



# Landlord Workshop

- Introduction
- Overview of Rental Market
- Factors for Success
- Tools for Efficiency



# reQuest Rentals

- Our Portfolio - DFW area
  - 250 Single Family Homes
  - 4 small Apartments with total of 130 tenants
- Approximately 60 units on Section 8
- Web Site [www.requestrentals.com](http://www.requestrentals.com)



# Rental Market

- The “Perfect Storm” for affordable rental housing
  - Death of Sub Prime
    - Fewer tenants can own
    - Increased foreclosures has reduced rental supply & Increased Demand
      - During sub prime days 25% of all new loans were to investors – almost 0% today – Reduces Supply
      - Each time an investor is foreclosed on the tenant must move to another house – Increases Demand



# Rental Market

- The Destruction of Affordable Housing
  - There is currently an assault on affordable housing in the state of Texas
  - Developers do not build new affordable housing
  - Developers typically eliminate affordable housing
  - Texas laws prohibit cities from requiring developers to set aside a portion of their projects



# Rental Market

- Demographic, Social, & Business trends support a continued demand for rentals
  - Baby Boomers will be renters
  - Economic hardships will keep renters in the market longer
  - Tougher lending standards will continue for many years



# Factors That Affect Profitability

- **Rental Unit Turnover - #1 Factor**
  - Uncollected Rent during vacancy
  - Repairs required to re-rent unit
- **Rent Collection Efficiency - #2 Factor**
  - Too many trips and calls
  - Your time is your most valuable asset



# Factors that Affect Profitability

- Section 8 tenants tend to stay much longer than non-section 8.
  - Some studies show that the average stay approaches 4.5 years
  - Rent collection is much easier
    - Money is automatically deposited in your account
    - Tenants value their section 8 standing so they are more concerned about maintaining a good relationship



# Tools For Efficiency

- Finding Tenants Cheaply
  - Section 8 Listing at Fort Worth Housing
  - Go Section 8 – [www.gosection8.com](http://www.gosection8.com)
  - Rent Max – E-mail your list of properties
- Software
  - Propertyware – [www.propertyware.com](http://www.propertyware.com)
    - Internet based
    - Through a Web Site portal allows tenants to:
      - Report maintenance issues
      - Make Payments
      - View Statements
      - Send notices



# Tools For Efficiency

- Tenant Screening
  - Criminal Checks in a few second
    - [www.publicdata.com](http://www.publicdata.com)
  - Credit and Public Record Search
    - [www.mrlandlord.com](http://www.mrlandlord.com)
- Evictions – Metroplex Evictions
  - [www.metroplexevictionservices.com](http://www.metroplexevictionservices.com)



# Tools For Efficiency

- Screening Tips
  - Call previous two landlords
  - Match up person listed as landlord on application with reflected owner on tax rolls – [www.tad.org](http://www.tad.org)
  - Confirm that information on the application matches information given by landlord
  - Use [www.ultimatewhitepages.com](http://www.ultimatewhitepages.com) to do reverse number searches for phone numbers



# “Why Can’t We be Friends”

- If it smells bad there is usually something rotten.
  - A prospective tenant sent application with California address listed
  - We could not verify residency
  - Tenant then told us that he had a temporary residence in Texas and gave us the address and number for his landlord.
  - We left a message for the landlord listed
  - We checked TAD and found a different name reflected as the owner than was given to us.



## “War, What is it Good For”

- We searched Ultimate White Pages and found a phone number for the owner listed on TAD
- We called the number and spoke to the real owner of the property. He proceeded to tell us that this was the worst tenant he had ever had and the guy was not temporary but had been there for almost a year – And ... he was happy to let us have they guy.
- We then ran a Google search on the tenant and the landlord listed and found them listed together in a business venture in Arlington



# A Real “Low Rider”

- We rejected the tenant
- The next day the landlord listed on the application called me
- Because we had already rejected the application, I decided to have a little fun with this one
- It turns out that I was talking to a celebrity. The guy who said he was my applicants landlord was the lead singer for ....
- The 70s Funk Group “War”
  - 50 million records sold
  - Rock and Roll Hall of Fame