

Section VIII: Conclusions and Recommendations

This report has been produced to provide a thorough profile of PROPERTY Apartments including profiles, financial statements, and market analysis. This information has revealed many areas of improvement. A brief recap of issues follows:

<u>ISSUE</u>	<u>RECOMMENDATION</u>
Three bedroom units are Under priced	Raise rents by \$25 and add additional deposit for second pets
Outdoor patios are old and worn	Replace patios over time to maintain good curb appeal
Appliances are dated	Begin to offer a New Appliance Package and add up charge of \$75 per month
Need to enhance area marketing	Target area businesses as a source for prospective residents

While one and two bedroom rents are in line with the market, rent in three bedroom apartments should be increased by \$25.00 per month. This increase will create additional income by taking advantage of the three-bedroom floorplan's popularity. In addition, a more targeted and proactive approach to pricing (amenity-based pricing) will maximize the rent potential of apartments in more desirable locations or with more desirable features. An extra \$150 pet fee should be charged for residents bringing a second cat or dog into the apartment. Management can also begin charging small amounts for business services as a way to generate ancillary income.

A systematic schedule should be devised for replacement of the outdoor patios, and apartments with new patio structures will be subject to a slight upcharge. The up front cost of these replacements will be tempered over time by increased occupancy and rental rates. This rehabilitation would also affect positively the resident profile and allow PROPERTY to resume a superior position in its neighborhood.

As a way to modernize the community and experiment at a lower risk, three vacant apartments per month should be targeted to receive new appliance packages. Once completed, these apartments will be subject to a \$75.00 rent increase, thereby generating income. The new appliances will also save time and money in repairs of the older appliances. The appliances removed can be used for parts or used to replace non-functioning appliances in occupied units.

The PROPERTY staff should aggressively target restaurants and stores within a one and one-half mile radius of the community and offer a preferred employer program. PROPERTY is located in a very "walker-friendly" neighborhood. People live and work in the same area. The employees of these businesses are the target demographic for

PROPERTY residents. These businesses can also be used as a resource for non-employee referrals and as a place to leave literature about the community.

This report does not recommend any large-scale or drastic changes; rather, the combination of minor changes will work together to generate revenue, save money, and keep residents happy. I am firm in my belief that the suggested changes are the most logical and effective way to make immediate and positive changes for the operation of PROPERTY Apartments.

Qualifications of Preparer

The CAM Candidate should include a resume or narrative work history listing industry experience, positions held, tenure and companies worked for.

Any industry education, certifications or recognitions should be included.

Any additional information that would demonstrate personal qualifications

SAMPLE

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References and Exhibits

References – offer website addresses or other identifications

National Apartment Association
Champion County Chamber of Commerce
Apartment Guide monthly publication
Champion County Transit Authority
Champion County Public Schools
Home Depot Supply
Wilson General Contractors

Exhibits

- A City Map
- B PROPERTY Floor Plans and Site Plan
- C PROPERTY Rental Criteria
- D Sample flyers and ads for PROPERTY
- E Property photos
- F Champion Area Chamber of Commerce webpages
- G CCT homepage and system map
- H Regional and local maps
- I Townhouse and Condominium for sale ads
- J Community Comparison Evaluation Forms for PROPERTY and Comps
- K Sample brochure and newsletter for Woodbridge
- L Sample brochure and rental criteria for Garden Brook
- M Demand and Vacancy Rate Comparison Grid
- N Rent Schedules for three properties
- O Cash Flow Statement
- P Income and Expense Statement and PROPERTY budget
- Q Budget vs. Actual Worksheet
- R NOI Analysis Worksheet
- S Salaries, payroll schedule, job description and benefits information
- T Organization Charts
- U Capital Expenditures Grid
- V Bids and calculation sheets for new appliance packages and new patios