



Compliments of the Apartment Association of Tarrant County – Texas

Marketing 101

Written by David Wyatt

We all have or will experience the *never-ending vacancy* curse. For some owners, never-ending means one day, for most of us it means more than that; at least one month.. Regardless of the time elapsed between paying tenants, any rental property not generating income is a curse, so we put the “for rent” yard sign out front and wait.

After two-weeks and no prospects, we add a line to our voice about the vacancy. We write our mortgage payment and realize that it has been vacant a month. We check the Star-Telegram classifieds to see how the competition is doing.

While reviewing our quarterly financials, we painfully realize that it has been three-months vacant and only two potential renters call about the property! Frustration becomes anxiety as we write the third mortgage payment without receiving rent, so we take out an ad in the Greensheet.

As three months becomes half-a year, you do what any self-respecting owner in your situation would do: you scream; run around your home-office; and panic!

To help relief the pain and suffering that comes with empty properties and depleted check books, join your fellow rental housing owners at 12:00 noon on Wednesday, June 8th, at Spring Creek Barbecue in Bedford to debate and discuss marketing. AATC member marketing gurus will be on hand to help you jump-start the Summer rental season. Good food, good friends, and good ideas it what IROC is all about!

Prior to June’s lunch, review the following marketing tips:

Marketing Matters

All of us have spent money on marketing our properties that did not work. Perhaps our expectations were inflated. Perhaps the market was soft and the economy in a down turn. May

be our vacancy was next to the federal prison and hazardous waste site over priced. Or may be it we need to rethink our marketing efforts.

Sure, believing that 25 over-qualified, prospective residents will inquiry about a vacancy based solely on a home-made yard sign is unrealistic; but also fantasy is the idea that investment real estate is unique, and, therefore; marketing is not essential.

Marketing is a critical component of any business; especially your business. Rental housing owners who master the art and science of selling will have fewer vacancies and shorter vacancies.

Retention, Retention, Retention

The best way to fill a vacancy is not to have one. Our large apartment owner and manager friends focus much of their marketing efforts on resident retention, and we should adopt their philosophy. Resident retention begins the day the resident signs the lease and does end unit they move out. Thanks you for leasing gift baskets in their kitchen, promptly fixing any move-in items, and following-up with a note 60 days after move-in to see how they are doing. These are small but important steps.

Plan on touching base with your current residents 90 days, 60 days, and 45 days prior to their lease expiration. Offer some type of renewal incentive (ceiling fans, microwaves, carpet cleaning, etc.)

Sell Yourself Not the Property

Your duplex or rent house and your competitor's across the street are in the same city, neighborhood, school district, and price range. They have the same floor plan and amenities. They have the same brick, painting, and siding. You are the only difference, so focus your marketing resources on yourself.

Think car dealerships. All Metroplex Chevrolets dealers have the same product at the same price with virtually identical financing options. It is marketing the dealership name (branding) that makes one Chevrolet dealer superior to another

Make your company name means something! Get a company logo. Brand yourself and your company. Your goal is for potential residents to recognize your name and associate that with top quality rentals, fair price, and superior service. This technique is even more effective when you have multiple vacancies. You become the one that placed the resident in their ideal home.

Print Ads

The cost to place a bad ad is the exact same as the cost to place a good ad. Sounds simplistic but it is true. "2BR, 1BA, KISD, W/D, AC, \$750" may be cheap, too cheap. All rent houses look the same in grocery store publications, the newspaper, and neighborhood news weeklies. Again, focus the attention on your company and what you can do for the residents.

When is the last time you marketed your company when you did not have a vacancy? Running a periodic ad in the newspaper just to keep the name out there is always a option. Consider a mortgage company technique to “prequalify” potential residents.