



# Monthly Newsletter

February 2019

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## Student apartment early renewals are strong in SLO.

Beginning in March, California West begins pre-leasing the larger student apartment buildings near Cal Poly that we manage. We usually see about a 20% renewal rate at those buildings. This year, all of our buildings are above that mark. Here are some of the early results from our larger buildings:

### **Abbott Street Apartments (1807 Abbott Street)**

Types: 1 bed, 1 bath flats  
Renewal Price: \$1,400  
New Lease Price: \$1,450  
Renewal Rate: 48%

### **Foothill Hacienda Apartments (190 California)**

Types: 2 bed, 2 bath flats  
Renewal Price: \$2,700  
New Lease Price: \$2,960  
Renewal Rate: 41%

### **Garfield Arms Apartments (738 Grand & 1885 Garfield)**

Types: 1 bed, 1 bath flats and 2 bed, 1 bath flats  
Renewal Prices: 1 beds at \$1,425; 2 beds at \$1,975 and \$2,095  
New Lease Prices: 1 beds at \$1,475; 2 beds at \$2,050 and \$2,195  
Renewal Rate: 33%

### **555 Westmont Apartments**

Types: 1 bed, 1 bath flats; 2 bed, 1 bath flats; and 3 bed, 2 bath flats  
Renewal Prices: 1 beds at \$1,425; 2 beds at \$1,975; 3 beds at \$3,500  
New Lease Prices: 1 beds at \$1,450; 2 beds at \$2,100; 3 beds  
Additional Charges: \$45 per person for water/trash/WiFi  
Renewal Rate: 27%

### **607 Grand Apartments**

Types: 2 bed, 1 bath townhouses  
Renewal Price: \$2,800  
New Lease Price: \$2,850  
Additional Charges: \$45 per person for water/trash/WiFi  
Renewal Rate: 25%

## **Managing a house that was formerly used to produce methamphetamine can be challenging.**

In 2005, California West was renting a house to a person who got involved with an older man who turned her on to methamphetamine and they were using the bathroom of the house to cook their own supply. For the girl, it meant her parents pulled her from college, she moved back to their home for a year, and they put her into rehabilitation that we are told was successful.

For us, it meant working with the Health Department on an expensive remediation project to clean up the house. Fortunately for the property owner, the girl's parents paid for the repairs without objection. A year later the girl came back to our office, clean of drugs, and going to school again at Cal Poly. All told, it was a relatively happy ending to an unfortunate circumstance.

*After paying more than \$2,000.00, our client has a report saying that there is no evidence of methamphetamine in his house ... probably a good report to have but still a bit frustrating that it was even necessary.*

Fast forward to 2019. We are now renting to a new person who gets worried because of a smell coming from one of the bathrooms. As it turns out, the bathroom was freshly painted and the smell was residual paint fumes. Nevertheless, the renter found an old newspaper article online and was worried that he was breathing methamphetamine. He even went so far as to order a do-it-yourself online testing kit to determine whether there was still methamphetamine in the house.

When presented with this situation, our response was to 1) move these tenants to a different property, of course with the permission of both property owners; and 2) order a testing report from a professional environmental testing company. Long story short: more than \$2,000.00 later, our client now has a report saying that there is no evidence of methamphetamine in the house. Probably a good report to have but still a bit frustrating.

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## **California West begins taking online rental applications.**

California West is beginning to take online rental applications for select properties that we manage. Right now, this is only for applications to rent at large student apartment buildings in SLO. Applicants to these properties often have out-of-area parents who must co-sign for them. Offering these applicants an online option is a more convenient way for many of their co-signers to submit applications.

We remain confident that the tried and true method of accepting paper applications will remain the rule for the vast majority of the applications that we receive. We anticipate that this new option will mostly replace the process of receiving faxed applications from co-signers who live out of the area.