

# Houston leads Texas in rent nonpayments amid coronavirus pandemic

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The portion of Houston-area households that failed to pay rent during the first five days of April jumped 8.6 percentage points from this time last year, marking the largest increase in nonpayments among Texas' major cities.

Data provided to the Houston Business Journal by RealPage, a Richardson, Texas-based real estate software firm, found that 79.4 percent of renters in the Bayou City submitted their rent payments on time. That's down from 88 percent of renters in April 2019.

Multifamily market watchers attribute the sharp uptick in nonpayments to the ongoing COVID-19 coronavirus pandemic, which has shut down huge portions of the U.S. economy and put millions of Americans out of work. Houston has also been rocked by massive fluctuations in the stock market and dismal oil prices.

“The COVID-19 outbreak has resulted in significant health and financial challenges for apartment residents and multifamily owners, operators and employees in communities across the country,” [Doug Bibby](#), president of the National Multifamily Housing Council, said in an April 8 statement. “However, it is important to note that a large number of residents met their obligations despite unparalleled circumstances, and we will see that figure increase over the coming weeks.”

Houston's increase in rent nonpayments outpaced those in all other major metropolitan areas in Texas.

The Dallas-Fort Worth metroplex saw nonpayments rise by 7.5 percentage points year over year, with 81.4 percent of renters paying on time, according to RealPage.

Greater Austin was not far behind, with RealPage reporting that the state's capital city saw a 7.4 percentage point increase in nonpayments. In all, 83.1 percent of Austin renters submitted payments during the first five days of April.

San Antonio saw the smallest increase in nonpayments among major Texas metros. But it, too, saw renters struggling to pay landlords on time.

The portion of nonpayments in San Antonio rose by 6.8 percentage points, with 80.7 percent of households submitting payments by April 5.

That said, each of Texas' major cities fared better than many parts of the country.

NMHC reported that there was a 13 percentage point increase in the portion of apartment households that did not pay rent by April 5 compared to 12 months ago. Just 69 percent of U.S. renters submitted payments, down from 82 percent in April 2019.

The NMHC did not provide a geographic breakdown of which areas saw the largest increase. But areas like Las Vegas and Orlando, which have economies that heavily rely on the entertainment industry, have reportedly been hit hard by social distancing mandates.

In Houston, some landlords have taken steps to work with renters struggling to make payments amid the economic fallout caused by the COVID-19 pandemic.

Houston-based Camden Property Trust (NYSE: CPT) [has adopted an approach similar to what it had in place after Hurricane Harvey hit Houston in 2017.](#)

Camden CEO Ric Campo said the company has been working with renters on a case-by-case basis to determine what steps can be taken to give tenants additional time to pay their rent. Those steps can include waiving late fees or being flexible with lease terms.

Camden also launched [a \\$5 million resident relief program](#) to provide those who lost their income as a result of COVID-19 with grants of up to \$2,000 per household. That fund [was exhausted within the first 16 minutes of its launch.](#)