



**Oishi's**

**Property Management**

750 Armana Street, 1st Flr Honolulu, HI 96814

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July 28, 2020

**RE: Update July 2020 NRP (COVID-19)**

Dear Owner,

In keeping with the gradual reopening of our economy, our COVID-19 office hours have been extended as of July 13<sup>th</sup>:

General public:	9:00am to 4:00pm
Office (staff):	8:00am to 5:00pm

**Rents, Renewals and Inspections**

Renewals for both fixed and month-to-month leases are being extended month-to-month with no increase in keeping with Hawaii Revised Statutes [127A-30]. Renewal inspections are being done when warranted, based on the last inspection and documents in the file.

**COVID-19 – “Confronting the Brutal Facts”**

As of this writing, the federal government’s \$600 weekly unemployment supplement will cease at the end of this month. Much has been written of people “falling off the financial cliff.” If and when this happens we will see more delinquencies and vacancies. This week we received 8 moveout notices. Of the 8, 7 were directly attributed to COVID-19; downsizing, cannot afford, moving back to the mainland, etc. These are the “brutal facts” (reality) that we are now facing.

**Evictions, Delinquencies and Vacancies**

The **eviction** moratorium has just been extended to the end of August by Governor Ige. When it is lifted, a backlog of evictions in court can be expected which will increase and prolong the delinquencies. As **vacancies** are trending upwards, we are recommending keeping our “1 Month Free Rent” marketing campaign until the crisis ends, as we believe we are in a market where rents will keep declining.

Delinquency and Vacancy statistics are now posted on our website (Honolulu > Owners > Notification). Also posted are articles regarding our economy which affects rental properties. We welcome any information you wish to share with the rest of our owners. You can mail or email as an attachment via our website: **oishis.net** (Honolulu > Owner > Contact us).

“A picture is worth a thousand words.” We began beta testing auto-emailing on Fridays our Weekly Showing Results to owners whose properties are vacant. The email includes the showing dates, times, names and phone numbers of prospects who view the property. You may call the prospects to get first hand information on why your property has not rented. Price and property condition are usually the two deciding factors for a property’s rentability. Our philosophy is to be priced at 5% below market (market is defined as the price that someone is willing to pay) and a property condition grade of at least a C<sup>+</sup>.

**General Excise Tax – Mandatory E-File for GE (greater than \$4,000 annual)**

Our application (EF-20) to register as an agent for the Hawaii Simple File Import (SFI) was submitted 2 weeks ago. Once we receive our Hawaii Tax Online (HTO) logon ID, we will begin

to file on line for the approximately 40 owners who are in this category and received Department of Taxation Letter ID: L0558854400 dated June 9, 2020.

### **Property Tax Bills for August**

Because of COVID-19, the City sent a letter dated July 20, 2020 with the August property tax bill about a one-time option to pay the August bill in 4 installments with a final due date of November 18, 2020. We will continue to pay the semi-annual property tax bills in full as we have always done in August and February.

### **Staffing**

On July 10<sup>th</sup>, we said farewell to Arjay Honorato. Arjay wanted to gain more experience before leaving for California in 2 years. He served us well and leaves with our heartfelt thank you and best wishes.

We welcome Jaysey Choi as a new property manager. Jaysey grew up in Colorado, attended the University of Colorado, played defensive back, had a career as a pilot for a major airline and became a FAA instructor. Having a life-long interest in real estate he has worked as a property manager the past 2 years before joining our team.

Michael McCorriston has joined our company as a property manager assistant and is in the process of obtaining his real estate license. Michael attended Punahou, Hawaii Preparatory and Colorado State where he majored in economics. Most recently he managed his family's property trust.

During his interview process, Bradford Baris, emailed the following, "Sinek's talk on infinite games seems in line with the Stockdale Paradox, from Admiral James Stockdale, who noted that military POWs who expected to be in prison forever (infinite) fared better than the optimists who believed they were going to escape soon (finite)." Brad will be joining us as FileMaker/Web developer on July 27th.

As Brad brought up the Stockdale Paradox, we reviewed it online. We found that Jim Collins, who wrote about the Stockdale Paradox in his book "Good to Great" recently posted a YouTube video in which he relates the COVID-19 crisis to the Stockdale Paradox. The video link has been added to our website (Honolulu > Owner > Notification).

Rest assured that at Oishi's, we are confronting the brutal facts of increased delinquencies, rising vacancies, staff attrition, and having to stay safe. But, we have faith that in the end we will not only prevail, but come out better and stronger for it.

We wish you well and good health!

Sincerely,



L. K. Oishi



Tanya Tanoue  
Senior Vice President



Raymond Oishi  
Principal Broker