analysis of the Week 13 Public Use File (PUF) data shows that 62% of those respondents who indicated they have No/Slight confidence in making next month's rent also indicated that they were caught up on rent payments. For respondents who indicated they have Moderate confidence in making next month's rent, that figure rose to 90% who were caught up on rent payments.

- At a time of historically low unemployment in 2019, the Fed reported that 38% of Americans did not have the resources to pay an unexpected expenditure of \$400.
- A pre-COVID analysis of eviction filings in Rochester, NY indicates that 47% of evictions were filed based on less than 1.5 months of rent. 65% involved 2 months of rent. 77% involved 2.5 months.
- The Rochester (NY) Metro Area Poverty Initiative published data recently showing that over 30% of respondents indicate that they are unable to pay their rent, haven't paid their rent, don't know how they will pay their rent or has a landlord that is trying to evict them.
- The NMHC and Entrata reported at the end of April that:
  - New York State had one of the lowest overall percentages in the country of units that made a rent payment as of April 22 (89.8%) and one of the highest percentages of uncollected rent.
  - This same report indicated a significant increase (nationwide) in payments being made by credit card in April and in repayment plans negotiated with tenants (note: this report has not yet been updated for May).
- A May survey by Gracie Hill indicated "The evolution in sentiment may continue to reflect the timing of stimulus payments from the federal government. When our survey closed in mid-May, the portion of residents who said they would ask landlords to defer their rent was set to be 30%, compared to 40% in April. Sixty-eight percent reported receiving stimulus assistance, and of those 38% said it helped them feel more financially secure, whereas 49% said it made no difference. Fourteen percent of residents reported they believed they would be more financially secure in three to six months compared to how they were before COVID-19. Forty-eight percent anticipated they would be somewhat (28%) or significantly (20%) less secure financially 3-6 months from now than they were before COVID-19."

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- This is an early indicator of the possibility of modest short-term improvement in the ability to pay rent – but also the expectation of longer-term instability as well.
- The Furman Center reports that, “About 20 percent of New York City renters live in 2-4 unit buildings. Across the nation, 34 percent of renters live in single-family homes, with an additional 17 percent in 2-4 unit buildings. Rental arrears may pose particular problems for owners of smaller buildings, placing those owners at risk of maintaining mortgage payments.”
  - A pre-COVID analysis of eviction filings in Rochester, NY indicates that 69.2% of all eviction filings in Rochester involved buildings with 4 units or less (65.1% of all rental units are in buildings with 4 units or less).
- An online survey of New Yorkers conducted by the website PropertyNest in March found that 39 percent of respondents said that they would be unable to pay rent if they lost their job during the coronavirus pandemic.
- Another Furman Center study, released in June, based on an examination of unemployment insurance claims in New York State, estimates that, “1.1 million renter households in New York State have at least one member who has lost their job due to COVID-19,” and that the related rental assistance required would amount to \$391 million for low-income households and \$743 million for all renter households in New York State.
  - While this Furman Center analysis uses a different calculation methodology, its estimates of the number of rent insecure households and the rent relief funding needed is consistent with the results of the Stout model, as described above.
- A survey conducted in July by the website Apartment List (in partnership with SurveyMonkey) found that in June and July 2020, 30% and 32% of American rental households missed their rent payments, of which, about two-thirds missed their full payment and one-third made only a partial payment.
  - The survey determined that delayed payments in one month was a strong predictor for missed payments in the next month with 70% of respondents who were late making May’s payment also making no or partial payment for June and 91% of respondents who made no payment for May making no or partial payment for June, more than half of which made no payment.
  - The survey showed that over one-third of renters are at least somewhat concerned that they will be served an eviction notice in the next six months with that figure climbing to 56% among those households who did not pay their full rent for the month of June.



- The survey also reported that a majority of households that missed their rent payment at the beginning of the month were able to close the gap with late payments in the following weeks, with only about 10% of households remaining delinquent by the end of the month.
- In June, a study of American renter households' income, savings, and housing cost burdens by the COVID-19 Eviction Defense Project (CEDP) stated that between 19 million and 23 million Americans were at risk of eviction by the end of September 2020, assuming between 25% and 30% renter unemployment. In August, CEDP issued an updated estimate finding that as many as 30–40 million people in America (in 13-17 million households) could be at risk of eviction over the next several months.
- An article published in March by Multi-Housing News (MHN) reported that a recent study found that of the average, “\$22 billion in monthly rent collected by apartment landlords, renters may require between \$7 billion and \$12 billion in temporary assistance over the next three to six months,” due to the economic freeze caused by the coronavirus. The article also states that between 15% and 26% of U.S. renters will likely be affected by COVID-19 related business closures resulting in the reported rent shortfall and required assistance funding.
- In May, the Amherst Group reported on the disparity between renter and homeowner households and the impact of COVID-19 on these households. The report notes, “that only 39% of U.S. households have received government housing relief, leaving tens of millions of renters at risk of eviction or foreclosure in the event of a prolonged downturn.” The report also found that roughly 28 million renter households are estimated to be at greatest risk of eviction – 23% of all households whose homes are not owned or financed through government vehicles. The report highlights that approximately 25% of all renters spend more than 50% of their incomes on rent vs. only 11% of homeowners with a mortgage and renters who live in properties not within the government supported infrastructure are not receiving any targeted housing relief programs at the national level. As a result, the Amherst analysis indicates that, “absent additional intervention, there is a risk America will experience evictions and foreclosures in excess of the levels we saw in the wake of the Great Recession.”
- In a brief published in June summarizing their findings on the level of assistance needed to support renters through the COVID-19 crisis, the Urban Institute estimated that it will cost \$5.5 billion a month - without state unemployment insurance and the CARES Act financial support - to bring renter households back to their pre-coronavirus rent-to income levels, and \$1.8 billion a month with state and federal supplemental support. Further, the brief estimated that, “in order to alleviate housing cost burdens for the nearly half of renters who were spending more than 30 percent of their income on rent before the crisis in addition to the

renters who lost income due to the COVID crisis, rental assistance of \$15.5 billion a month [without the state unemployment insurance and the CARES Act \$600 weekly supplement] would be required.”

- In August, Bloomberg published an article discussing the peril of Class C rental housing stock in the country. Examining data from a study by LeaseLock, the article notes that by the middle of month, tenants of these older, less fancy units – making up “the backbone of the nation’s affordable housing supply” – paid only 37% of rents due in July and 54% in June, down from 80% in January through March of this year. This demonstrates “how hard the lockdown has squeezed the country’s lower- and middle-income renters.”
- The National Apartment Association (NAA) surveyed its members in June 2020 asking questions about the impact of COVID-19 and the outlook for landlords and their tenants. The survey found that its landlords were providing some form of renter assistance (waivers for late fees, credit card fees, and month-to-month lease fees, as well as payment plans) to 19% of their tenants. Additionally, the survey found that landlords are becoming less optimistic about the near-term future with two-thirds anticipating that it will take more than six months for operating metrics to return to pre-pandemic levels.
- The American Apartment Owners Association (AAOA) surveyed its members in April, finding that over half of the landlords have tenants who were unable to pay rent in April because of coronavirus-related job or income loss. The AAOA also noted that two-thirds of landlords were willing to consider offering their tenants the opportunity to defer rental payments while 33% still required the full rent amount to be paid.
- In July the Center for Public Integrity released results from its analysis of eviction filings between March 27 and July 10 finding that nearly two-thirds of the eviction cases were filed against tenants living in census tracts with a minority population above that of the national average of 39 percent. Further, it found that, while only 14 percent of Americans live in census tracts with both an above-average proportion of non-white people and median household income in the lowest-income quartile, 37 percent of the eviction cases were filed against these tenants. The analysis highlights that these results point to the brunt of the pending “tsunami of evictions” will fall on minority and low-income renters.
- In September, the Urban Institute published an article examining data collected from a survey Avail administered to a group of its landlord customers covering 53,000 properties. The article examined the impact of COVID-19 on landlords, highlighting the financial stability gap between Black and Hispanic landlords and their white counterparts and the differences in tenant support programs between these populations. Among the findings, the article shows that across all

demographics of landlords, only 35% to 45% of landlords offered their tenants rent payment plans, noting that not many landlords forgave tenants' rent. Those landlords that did offer a payment plan usually offered a changed payment schedule or deferred rent.

- A September 2020 report of the Research Institute for Housing America that analyzed data from the second calendar quarter of 2020 (April – June 2020) noted:
  - “In particular, the analysis uses detailed data on households and individuals drawn from the Understanding America Survey, referred to throughout the remainder of the report as the UAS. The UAS is a national longitudinal survey of over 8,000 American adults of all ages, combined with an oversample of individuals from California, and is hosted and administered by the Center for Economic and Social Research at the University of Southern California (<https://uasdata.usc.edu>). UAS participants are recruited through address-based sampling with a two-stage design. In the first stage, zip codes are drawn; in the second-stage, households are randomly drawn from the sample zip codes. The UAS is an Internet panel survey, so there are no in-person or telephone interviews. If a selected panel member does not have an Internet connection or hardware, the UAS provides it.”
  - “These changes in economic circumstances affected rental payment patterns over the quarter. We find that 10.5% of renters missed one payment over the quarter, 4.5% missed two payments and 2.7% missed all three payments. Taking these together, the percentage of renters reporting missed payments by week was pretty constant over the [2<sup>nd</sup>] quarter at around 11%.”
  - “Property owners played a key role in helping renters to navigate payments during the quarter. Throughout the quarter, about 15% of renters received permission from their landlord to delay or reduce their monthly payment, and 37% of this subgroup of renters took up this offer and delayed or reduced a payment. Among those renters not receiving permission, only 6.7% missed a payment.”
  - “Our findings on the timing of rental payments are largely consistent with those from the National Multifamily Housing Council’s Rent Tracker, and both sources produce substantially smaller estimates of late rental payments than the Census Household Pulse Survey. One reason is that many renters in the UAS who miss a payment early in the month eventually pay by the end of the month, consistent with payment patterns in the Rent Tracker data. These effects cannot be measured in the Household Pulse Survey, each wave of which is an independent cross-sectional survey. Our results suggest distress in the rental housing market is less widespread than found in studies using those Census data.”

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- It is important to note that this comparison appears to relate to Housing Pulse data from the second quarter. Phase 2 of the Housing Pulse was not released until late August and incorporates a different question regarding whether renter households are current on their rent (in addition to changing from a weekly to bi-weekly survey).
- “In aggregate, rental property owners lost as much as \$9.1B in the second quarter revenue from missed rent payments.”
- “Overall, households with low pre-pandemic incomes, those with little access to cash reserves, and those permitted to delay or reduce payments were the most likely to miss payments. Declines in employment from layoffs and reductions in working hours accounted for a small share of missed rent payments. Policies to stop evictions had little discernible impact on the timing and incidence of missed payments, once other factors like those listed above, were taken into account.”
  - We take this to indicate that state, local or federal moratoria may stop or delay eviction filings, but do not impact the timing or incidence of missed rent payments, as such moratoria do not provide economic relief for renter households unable to pay their rent.
- “In contrast, the UAS estimate of 11% for non-payment is substantially lower than that calculated from the Census Household Pulse Surveys, which commenced on April 23rd. As detailed below, measured for the same Pulse weeks, missed payments in the UAS are consistently well below those from the Pulse surveys throughout May and June.<sup>8</sup> The Pulse surveys have some of the same questions on behavior during the pandemic as the UAS, but does not release the date of the interview, which is critical for analyzing the timing of rent, mortgage, and student loan payments. In addition, the Pulse surveys have a different sampling frame and are repeated cross-sections, not longitudinal, limiting the ability to track behavior of the same individual or household across time during the pandemic. An important facet is that some households miss their payment early in the month, but make it by the end of the month, which is quite apparent in the Rent Tracker data in Table 2.2. This is observed in the UAS as well. For example, the percent of renters with any missed rent payments during the month in the UAS is about 3 percentage points higher than the percent of renters who end the month with a missed payment. This suggests one reason why the Pulse surveys yields higher estimates of missed payments.”
  - Again, it is important to note that this comparison appears to relate to Housing Pulse data from the second quarter. Phase 2 of the Housing Pulse was not released until late August and incorporates a different question regarding whether renter households are current

- on their rent (in addition to changing from a weekly to bi-weekly survey).
- “Several important themes emerge for renters. First, adverse employment outcomes play a statistically important but economically modest role in driving the magnitude and timing of late rent payments. Far more important than any other factor for timely payments for households was prepandemic income and access to cash reserves to bridge the financial gap from reductions in employment. Second, the most important factor in driving payments was permission to delay or reduce a payment. Landlords’ efforts to mitigate the short-run financial stress were a critical rental market response to the pandemic.”
  - A September 29, 2020 blog post by the Furman Center indicated that “The cases that have been filed this year are also different from previous years’ filings. As shown in the figure above, the median amount sought in non-payment cases filed since June is higher than the median sought in prior years, in some instances rising to more than twice the median of prior years. This higher amount sought could be due to several factors, including: larger rental arrears that accumulated during the shutdown; tenants’ with higher rents receiving eviction filings; or landlords’ delaying filing for cases with lower amounts sought. The spatial distribution of eviction filings since June 20 also differs from the typical distribution.”
  - A September 23, 2020 blog post by RealPage indicates:
    - “Some – actually, many – have been surprised that rent collections in the NMHC Rent Payment Tracker data have diminished only mildly relative to past norms. RealPage analysts attribute those encouraging payment patterns to the general effectiveness of resident background screening systems in use at nearly all professionally-managed communities.
    - At a minimum, these background screening checks measure a renter prospect’s overall ability to pay the rent at the apartment about to be leased. RealPage’s system further measures a household’s past propensity to pay. Professionally-managed apartments, then, are rented to households that for the most part have solid credit scores. If these households experience income interruptions that mean they can’t pay rent, many will voluntarily move, rather than stay in place and accrue sizable debt.
    - While some individuals or small companies that own and operate a handful of rental units – either small multifamily projects or single-family homes – do comprehensive background checks of renter prospects, the practice isn’t standard everywhere. Thus, there’s perhaps more vulnerability to payment misses in those types of properties.”