

### Manage With ROOST™

#### How many of these excuses have you heard from your tenants?

- I can't pay my rent because someone stole my refrigerator.
- I'm going to prison next month so I won't be able to pay the rent.
- I have a rare brain disease that makes me forget things. So, I forgot to pay rent.

Or my personal favorite:

• My car won't start and the dog ate my rent money.

Are your investment properties working to support you – or are working to support your investment properties?

How many times have you asked yourself "Why aren't my tenants paying the rent?" And maybe the more troubling question "Why do I put up with it?".

Admit it. The thought of placing another Craigslist ad and screening a million phone calls from people who were evicted last month makes you want to be sick.

I'm sure you have read all the books and talked to a bunch of 'experts' and still you end up with people living in your house that are slow to pay every month, or don't pay at all.

If you are like most landlords, you hesitate to file an eviction with the court because there is always that little bit of hope that the tenant will come through. After all, they promised to catch up when they get paid next week.

My message for you today is very simple:

#### Relax. We've got this.

We are ROOST Real Estate Co. and we have the property management solution you need to take all the stress and worry that comes with owning rental property off your plate. We make sure you have the time to focus on what **you** want to do, not what your tenants force you to do. We do what we do best so you can do what you do best. We make sure your investments are working for you and not the other way around.

My name is Chris McAllister, and I have experienced the absolute worst thing that can happen to someone who owns rental property. I went bankrupt. It wasn't just because I had tenants that could not or would not pay the rent, it was a bit more complicated than that.

It took years of being nickeled and dimed to death before my final fall. And it took a few months of feeling sorry for myself before I could look back and make sense of what went wrong. Eventually, I was able to identify the mistakes I made that cost me everything I had.

Because real estate is both my profession and my passion, I decided to try again. I spent the last seven years rebuilding my portfolio. This time I got it right and I could not be happier. Now I want to share what I have learned with you, so you never go through what I went through.

My wife, my accountant, and I were sitting around the conference table in my real estate office on a warm and muggy August afternoon in 2008. About 20 minutes into another meeting about what to do about all the money we were losing in our real estate investment company, I realized I had hit bottom. Any last-ditch chance I might have had to turn the business around evaporated with the already looming financial crises.

I knew that afternoon that I had dug a hole I could not climb out of. My only option was to contact a bankruptcy attorney and get out from under my crushing debt load. It was time to face reality.

Between 2003 and 2005, I and a partner bought over \$5,000,000 worth of real estate in Springfield, Ohio. It seemed like a great idea at the time. Like the rest of the country our home values were inflated by very loose and very cheap credit.

We paid too much for the properties we bought and were complete novices who did not understand all that is involved in making investment properties cash flow. My situation was made worse when my partner, who had already relocated out of state, let me know he was in no better position to cover our monthly shortfall than I was.

No one body ever sat me down and explained the potential pitfalls of real estate investing to me. (There is no guarantee I would have listened if they had.) I did not know a single real estate investor when I bought my first rental property. My entire education consisted of reading Robert Kiyosaki's book *Rich Dad Poor Dad.* What I

took from that book was the idea that with enough OTM (Other People's Money), you could get rich buying, renting and selling real estate.

After working with hundreds of investors over the years I can tell you that even in the best of times, there will be some dark days in your real estate investing career. Some will be really dark. Real estate investing is a business like any other. It is not nearly as glamourous as HGTV often makes it out to be and not all endings are happy. There is the potential to lose money and potentially a lot of money.

I came to realize over time that being a successful real investor requires doing many small things right, over and over again, time after time. Some people think that investing in real estate is a passive activity. They could not be more wrong. Real estate investing involves active involvement day in and day out.

Better than average returns in any investment category are the result of the consistent, value-added effort and activity undertaken to manage the asset. Yes, some people get lucky from time to time, but, the really successful real investors make money regardless of whether fortune smiles their way or not. Real estate investing requires active, hands-on management, on the part of the owner or their management team. There are no shortcuts. It's not sexy, but it's what it takes to make money.

I have been managing my personal properties since 2003. My team and I began managing for other people a few years later. I applied the lessons I learned from my personal property management failures to my clients' investments. After a long and sometimes painful journey, I developed a set of principles, unique methods, and processes that ensure our clients get the return on their investments that they deserve.

As our first clients started see their monthly cashflow improve over time, I knew we could help other real estate investors. Slowly word started to get around that we had a team and a system in place that other investors could tap into by hiring us to manage their properties.

Many of our clients come to us after they have tried everything else. They've read every book and consulted every real estate guru they could find. They've watched countless hours of HGTV and late night get-rich-quick infomercials and found that nothing worked. Finally, they heard about us from another investor or they found us online and decided to take a chance and call us.

The fact is, once I realized that **Rich Dad Poor Dad** was not the playbook I needed to be a successful real estate investor and manager, my life got easier. There is no easy path to riches in real estate. I am sorry to have to tell you this, but it is a lie. I am going to say it again, you get rich over time with hard work and active hands-on management.

The real problem in our business are the countless 'experts' in the media out to make a quick buck. The common enemy to our piece of mind are the coaches,

speakers, and 'celebrity investors' selling their version of real estate success. Their goal is not to see us succeed. Their goal is to take our money and move on to the next event.

After I finally started to crawl from the wreckage of my bankruptcy in 2009 things slowly improved for me and my family. In just a few years we went from managing less than 50 rental units for other people, to over 1000 units today in Dayton and Springfield, Ohio alone. We are currently ramping up our marketing efforts to attract new owners in Florida Space Coast area and Columbus, Ohio.

I guess I feel better knowing that I am not the only real estate investor that got off on the wrong foot early on. I received a call a few years ago from an out of state landlord with close to 70 single family homes in Springfield, Ohio they needed help with. They purchased these properties over a 24-month period sight unseen. They had learned via the internet that Springfield, Ohio had some of the cheapest housing stock in the nation so they were confident in they were going to make money.

Like many investors, they did not consider the condition of the properties they were buying and the true cost of the initial rehab and ongoing upkeep and repair. They also consistently over-estimated the amount of rent they could collect and the number of months each year they should expect to collect it. They did not necessarily overpay for their houses, but they overestimated their profit margins.

They also thought they could manage their properties themselves, from their home in New York. To their credit, they did hire a local contractor to help them with their rehab work. Their mistake was allowing this unlicensed individual to act as their property manager. By the time we got involved they had lost tens of thousands of dollars.

Where our owners really got killed was in the cost of repairs and rehabs. Not only was there no competitive bidding going on, but from what we could tell their local contractor was billing them at a very substantial mark-up. This was in addition to the compensation he was collecting as a percentage of the rent and security deposits collected. The unlicensed property manager was the only person making money on these houses.

It is important to note that under Ohio law, acting as a property manager without a license is a first-degree misdemeanor and subjects the offender to a civil penalty of up to \$1,000.00 per violation. Had their local contractor been reported to the Ohio Division of Real Estate, observed, charged, prosecuted and found guilty, he would have owed thousands of dollars in fines.

Fortunately for our owner, this story has a happy ending, but there are several lessons to be learned here. The first lesson is you cannot manage property on your own from a distance. The second is you need to have a set of basic standards for your property manager, including being licensed. And third, one should at least spend the

amount of time and effort to select a property manager that one would spend to qualify a new tenant. A good property manager will make you money far beyond the fee you pay them.

The property management services we provide allow our owners to reclaim their personal time and focus on living their lives. At the same time, our services allow our owners to maximize the profit potential of their investment properties. Perhaps the biggest benefit is that we make space for our clients to do more of what they do best while we focus on what we do best.

Some of our owners are full time investors, or investors with several properties who have full time jobs in other industries. Some of our clients are what I call 'Accidental Landlords'. These are clients who have an extra property acquired through inheritance or because they chose not to sell their existing home before they bought a new one. In either case, my goal is to take the day to day work and distractions off their plates so they can relax and collect a check each month.

I created **The ROOST Landlord Advantage**<sup>™</sup> so that my investor clients could experience all the financial benefits that owning real estate provides, while avoiding the hard work, time, day to day duties, and aggravation.

I launched ROOST Real Estate Co. and The ROOST Landlord Advantage in 2014. I have learned a lot over the years and my team and I continue to learn more about the needs of our clients and how we can add more and more value. This is my life's work. We are always looking ways to get better at what we do.

My goal is to free up our clients to do other things. In some cases, our owners choose to use some of their newly acquired time and resources to add to their portfolios. Once our clients realize there is light at the end of the tunnel, many become eager to buy more properties.

Depending on the number of units a new client has, and the percentage of rent being collected when we take over, a new client can expect to experience dramatic improvement within the first 90 to 120 days of working with us. I should be honest however, sometimes things get a bit worse in the short term before they get better in the longer term.

The ROOST Landlord Advantage<sup>™</sup> the following features and benefits:

#### Rent With ROOST™

Prospective tenants across a wide spectrum of price points look to ROOST Real Estate Co. for available apartments and homes to rent. Tenants and Owners both benefit from the policies and expectations outlined in Rent With ROOST<sup>™</sup> a comprehensive guide to being a successful tenant.

#### We tell tenants what we expect so they can be Great Tenants.

#### The Advertising Solution

All of our available inventory can be viewed online via computer, tablet or smartphone at <u>www.ROOSTRentals4U.com</u>, and <u>www.ROOSTSpringfield.com</u>. as well as on hundreds of rental property websites including Zillow and Apartments.com.

## We put your vacant properties everywhere on the internet so prospective tenants can see them 24 hours a day, 7 days a week.

#### The Tenant Selection Process

Our application process includes a criminal background, credit, and reference check. We look for prior evictions and verify employment. We require applicants to produce paystubs to verify their income. We supply all the paperwork and disclosures necessary to comply with all local, state and federal Fair Housing laws.

## We screen every applicant so only the best qualified candidates get to live in your properties.

#### The Rent Maximizer

Your success as a real estate investor depends on positive tenant relationships. Our team understands the importance of retaining your existing tenants as well as attracting new ones. However, our policy is that rent is due on the 1<sup>st</sup>, late on the 5<sup>th</sup> and we post 3-day eviction notices by the 10<sup>th</sup>.

#### We collect the rent so you can rest easy and get paid.

#### The Team Advantage

We have a staff of professionals dedicated to your positive cash flow. Our property management team includes a licensed Property Manager, a licensed Tenant Relations Manager and a Tenant Relations Assistant / Receptionist. Our team also includes three full-time bookkeepers.

## We employ a dedicated staff of professionals so any concerns you have are addressed immediately.

#### The Tenant Service Standard

We have a talented and capable staff of maintenance people available for routine and preventative work. After-hours emergency maintenance is available as well. Our standard is to complete routine requests within 48 hours and to stay in touch with the tenant throughout the process.

#### We take care of your tenants so they stay in your property longer.

#### The Profitability Snapshot

We employ an internet based property management system which allows owners access their year to date financial information every month at their convenience. We can disperse proceeds monthly, quarterly, or annually.

#### We look after your properties like they were our own so you know where every dollar goes every month.

#### The Rehab and Renew Plan

We know that rehabbing or renewing a property between tenants can be the most aggravating and expensive part of being a landlord, In fact, this is the area that if mismanaged, is the most likely to negatively impact cash flow and profitability. After you select a contractor, we monitor the project and only recommend final payment when fully completed.

## Our plans for your projects included obtaining at least two bids with separate line items for labor and materials to better keep track of where your money is going.

#### We are licensed in every state we do business to perform property management services. We tailor our services to the unique needs of each ROOST Landlord Advantage client. Being licensed means we have to stay up to date on latest fair housing and real estate laws so you don't have to.

I look at our steady growth and the long-term relationships we have with our clients as the true measures of our success. It is of course always nice to hear it from them.

*"ROOST Real Estate Co brings a very high degree of professionalism and service to a business that is too often an afterthought for most real estate companies. ROOST Real* 

Estate Co. has saved us thousands of dollars and dramatically increased our cash flow over the past two years. I highly recommend them."

Dennis Stegner, Stelter LLC

"ROOST Real Estate Co. has managed our investment properties for almost seven years now. They have helped us remain profitable through good times and bad. We always refer Gretchen and her team to other investors. We are really excited that they are moving into the Dayton and Columbus markets. Best of luck!"

Dustin and Kathy Owens

"Being that I live in New York and my Ohio properties are hundreds of miles away, it is reassuring to know that I can rely on ROOST Real Estate Co. to take care of my investments. They always have my best interest at heart and I see it in my financial results."

Neil Wasserman, Profit Making Ventures LLC

#### Whether you are an Accidental Landlord or a Professional Investor, The ROOST Real Estate Co.® will help insure that your real estate investments work for you, and not the other way around.

#### Here is a sampling of activities we take care of daily:

- Rehabbing, painting and renovating.
- Performing preventative maintenance.
- Marketing and advertising vacancies.
- Screening potential tenants.
- Writing leases and keeping track of files and paperwork.
- Keeping the books.
- Answering emergency calls and tenant inquiries.
- Answering calls generated by our advertising.
- Mediating tenant disputes.
- Collecting rent.
- Posting notices, filing evictions and going to court.
- Consulting with our owner clients to help improve their ROI.

Here are five key services and benefits you will experience immediately after signing up for the **The ROOST Landlord Advantage**<sup>™</sup>.

First, we will prepare a welcome letter and deliver it personally to your tenants on your behalf. Immediately, your tenants will know to contact us, and not you, regarding whatever issues they have.

Second, we will upload your leases and tenant information to our management website. We will also upload the physical and financial details about your properties into our system. This way we can both access it anytime.

Third, your tenants will have access to our 24-Hour maintenance request answering service. Any time they call with a problem, a work order is created and the request passed along electronically to our team for review, or in the case of emergency, dealt with immediately based on the permissions you grant us.

Fourth, our Property Manager will make a detailed assessment and punch-list for any vacant properties you may have. We will then obtain bids for your review.

Fifth, if any of your properties have tenants that need to be evicted, we will file that paperwork with the court right away to minimize future lost rent.

How do I put a price on your peace of mind? Well I can't. I can however tell you how we get paid and what you can expect. We charge a straight percentage of any rent and late fees we collect payable each month. In addition, we charge a fee each time we get a new lease signed by a tenant. We also charge a one-time start-up fee to get you, your tenants, and your properties into our system quickly and accurately.

It is also important to tell you what we *do not charge for* that other property management firms might. We do not charge a monthly fee for vacant units. We do not charge you additional fees for our time spent appearing in court on your behalf if we half to evict someone. We do not mark-up vendor bills for our benefit. If you approve work to be done by a third-party contractor, you reimburse us for what we pay and no more.

If you have been struggling with keeping up with your real estate investments, or just are not happy with your monthly cashflow situation, I think you will agree that **The ROOST Landlord Advantage**<sup>™</sup> is more than worth the price of admission. You owe it to yourself and your future to partner with a management team that treats your investments as if they were our own.

Our standard fees for The ROOST Landlord Advantage<sup>™</sup> are:

- 10% of all rent collected each month. (We offer discounts for multiple units and apartment complexes.)
- \$200 for each new lease signed or renewed for another 12-month period.
- \$100 per unit start-up fee payable upon execution of the management agreement.

That is all. We do not charge minimum fees for vacant units or any other fees for services. Everything we do is included.

We are so confident in the services we provide that if you decide ROOST Real Estate Co. is not the right partner for you, you can request to end the relationship with a 60-day written notice. This is a guarantee that is written right in our management agreement.

Want to save half the cost of your start up fees? Sign up with us today and we will discount the start-up fee to just \$50.00 per unit to a maximum of just \$500.00 regardless of the number of units we contract for.

Just imagine what your life is going to be like in just a few short weeks when you partner with us to manage your property. You will be free from the aggravation, late night phone calls, needy tenants, bookkeeping, unscrupulous vendors, and day to day distraction of looking after your properties on your own.

Just think what it will be like to get a financial report your accountant will love, and a check, each month, no matter what. Call us today or click here to give us some basic information about your real estate business and we will call you right back. Why wait another day to get better control of your real estate investments?

Once you sign up with ROOST, you really can relax. We've really got this.

#### Would you like to know your Make Real Estate Work Score?

Want to learn even more about The ROOST Landlord Advantage<sup>™</sup>? We would love to sign you up with our company today, but before we go any further, take 20 minutes to complete this scorecard. I guarantee it will give you a better understanding of what we are all about. Take your time and fill in the comment sections too.

Click Here: https://www.kys.coach/MakeRealEstateWork-a95268

# Once you discover your score, you will be on the road to making your real estate work for you, and not the other way around. Wherever your score lies, you have the power to design the life and business you want and deserve.

After you complete the scorecard we will email you a link to a free copy of my e-book called Your Make Real Estate Work Mindset Scorecard – The Eight Real Estate Investment Mindsets Growing or Slowing Your Business Right Now. Even if you decide that working with ROOST Real Estate Co. is not right for you, I guarantee you will find value in this easy to read pdf.

#### **Final Thoughts**

I understand if you have reservations about paying us to look after your properties. However, I know the benefits and peace of mind we provide is worth far more than the monthly fee we collect.

Whether you choose to sign up with us now or later, we will continue to nurture and deepen the long-term relationships with have with our current clients. Just know however, without our help, you will always be working harder than you need to. I know that sounds kind of harsh, but I know it is true.

We are here, ready to go to work when you are. And remember, sign up today and receive a 50% discount on our start-up fee. If you have more than ten properties to enroll you will still pay a maximum one-time fee of just \$500. Give us a shout. We really are here to help.

Thank you!

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