



Greetings! Welcome to the premiere issue of the CCAA monthly e-newsletter. Each month you will receive the newsletter filled with industry news and articles. The newsletters will also be archived on the CCAA website for future viewing, just click on the link below.

<http://www.ccaassociation.com>

Capital City Apartment Association Apartment Cornerstone Newsletter

April 2008

In This Issue

Apartment Industry Remains Stable
Why fill out the guest card yourself?

CCAA CALENDAR OF UPCOMING EVENTS



April 9, 2008
CCAA Board Mtg, 11:30 AM
Spanish Oaks, 1327 High Rd.

April 22, 2008
CCAA Trade Show, 6 - 9 PM
TLH/Leon County Civic Ctr

May 14, 2008
CCAA Board Mtg, 11:30 AM
Spanish Oaks, 1327 High Rd.

May 27, 2008
CCAA Lunch Mtg, 11:30 AM
Holiday Inn, N. Monroe

APARTMENT INDUSTRY REMAINS STABLE DESPITE FINANCIAL TURMOIL

WASHINGTON, DC - The challenging economic times and financial market disruptions are having little impact on the apartment industry's biggest firms, according to the National Multi Housing Council's 19th annual ranking of the 50 largest U.S. apartment owners and the 50 largest U.S. apartment managers.

As further evidence to the sector's strong fundamentals and positive long-term demand outlook, there were few changes in the top of the NMHC 50. In fact, for the first time in the survey's history, the top 10 firms on last year's NMHC 50 owners and NMHC 50 managers lists made the top 10 again this year, albeit with some small shifts in the order.

Behind this stability was a continued trend of declining portfolio size among the largest owners and growing concentration among the apartment management firms.

Denver, CO-based Apartment Investment and Management Company (AIMCO) remains the nation's largest apartment owner for the third year in a row even after a net reduction of more than 14,000 units. For the first time since 1988, AIMCO now owns fewer than 200,000 units, down from its 2004 peak of 278,000 units. Industry giant Equity Residential was also a net seller, shedding 11,500 units in 2007. This follows a 30,000-unit reduction in 2006; the firm is now the No. 4 owner.

In stark contrast, most of the firms at the top of the NMHC 50 managers list recorded significant portfolio gains. Dallas-based Riverstone Residential Group was clearly the rising star among the managers. The firm added nearly 64,000 units-a 70 percent increase in size. As a result, the firm jumped two spots and is now the third largest owner, just two years after the company was formed. Across the country, Seattle-based American Management

June 11, 2008
CCAA Board Mtg, 11:30 AM
Spanish Oaks, 1327 High Rd.

June 24, 2008
CCAA Lunch Mtg, 11:30 AM
Holiday Inn, N. Monroe

July 9, 2008
CCAA Board Mtg, 11:30 AM
Spanish Oaks, 1327 High Rd.

July 22, 2008
NO MONTHLY MEETING
See you next month!

August 13, 2008
CCAA Board Mtg, 11:30 AM
Spanish Oaks, 1327 High Rd.

August 26, 2008
CCAA Annual BBQ, 11:30 AM
Spanish Oaks, 1327 High Rd.

September 10, 2008
CCAA Board Mtg, 11:30 AM
Spanish Oaks, 1327 High Rd.

September 23, 2008
CCAA Lunch Mtg, 11:30 AM
Holiday Inn, N. Monroe

October 8, 2008
CCAA Board Mtg, 11:30 AM
Spanish Oaks, 1327 High Rd.

October 28, 2008
CCAA Lunch Mtg, 11:30 AM
Holiday Inn N. Monroe

November 12, 2008
CCAA Board Mtg, 11:30 AM
Spanish Oaks, 1327 High Rd.

November 25, 2008
CCAA Lunch Mtg, 11:30 AM
Holiday Inn, N. Monroe

December
CCAA Holiday Gala
Time & Place TBA

December 10, 2008
CCAA Board Mtg, 11:30 AM
Spanish Oaks, 1327 High Rd.

December 23, 2008
NO DECEMBER MEETING
See you in 2009!

FAA & NAA UPCOMING EVENTS

May 20, 2008:
FAA Board of Directors Mtg
AAGO Office, Maitland, FL



Services (dba Pinnacle) added nearly 21,000 units, pushing it into the No. 2 manager spot.

This is the second straight year of significant increases in management concentration. As a sign of how much larger the top apartment management firms have become, the No. 50 firm on today's NMHC 50 managers list would have been No. 36 as recently as five years ago. There is still considerable potential for future consolidation, however, as the NMHC 50 managers only control 15 percent of all U.S. apartments.

"The apartment industry has historically been dominated by smaller local and regional firms, particularly in the area of property management," noted Doug Bibby, NMHC President. "But that is clearly changing as we see the emergence of several powerful national property managers. These firms are using economies of scale to overcome thin margins and to refute the conventional wisdom about property management being a low-growth area."

"Not only are they surpassing investor and client expectations," added Bibby, "they are raising the customer service benchmark for the industry. By leveraging their national platforms to recruit, develop and retain the best available talent, they are bringing a new level of professionalism to the sector and transforming the renter's experience."

This year's NMHC 50 rankings also documented the decreasing role of real estate investment trusts (REIT) in the sector. The number of apartment REITs in the NMHC 50 is down to 11 from a high of 14, following several private takeovers in recent years. In 2007, Archstone-Smith joined the ranks of recently privatized REITs after a buyout by Tishman Speyer and Lehman Brothers. For the fourth year in a row, apartment REITs as a whole were net sellers. They now own just 4.0 percent of the total U.S. apartment stock, the lowest figure since 1998, and down from a peak of 6.4 percent in 2003. A complete analysis of the results is available on the NMHC's website at www.nmhc.org/Top50/ListYears.cfm or by calling 202/974-2354.

WHY FILL OUT THE GUEST CARD YOURSELF? Why wouldn't you?

I teach fair housing classes all over the nation and I am still amazed at a question I receive nearly every time - why should we, the leasing consultant, fill out the guest card ourselves? Why not let the prospect fill it out? Of course, I answer quickly with "aside from it being *your* job, and not the prospects?" This can sometimes get a blank stare. The fair housing ramifications of not filling out the guest card yourself are only one potential problem with this approach, there are four other important reasons. Consistency, rapport, security - all sorts of big issues play a part in this task. The bottom line, the gist of it, is that a good leasing consultant that is doing their job fills out a guest card themselves. A poor leasing consultant, one who isn't doing their job, doesn't.

June 26, 2008

NAA Education Conference
Gaylord Palms Resort
Orlando, FL

August 20, 2008

FAA Education Conference
& Trade Show
OMNI Orlando Resort
ChampionsGate, FL

September 23, 2008

FAA Leadership Summit
AAGO Office, Maitland, FL

November 13, 2008

NAA Assembly Delegates Mtg
Western Galleria Dallas
Dallas, TX

December 2, 2008

FAA Board of Directors Mtg
AAGO Office, Maitland, FL

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Tamika Gilmore

Treasurer

The first reason for completing the guest card is that it can potentially put you into jeopardy for a fair housing complaint or even a lawsuit. Consistency is crucial in dealing with your prospects, and the only way to be consistent is to do the same thing each time. When you pull out a guest card, ask for a prospect for their ID and work your way through these questions, you are insuring that you are doing things the same way. The problem with letting the prospect complete the card is they may not fill everything out. You are still responsible for the information being completed, regardless of who writes it down. When your cards aren't consistent; some questions complete and some not, some workplaces recorded and others not; you fail the test of consistency. These are the types of things HUD investigators look for. Just say for the sake of discussion that all of the guest cards you received from white prospects were completely filled out - every question answered. Another stack of cards, these from a minority group, aren't filled out completely. These cards don't have any answer for place of employment or telephone number. HUD can assume that your community was discriminating against these minorities - that you assumed they didn't have jobs or even home telephones. Your argument that you didn't fill out the cards, you had the prospects do it, won't hold water. It's your job, not theirs. You're on the hook, not them.

Second, why would you want to trust these folks with your success, when you have known them about five minutes? Your success depends on these cards being complete. Many of the questions included on your guest cards are there to assist you. How are you going to follow-up with this prospect? When do they need the apartment in question? Do they work for an employer that we offer a discount to? We have all seen prospects who don't answer these questions for the sake of brevity or maybe even privacy. Those cards do you no good when trying to follow-up, inform a customer about a change in availability, or sending out a thank-you. Getting the answers gives you resources. People don't usually avoid direct questions, but they can easily skip over a few spaces on a guest card.

Third, why would you trust them with your security? I tend to call things like I see 'em and something I tell people in my classes is that if someone comes in to your office and doesn't want to show you their photo ID or answer a couple of questions on a card, they are either one of two things. First choice is a complete idiot. Second is a terrorist. We live in a different world and you and your community need to be aware of who you are dealing with and be cognizant of your safety. When you see the photo ID and write down details like the spelling of their name and address, there is less likelihood of something going awry. Many don't realize that some of the 9/11 terrorists were able to obtain apartments in South Florida because they were never asked for identification, never filled out cards or applications and paid for their apartments in cash. Another problem is that young female leasing consultants have been assaulted in model apartment homes - if there is no guest card, this is no record of the attacker. If they fill the card out themselves, who knows what they may have written? Most professionally run apartment communities have enacted policies to help prevent these things from happening - the guest card is one of the most crucial steps. Your protection is important and the guest card is one of your defenses.

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Fourth is rapport -you cannot establish rapport without it. Your prospects realize that you have to get through the questions together. You also are more likely to remember details and learn pronunciations when you ask them and then record the answer. You can even pull the card out and joke about it - "we've got to get through a couple quick questions in order to go take a look." Their answers to questions can open the door to all sorts of conversation. "Where are you moving from?" "The Kansas City area." "Oh, I love Kansas City - all of the fountains. My sister went to school there." Filling out the card is not just a question and answer session - you aren't conducting an impersonal survey here. Your goal is to establish rapport, and a conversation gets you there.

The Fifth reason is that having them fill out the card actually wastes *their* time. Plus, why are we putting these people to work? I have seen many prospects get exasperated when leasing consultants ask them the same questions that they just wrote down answers to. The leasing consultant welcomes the prospect, hands them the card and goes back to their busy work. First off, this doesn't exactly show the prospect that they are important to you when you are off working on some other task. Then the consultant collects the cards, grabs the model keys and is off with the prospect. While they walk, invariably a conversation begins: "So, where are you moving from," she may ask. "Well, Pittsburgh. We wrote that on the card." "Oh, of course. What size apartment were you needing?" "A two bedroom, two bath. We wrote that on that card." "When were you needing to move?" "October." "Do you have any pets?" "Hey - why did we fill out that stupid card if you were just going to ask us the same questions?" Why, indeed? The only way you can know the answers to these important questions is to ask them yourself and record the answers. That is doing the job of leasing consultant. They may look for a portion of the commission. Don't let the prospect do your job!

The job title of "leasing consultant" isn't just an industry and politically correct term - it is something you *are*. A consultant ask questions, gets to know a prospect, establishes rapport. Any clerk can accept a card and hand someone a set of keys. A professional leasing consultant fills out a guest card completely, every time.

*Christopher Higgins is **The Apartment Guy**, a professional speaker, industry educator and marketing consultant based in Montana. Christopher owns small multifamily property in Florida, Missouri, Montana and Saskatchewan. With 17 years of experience in the industry, Christopher started his career in West Texas with his own print apartment publications and at age 23, became the national marketing and training director for a Top-50 NAHB multi-family developer. He has leased, renovated, marketed and managed rental housing. Performing more than 150 seminars each year across North America and the UK, his topics include closing and phone skills, resident retention, Fair Housing, Internet and outreach marketing, advertising, collateral materials workshops and investment seminars. For more, visit www.theapartmentguy.net.*

Property Management Leadership Requires Timely Information! ©

Technology continues to connect us faster and from greater distances, until time zones and the miles between us no longer matter. These changes are happening at a blistering pace and timely information is allowing property management leaders to

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[NAA Website](#)

operate their companies and their properties with a new set of rules. Thomas Friedman, author of "The Lexus And The Olive Tree" says, "the future will require a complete integration of capital, technology, and timely information for leaders to lead". As a property management professional, are you ready to be a leader of the future?

Reviewing some powerful statistics: Given the rapid pace of technology and innovation it's important to realize just how fast information and ideas are reaching us, with the tap of a keystroke. Here are some powerful statistics about today and the future:

1. It took commercial radio 38 years to reach an audience of 50 million, it took 13 years for television, but the Internet only took five years to grow this large.
2. According to the Department of Commerce, Internet traffic has been doubling every 60 days.
3. Nua Internet Surveys, www.nua.ie, reports 471 million online users with 251 million, or 53 percent, in North America.
4. The Internet is adding one new user in North America every 1.75 seconds or 49,317 per day.
5. In the first quarter of 2008, online retailer Dell Computers generated sales of 150 million dollars per day.
6. 74 percent of North American Internet users currently research travel arrangements online.
7. An MBA at Duke, Purdue or Syracuse University can be earned by taking online classes.
8. E-commerce will total 800 billion dollars in 2008 and will grow to 1.3 trillion over the next 24 months.

Tip From The Coach: As a property management professional, do the above trends surprise you? Are you and your property management teams ready to leverage these trends for your competitive advantage? Remember, with the pace of technology, only the leaders who embrace this rapid pace will survive and thrive into the future!

Leading-edge uses of technology and information: Many of our property management clients are using the statistics above to create some very innovative ways of applying capital, technology and timely information. Here are some examples:

1. Property management companies are using comprehensive internal websites [intranets], to maximize the flow of information and ideas within their company. In addition, our property management clients are linking their marketing information to the intranets of their corporate clients.
2. Post Properties is offering their residents Internet access and E-mail accounts.
3. Our clients have specifically designed their websites to capture the E-mail addresses of prospective future residents, for free future marketing.
4. Apartment communities have online forms for handling maintenance requests and other resident services.
5. Progressive companies are adding Chief Knowledge Officers to mine great ideas, share best practices, develop leading-edge technology and communicate strategic plans.
6. Our property management clients are conducting training and

sharing real-time communication with their teams by teleconference, including online Internet presentations.

Accessing real-time information: In addition to the examples above, leading vendors in the property management industry are providing real-time website information. Here are two examples: Homestore, www.homestore.com, provides password-protected real-time access for its property management advertisers at a secured portion of their website. This means advertising clients can make changes to their rental rates, update property information, review web page activity and analyze monthly/year-to-date marketing reports. The second example is with Lead Tracking Solutions, www.ltssteam.com, as they also provide real-time access at their website for their property management clients. This access allows their clients to review important marketing information, compare the results of their marketing with other properties within their company, download and listen to actual in-bound telephone calls from future residents, download marketing information for their own internal spreadsheets and reports, E-mail reports to others within their company and define their own parameters for custom reports of their marketing statistics.

Author's note: Ernest F. Oriente, The Coach, is the founder of PowerHour® a professional business coaching/recruiting service and the author of SmartMatch Alliances™. He has spent 21,930 hours [since 1988] delivering customized training, by telephone, in leadership, tradition/Internet marketing and sales for property management companies, apartment locator/corporate housing services and multi-housing sales/service companies worldwide.

We hope you have enjoyed the newsletter this month. If you have any comments or suggestions for the newsletter, please feel free to contact the CCAA at ccaassociation@mchsi.com.

Sincerely,
Renee Porter, CCAA Association Executive
Capital City Apartment Association

**WIN
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Print out this entry form and bring it to the CCAA Annual Trade Show on April 22, 2008 for a chance to win a \$25 Gift Card.

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You must print out this coupon - no copies accepted. One entry per person ONLY.