



The Costs Hiding Behind Dissatisfied Residents

The main complaint a Property Manager has today is that they have little control over the financial performance of the properties they manage. Many of the properties major expenses including utilities, property taxes and insurance are beyond their control. These costs increase to consume whatever profits they achieve from rent increases and low maintenance costs.

The most effective way a Property Manager can improve a property's performance is to reduce tenant turnover.

Recognize How Valuable It Is To Keep a Resident Happy

Determine the cost to the property of lost business versus current residents to measure what financial resources can be allocated to a resident retention program. You will be surprised at the economic value that each resident adds to the property.

Unavoidable Resident Turnover

Although there are many ways to keep a resident happy and avoid the canceled lease, there are resident turnovers that are unavoidable. The lowest mortgage rates in years have turned renters into homeowners, and unforeseen business transfers or layoffs force some residents to relocate. But keep in mind some former residents would blame the idea of home ownership dangling before them rather than tell you the truth about how they feel with the residence and the services they have been receiving. This avoids confrontation and the risk of hurting the Property Manager's feelings.

Poor Service Can Spoil The Deal

As many as one resident in four can be dissatisfied enough to go elsewhere, only to obtain a similar residence, but in a slightly more satisfying way. Even though a resident may have the residence that meets their needs, when a Property Manager has been rude, indifferent, or discourteous they will feel dissatisfied. The Property Manager's friendliness, reliability, and honesty drive the prosperity. This demonstrates the impact that a hiring mistake, especially one at the front line of management or maintenance can have on the property's bottom line.

Negative Word Of Mouth Costs

It is a fact that a resident is more often than not going to share their negative experiences with others. The average dissatisfied resident will tell eight to ten people about his or her ordeal. Lost revenue opportunities are greatly influenced as a result of this negativity spreading from dissatisfied current and former residents.

The Importance of Reducing Turnover

Owners of investment real estate are fully aware of the high costs of resident turnover through their properties and what it means for their future. The lessons we can learn from calculating the cost of resident dissatisfaction make developing ways to reduce resident turnover highly imperative for Property Managers.

January 2007

Current News...

Midwest Management Welcomes New Properties!

Midwest Management Company proudly welcomes 3 new properties totaling 488 units to its rapidly growing portfolio.

Rivers Edge South Apartments, Ypsilanti, Michigan

Rivers Edge North Apartments, Ypsilanti, Michigan

Dover Place Townhomes, Ypsilanti, Michigan

Midwest Management Company continues to be a recognized leader throughout the property management industry with a reputation built on over 30 years of solid character, integrity and top rated performance. Learn more about Midwest Management by visiting www.midwest-mgmt.com.



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