

Colorado Springs Real Estate Investor Association

Text “CSREIA” to 41411 for Slide Show Notes

Finding Rentals

- MLS
- Realtors
- Wholesalers
- Off Market (Direct Mail)
- Craigslist
- Driving for \$
- Landlords (For Rent)
- Real Estate Investment Associations

Colorado Springs Rental Example #s

739 E High St:

Duplex

- Upper Unit, 3 bed 1 bath apartment, 1,000 SF, all updated, \$1,275 per month, Tenant pays all utilities
- Basement Unit, 3 bed 1 bath, 1,000 SF, all updated \$1,000 per month, tenant pays all utilities

Cottage

- 1 bed 1 bath Cottage all updated, 980 Square Feet, \$975, tenant pays all utilities

Colorado Springs Rental Example #s

3330 Springnite Drive - Single Family Home

- Purchased \$163,300 2 Years Ago
- \$1275 / Month Rent
- Vacancy ~\$100
- Maintenance ~\$64
- Capital Expenditures ~88
- Property Management ~\$127
- PITI ~\$741
- \$155 / Month Cash Flow + \$211 Principal Pay Down

EXPENSES

- 8% Vacancy
- 5% Maintenance
- 7% Capital Expenditures
- 10% Property Management
- PITI

EXPENSES

- 8% Vacancy
 - Example:
 - \$1,000 Rent for 12 Months = \$12,000 / Yr || Vacancy of 8% (~1 Month) = \$960 || Net = \$11,040
 - \$1,100 Rent for 12 Months = \$13,200 / Yr || Vacancy of 21% (~2.5 Months) = \$2,112 || Net = \$10,428

EXPENSES

- 5% Maintenance
 - Broken Door Knobs, Light Fixtures, Clogged Sinks, Toilets, and Showers
 - Annual Furnace Servicing
 - Sprinklers Getting Blown Out
 - Trash Service
 - Snow Removal / Weed Management

EXPENSES

- 7% Capital Expenditures
 - Replace of... Roof, Furnace, Water Heater, Flooring, Complete Paint Jobs
 - These don't happen annually - Save up and plan ahead!

EXPENSES

- 10% Property Management
 - Watch Out For Hidden Fees, especially those offering 7-8%
 - Sign Up Fees
 - Property Listing Fees
 - Property Inspections Cost Extra
 - Tenant Screening Fees
 - Up-Charging for Maintenance Work (Flat Fee or Percentage)
 - Charges for Taking Tenant Phone Calls
 - PM fee collected if rent is NOT collected or vacant!



Solid Rock Realty Property Management Cost

- 10% of RENT **COLLECTED**
- No hidden fees or expenses
- Assuming 8% Vacancy, Property Management Fee is actually **9.2%**
- Free 3D Virtual Tours (2 Windows Replaced on 3330 Springnite)

► ► ***Moving you forward***

Have a Servant Mentality as a landlord

Your Residents are your Clients so Treat them as good as possible, they are paying for your asset.

- When things break communicate with your residents and get them fixed ASAP
- Provide a well maintained, clean and safe environment that one would be proud to live in.
- Move in Gift