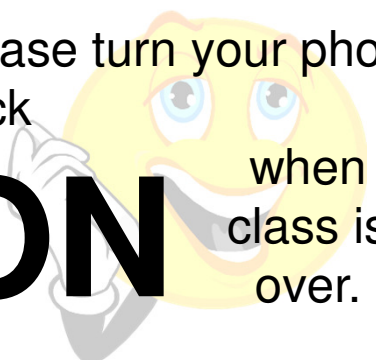


Please turn your phone  
back  
**ON** when  
class is  
over.



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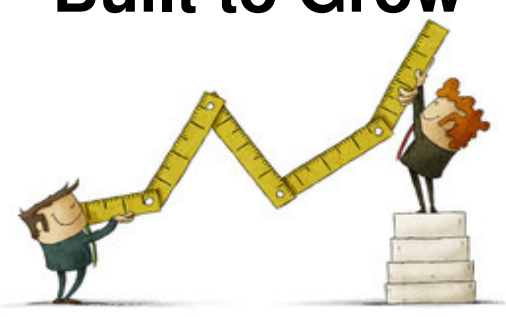
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# Built to Grow



**Robert M. Locke, RMP, MPM** <sup>2</sup>

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**35 Years as  
Crown Realty  
& Management  
Sold in 2015  
Now a vendor**

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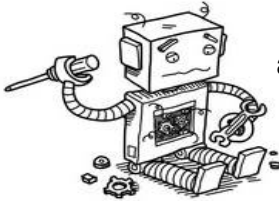
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# PROBLEM



**We naturally build a model that works for the volume we have today**

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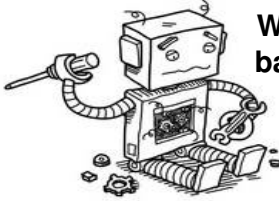
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# PROBLEM



**We build our system based on experience and current circumstances**

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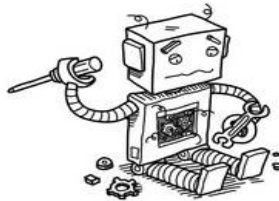
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# PROBLEM



**What works at 50mph fails at 100mph  
Sometimes requires we start over, retool and build to be scalable**

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**PROBLEM**



Nothing exposes weak processes like scaling.

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Those of us who have scaled from 50-1200 can identify processes and systems we had to give up to scale.

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**I'm Going to Create Some Tension**

Put my finger on things that will prevent you from scaling.

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### Small a vs Big A Agency



The illustration shows three figures. On the left is a small cartoon agent with a briefcase labeled 'a' and the word 'agent' below him. In the center is a man in a suit walking with a briefcase. On the right is a large cartoon agent with a briefcase labeled 'A' and the word 'Agent' below him.

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The illustration shows a blue 3D human figure standing in a hallway with three doors: red, orange, and green.

### Therefore There's More Than One Way To Do Property Management

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The illustration shows a yellow mannequin in a thinking pose with a thought bubble containing a question mark above its head.

### Worth Asking

- Is my way best?
- Should I consider changing?
- Is my way scalable?
- Can I make my model more profitable?

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**VOLUME**  
Requires speed

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### Formula

Nickel-dime business  
Requires — **Volume**  
Volume — **Speed**  
Speed — **Scale**

CC1=CC=C(C=C1)C2=CC(=C(C=C2)O)OC3C(C)C(C)C=C3C

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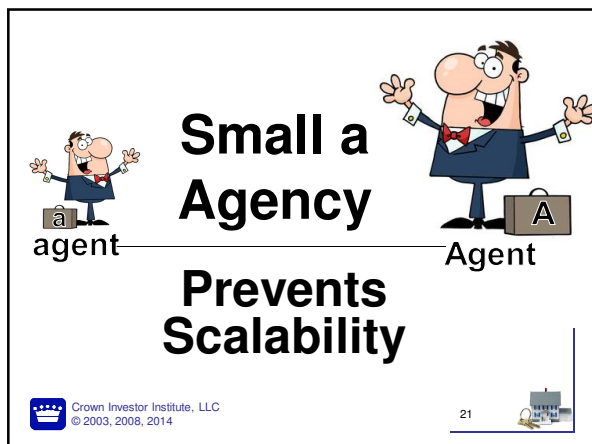
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**Small a  
Agency  
Prevents  
Scalability**

agent Agent

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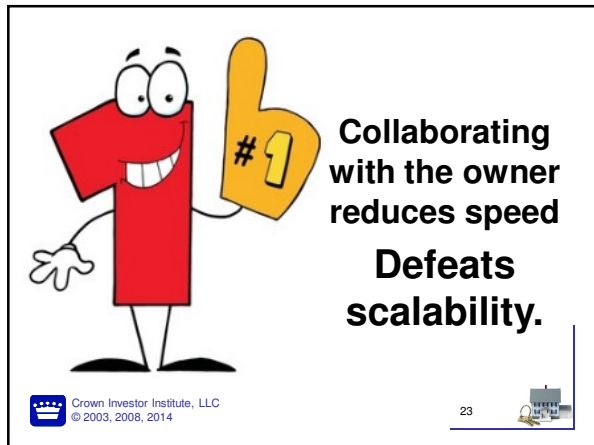
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**Stop Asking Owners.**

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**Embrace Remote Showings**

**You cannot scale by personally showing every house.**

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**Embrace Remote Move-Ins**

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**Insist on Electronic Payments**

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**Property management is a nickel-dime business**

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To make money you need

**VOLUME**

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**VOLUME**  
Requires speed

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**You must  
have speed  
to be  
scalable.**

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**Embrace  
Outsourcing**

**Showings  
Maintenance  
Accounting.**

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**Move to a  
Customized  
Management  
Agreement  
ASAP**

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**Standardized  
forms  
make scaling  
IMPOSSIBLE**

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**Build  
Sustainable  
Revenue  
Streams**

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**Build  
Owner  
and  
Tenant  
Handbooks**

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**Insist  
on  
Owners  
Using  
YOUR  
Vendors**

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**You  
Can't  
Scale  
and  
Offer  
Discount  
Fees**

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**Stop Renewing Your Documents Every Year**



**Some think...  
Influence of the sales community  
Required by the commission.**

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**Stop Renewing Your Documents Every Year**



**New PMA every year  
Extends to anniversary date  
Extend to vacancy  
Right to modify.**

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**Stop Renewing Your Documents Every Year**



**Must renew leases yearly  
Auto renewal  
5-year lease  
Long-term tenancy makes you money  
Losing properties defeats growth.**

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### Stop Renewing Your Documents Every Year

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### Avoid Managing Rentals with 3<sup>rd</sup> Parties



Government agencies  
Aggressive HOAs  
Investor  
representatives  
Home warranties  
Limits on access  
Condo associations.

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### Avoid Large Investor Groups



They want to  
control you  
Their leases don't  
conform  
They can be  
temporary  
A fragile growth.

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## Focus on Tenant Retention

5, 10, 15, 20 years  
Some on their 3<sup>rd</sup>

**Quiz:**  
When are you most likely to lose a property?  
24 month leases



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## I Love My Rental Property



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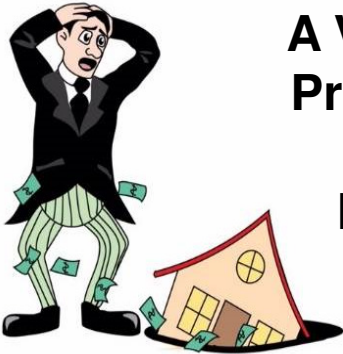
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## A Vacant Property is a Money Pit



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**The  
Tenant  
is the  
Asset**

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**Stop  
Letting**

**“But I could  
lose an  
owner”  
drive your  
decisions.**

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**Losing an  
owner won't  
destroy you**

**Not  
generating  
enough  
revenue will.**

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# Formula

Nickel-dime businesses require?  
**VOLUME**

Volume requires?  
**SPEED**

You need speed to?  
**SCALE**

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**Robert@  
TrainingPropertyManagers  
.com**



**Built to Grow**

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