



The City of
Worcester

2024

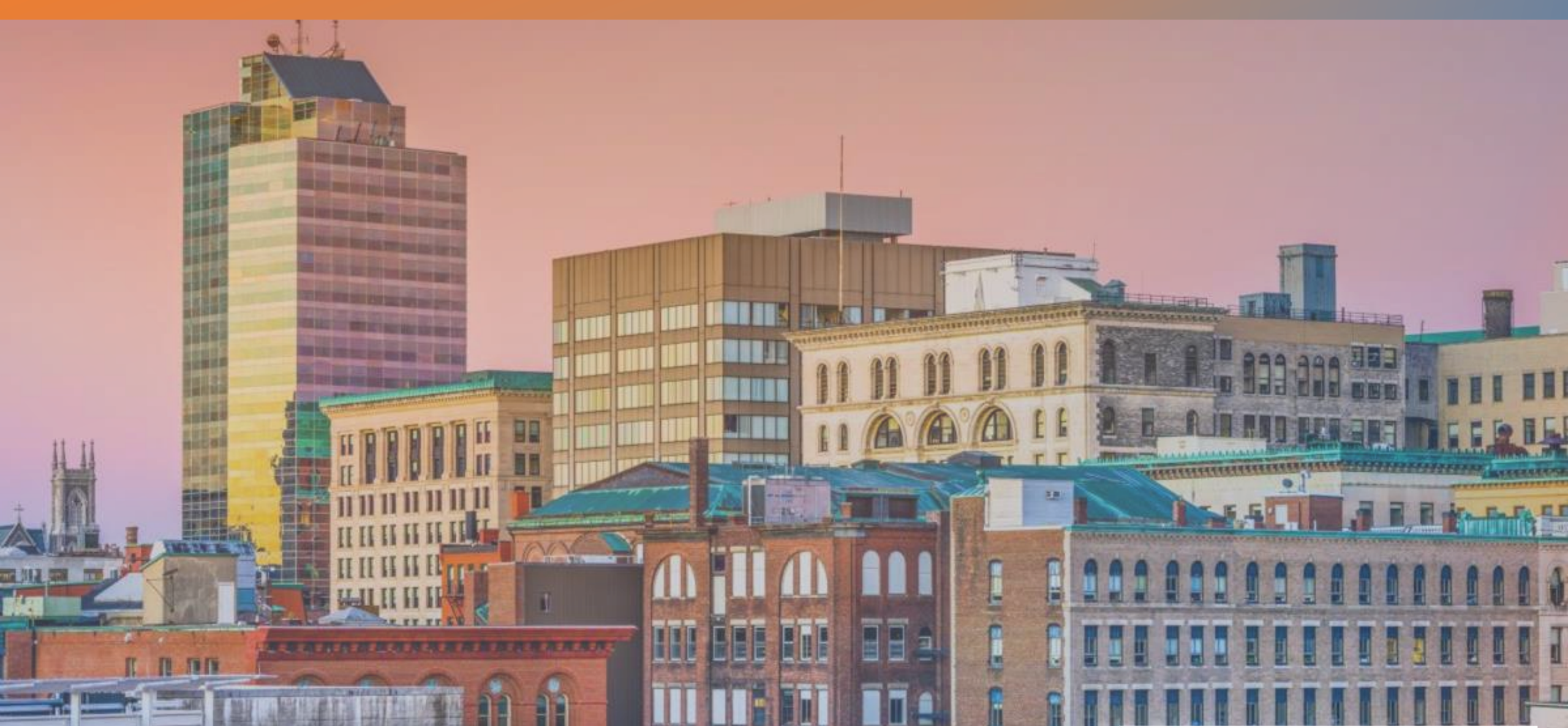
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With Support by:



REALTOR[®]
ASSOCIATION
of Central Massachusetts



Running your property like a successful business



Our Story

Founded: 2012

Primary Market:
Worcester County, Massachusetts

Asset Classes:
Mixed-Use, Multi Family Residential

Current Holdings:
24 Buildings – 87 Units

Approximate Value:
~\$17,000,000

Approximate Monthly Revenues:
~\$145,000

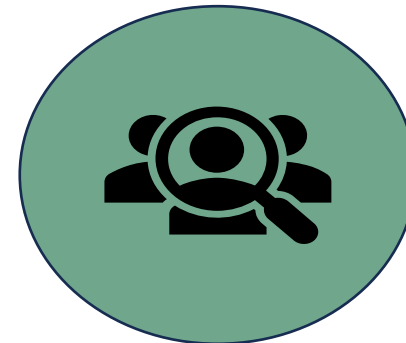


Running your Property Like a Successful Business

Jackson Restrepo

Credentials and Disclosures:

- Real Estate Investor and Business Owner for almost 20 years
- Licensed Real Estate Salesperson
- Master of Business Administration
- 13 years working in City Government
- Tenant, landlord, business owner, and investor
- Worked in private, non-profit and public sectors



Employee

Investor

Your
Approach

Self-
Employed

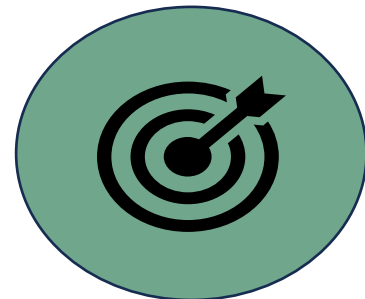
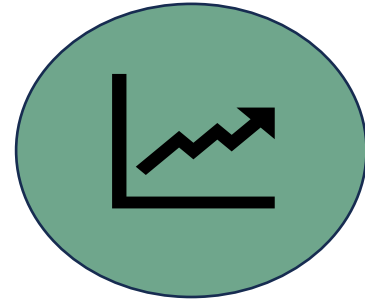
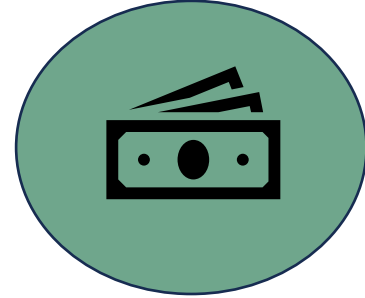
Business
Owner

“First Investment Property – Hard Lessons...”



Running your property like a business:

1. Technology
2. Finding Tenants
3. Managing Tenants
4. Collection of Rents
5. Repairs
6. Preventative Maintenance
7. Bookkeeping and Finances
8. Evictions



1. Use Technology!

Property Management Software

- Whether you have 1 or 100 apartments

- Buildium
- Rent Manager
- Guesty
- Avail

Affordable Internet Access

- Security Cameras
- Water Flow Sensors
- Temperature Sensors

- Tello
- T-Mobile

Artificial Intelligence (AI)

- Communicate with your tenants
 - Social media posts
 - Multiple other applications

- CoPilot
- ChatGPT

2. Finding Tenants

Do not Screw Up!!!

- Set up your eligibility criteria

1. Word of Mouth

- Let friends and family know about rental availability.
 - Careful renting to friends and family

2. Online Platforms

- Zillow Manager, Turbo Tenant, etc.

3. Screen all Applicants

- Credit report/score
- Rental and criminal history (Masscourts.org to access court cases)
- Household Income

4. Secure a Lease

- One Year Lease or Month to Month

3. Managing Tenants

1. Owner vs. Property Manager

- How does the tenant see you?
 - A friend? Family member? Professional? “Push-over”

2. Be Friendly but Don't be Friends

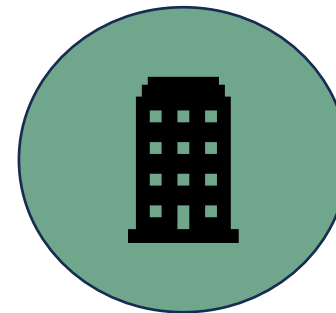
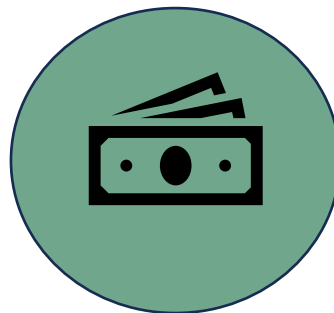
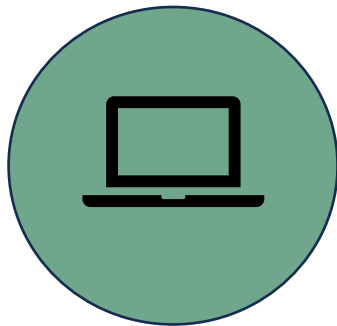
- Always be respectful but stern Build a rapport with the tenants
- Build a rapport with the tenants

3. Communication is Key

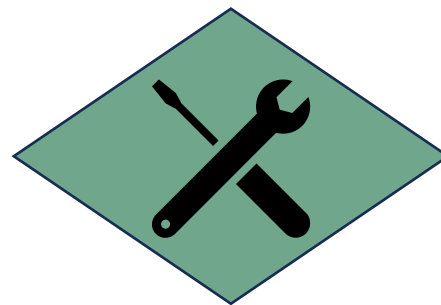
- Enforce all rules. Start with verbal then move to written notices
- Inform tenants of repairs, visits, etc.
- Use technology!

4. Collection of Rents

- Use a passive form of collecting rent:
 - Receive electronic payments via property management software
 - Get daily data on who's paying and who's not
 - Use payment apps
 - Direct deposits to your bank accounts
- Rent should be collected by the 5th of each month



5. Repairs



- Assemble a team of contractors you trust:
- Have strategy on the type of contractors you would like to hire:
 - Smaller overhead costs
 - Solid reputation
- Form an idea of how much each trade charges (per hour, per job, etc.)

6. Preventative Maintenance

- Think of the worst that can happen and have a contingency plan:
 - Fire
 - Sewage or service line connection
 - Heaters and water heaters
 - Frozen pipes
 - Structural
 - Flood
- Routine Inspections
- Anticipate major repairs
- Have a plan and a budget



7. Bookkeeping and Finances

Keep track of your finances

- Think like a business!
- Know how much you spend each month down to the last penny
- Use property management software for all your bookkeeping

Look for ways to minimize operating costs

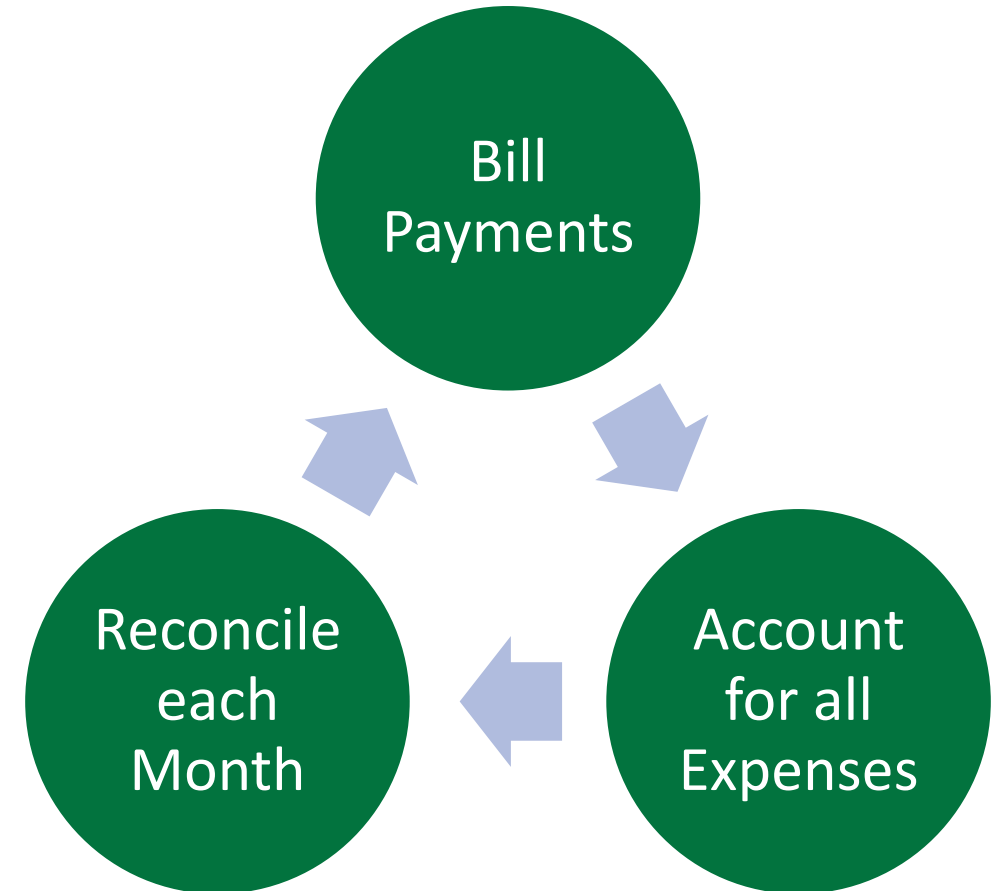
- Insurance costs
- Pay close attention to the cost of utilities
- Separate utilities

Maintain “Reserves” for each property

- No less than 10-20% of net monthly income

Look for Incentives and Opportunities

- City-sponsored programs
- Mass Save
- Incentive programs from non-profits



8. Evictions

Not a Landlord Friendly State:

Extremely difficult to evict and extremely expensive:

- Non-payment of rent
- No cause eviction

Do it yourself vs hiring a lawyer

- Understand the implications

If you can work with the tenant, do it!

- Mitigate the damage to both you and the tenant
- Explore a payment plan
- Help them explore rental assistance programs
- Assist in a potential move-out



Grow Your Business

First Property

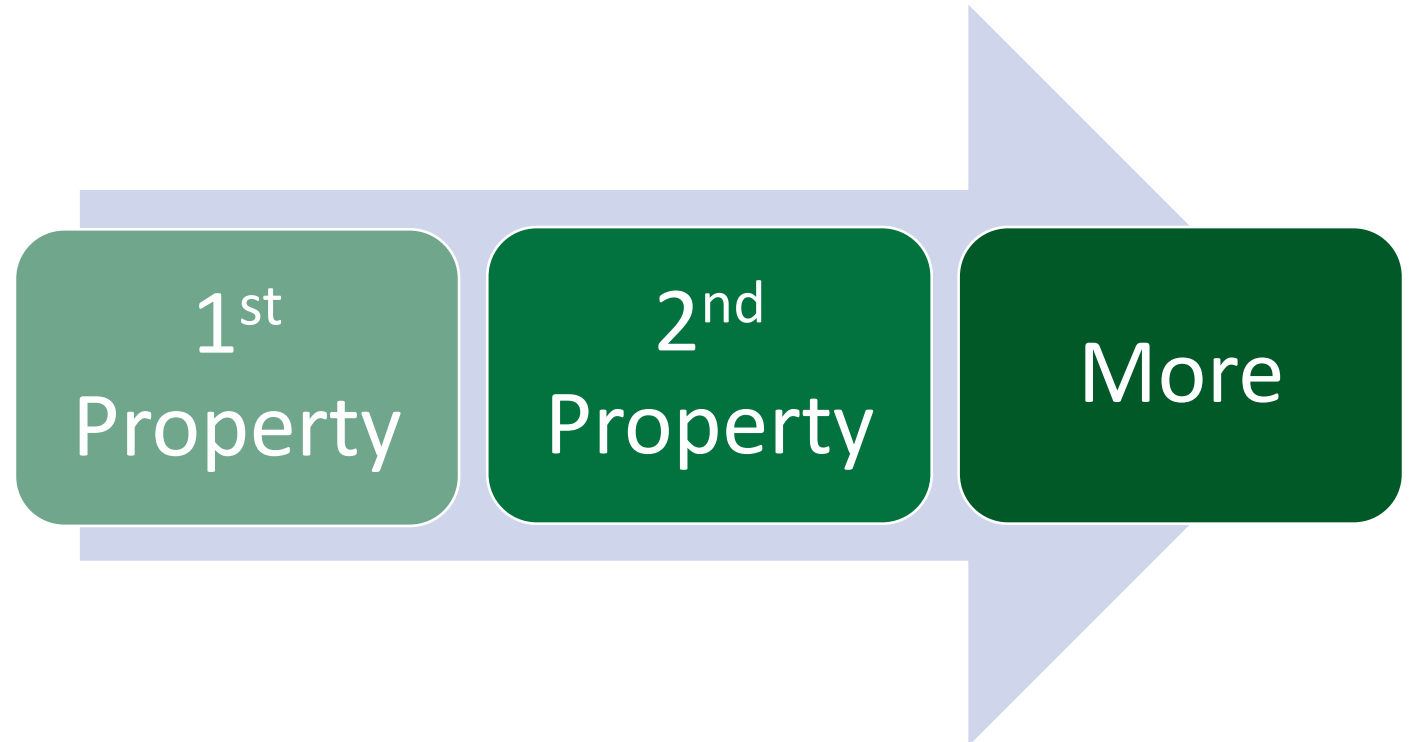
- First time home buyer
- Federal Housing Administration (FHA) Loan
- 5% or less down payment

Second Property

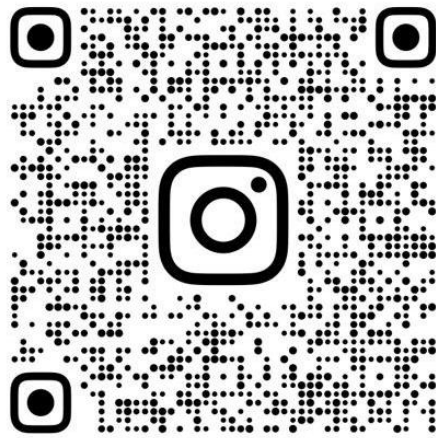
- Similar setup as the first
- 5% or less for down payment

More Properties

- Find good deals ONLY
- Much higher down payment



Any Questions?



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