

Master the 4R's That Keep Your Units Rented **by Cathy Macaione, CMA Direct**

It's an all too familiar problem. Your units are sitting empty collecting dust and eating away at your bottom line. Even though you show your units to many prospective tenants each day, none seem eager to rent from you. If this sounds familiar, now is the time to take inventory of what is working and what isn't with your property.

For years we've been told how important the four P's are when it comes to evaluating a property. To refresh your memory, the highlights of each are:

People: Make sure you have the right people working for you. Everyone from the leasing agent to the groundskeeper should wave or say hello when they see a tenant in the course of a workday. No one likes to live in a neighborhood where they are ignored and feel unwelcome.

Product: Your property needs to be well-marked with proper signage so prospective renters can find you. Make sure the grounds are free from litter with some attractive landscaping to lend some curb appeal. First impressions count.

Price: Your rents need to be appropriate. If you set your prices too high you'll immediately eliminate potential renters; if you set your price too low, people will think there's a reason for it.

Promotions: Evaluate your promotions regularly. Stay abreast of what your competition is doing. Realize that giving away freebies does not have the same impact as word-of-mouth recommendations from current tenants. If you have a good customer-service based organization, then that will be promotion enough.

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The Four P's are a great start to evaluating how to improve your property. But to take it one step further, you need to evaluate the four R's. They include being Resourceful, Ready, Relentless and Remembered. When you master each of the 4 R's, you will be on your way to greater closure ratios and fewer empty apartments.

Resourceful: You must always maximize all the resources you have available to you. Make sure that your product knowledge workbook is complete. Know what your community has to offer. Think of potential objections people may have to your community and develop solutions for them. For example, if you don't have a fitness center on your property, find out if there is an independent one nearby where you can direct tenants. Or, if you don't have a clubhouse but a resident needs a large space to host a birthday party, find a church or community center nearby that will rent out spaces that meet your tenants' needs.

Be prepared to answer questions about your community. Become familiar with your property in relation to your community services. Be able to give directions to the hospital, schools, grocery stores or the nearest ATM machine. Prospective renters like to know that they live in a convenient location to the services they need.

Ready: Being "ready" is more than just a mindset; it also requires physical effort. Make sure the signs on your property easily direct people to the rental office. Have the rental office staffed during the posted times. If your office is scheduled to be open from 10 am to 5 pm, you don't want a prospective tenant showing up at 10:15 only to find the lights off and the door locked. If they do, they won't come back.

Be aware of the work habits of your likely tenants. If you live in a white collar community, you may consider opening your office during lunch or in the early evenings. If you live in a bedroom community where everyone has a long commute to work and your office is only open over lunchtime, you won't see much traffic.

The apartments themselves must be ready for move-in. Make sure there are zero defects. No one wants to see an apartment with moldy caulk in the bathtub and dead bugs in the kitchen. You also need to avoid “model surprises.” By checking empty apartments daily, you won’t have to worry about walking into an apartment that has a burst pipe and flood in the kitchen. Is your empty apartment well lit, clean and ready for immediate occupancy? Check every detail every day.

If you have a master key, double check that you are at the right building and the right apartment number when showing an apartment. Many buildings are identical except for their number. You don’t want to walk into the wrong apartment and find Mr. Jones walking around wearing nothing but his boxer shorts. Avoid surprises and potential embarrassment by double checking before you enter.

Relentless. Be relentless when closing the deal. That doesn’t mean being obnoxious and pushy; it means being persistent in trying to rent your units. The old standard of one follow up phone call and one mailed postcard isn’t enough. Follow up a minimum of five times with each prospective renter. Plan the follow up to make sure it happens. Write down when and how you plan to follow up, and once you do, what their response was. If, after showing the apartment, the prospective renter leaves without giving a deposit, what do you plan to do? Do everything you possibly can to follow up within seven days and have them sign the papers.

Remembered: Do you have anything engaging or interactive within your office? Consider bringing in a tabletop classic 80s video game or a foosball table that both children and adults can enjoy. For a sense of nostalgia, install a railroad train around your ceiling. Decorate for the holidays. Give everyone who comes into your office the opportunity to feel nostalgic and “at home.”

If your community caters to families, consider having some toys or crayons and paper so the kids can be occupied while you talk with their parents. Place some visually interesting items in your office so you give customers reason to stick around for a few minutes. If they feel comfortable in your office, they may decide they’ll feel comfortable in your community as well.

Finally, are your follow up thank you notes memorable and creative? Add a reference to a unique conversation you had with a prospect to they know you remember them specifically and it’s not just a form letter you’re mailing to everyone.

Out Rent Your Competition

None of the four P’s or the four R’s alone will make your community one that never has an empty unit. But when combined, your community will have as few flaws as possible and your tenants will enjoy where they live. This can keep renters at your community longer and attract new ones with referrals. When you use the four R’s to create a customer-service based organization, you will have the edge you need to beat your competition.

Cathy Macaione, President of CMA Direct, Inc. an Apartment Marketing and Management Specialist, has more than 20 years in the Real Estate industry. For further information on Cathy, please contact her at www.cmadirect.com or call 630.529.5028.