

EP24. Our Thanksgiving Appreciation For You

Welcome to the Landlord Logic Show, hosted by John Tiner. John is the owner and CEO of Tiner Property Management, a three-generation family business since 1976. Tiner Property Management expertly manages over 1,000 properties in the greater Sacramento area to place quality tenants quickly while minimizing your risk. John stays up to date on all the new laws and regulations and shares his knowledge with do-it-yourself landlords each week.

The Landlord Logic Show with the Tiner Property Management Pros. Joining us now, John Tiner, along with his wife and business partner, Jenny Tiner. Welcome to the Landlord Logic Show. We're so glad you're listening today, and we're coming into this Thanksgiving season. We wanted to take a little time today to talk about how thankful we are as a company, Tiner Property Management. We have many blessings as a result of having a company, having employees, owners, and wanted to kind of talk about some of those things today.

Having that attitude of gratitude, I think it can spill over to all areas of our life, but particularly we want to focus on what a blessing it is and how thankful we are to have a property management firm, Sacramento, and able to bless and help so many people.

In our studio with me today is my wife, Jenny. Glad to have you with us today, too, Jenny. Thanks for listening, everybody. And if you didn't know about Tiner Properties, we are a property management company in Sacramento. We manage almost 1,200 properties. And like John said, we are very thankful for our business and our listeners.

So I can tell you what being thankful means to me. One thing is, I mean, this is a new thing for me, us being on the radio. And it was kind of interesting how that all came about, but very thankful for that, for all of our listeners. I guess I'm an ambivert type person. I may act like an extrovert, but this has really made me grow as a person. And Mike's saying is if you're not growing, you're dying. So it's really been a blessing to me to be here. And it's kind of neat when I see people and they're like, wouldn't think that they'd be listening. They say, hey, I heard you on the radio show. And I tell my kids, I'm like, I'm going to go be a radio star today. So anyways, thankful to our listeners for everybody listening.

And also, I've been a realtor over 20 years. I've been working with John doing real estate stuff for 14, 15 years. But I just, in the last year and a half or so, started doing the property management business development and new accounts. And that has just been amazing talking to new owners, talking to more of the NARPM, the property managers in the area, getting to know them, getting to know this side of the business more.

So NARPM is the National Association of Residential Property Managers. And my daughter, by the way, Krystal Tiner, is the president of the NARPM local chapter right now. Her term is about to come up and she'll be doing a transition. But that group has been a real blessing. It's kind of interesting because Jenny had many times where she met with realtors and they were a little bit difficult and not very helpful to one another. She came to some of our NARPM meetings and she saw how the other property managers help each other and share information. And she's like, wow, this is such a nice group. She's really enjoyed that part of it.

Yeah, some amazing people that I've met that I'm very thankful for. We're coming up to a milestone this week. I think we'll go over a new number of managed properties. It was only about a little over a year ago that we hit the 1,000 rental properties under management with us. And we did a big celebration and had some Yeti mugs made for all the staff. Didn't expect that just a little over a year later we'd be crossing the 1,200 threshold. So we're growing rapidly. Word's out. We do a very good job for owners and we're thankful for the growth and thankful for our team because our team is what makes it all possible. We have an amazing team.

And our president of operations, Susan Runkle, she's been with us now for 20 years or so. And she is fantastic. She's our quality control. She's the mentor for all the property managers. She helps get everything organized, keeps us in compliance. Her and I work together on new laws and how we're going to comply with them. But she's just such a steady hand at the helm. We're so glad for her. I couldn't work on education and growth if I didn't have somebody who could run the day-to-day as well as she does. And honestly, she does it better than I could have.

Yeah, we love Susan. She's fantastic. Another thing to be thankful for, I saw my mom this morning in the office. My mom and father, John and Sherri Tiner, founded this company, just little teeny five, six rentals in the beginning, and one of them were their own. So we've grown from that, but I'm so glad that they planted the seeds and got the company started. I think when I came to help them, they had 40 or 50 management accounts, and then we've grown to where we are today. So I wouldn't have probably been able to start this company if it hadn't been started by them before me. Amazing people. Thanks, Mom and Dad.

Yeah, thanks, Mom and Dad. They still come into the office. Your dad, not as much anymore. He's on the golf course a lot. Mom's still helping with our books. Good at it. I'm so thankful to have her looking over things for us. And then Jenny, my partner here, she's been my sales partner for a long time, but as the market slowed down, she jumped in to help us with the property management growth because it's kind of like drinking out of a fire hydrant. If you're good at it for a long time and then the market shifts and people start coming in, you've got

to manage that growth, have the infrastructure and the employees to take care of it. And she's really helped with that.

Thanks, John. I'm thankful for you. You're awfully easy to work with. I've worked with difficult ones and I've worked with great ones, and you're one of the greatest. Yeah, we are one of those couples that were married and we work together and it all just flows great. Yeah, 24-7 and a lot of stress and we still get along.

Besides Jenny, we also have a whole staff of great property managers. I mentioned my daughter, Krystal, she's one of them. She's a property manager herself. But we also have:

- Amber, who's been with us for nearly two decades, and she's a fantastic property manager.
- Melissa, one of our great property managers.
- Susan, who's mentored to everybody, can always step into that role if she needs to. But her best use is actually managing everybody else.
- Alexis, one of our newer property managers, and she's doing fantastic.

And just we're so glad for them because if they didn't do a good job, we couldn't grow. We would have problems, but we run a really smooth operation because they're all really good at their job. And then our property managers have staff, they have assistants, and they have virtual assistants, and then we have leasing agents, and we have inspectors, and bookkeeping department. Our bookkeeping department is great, by the way. Yeah, they're fantastic. Every once in a while, any company of our size gets an audit by the DRE, and I'm so glad that our books are ship-shape when that comes up. They're very sharp. Yeah, they're balancing that to the penny. Yeah, they do a great job with it.

Yeah, so we have 20 staff members, and we're thankful for our whole team. It takes all of them to put in all of their fantastic effort to help manage almost 1,200 properties. We say 1,200, too. Some people think that we are a bigger company, but we still act like a small company. You know, if we didn't say that number and you were our client or you came to us, you wouldn't know you wouldn't be treated like you are, you know. I had an owner drop in the office yesterday, and I stepped out and visited with him, took time with him. They all have my cell phone number, so.

And they do call you. We're still very, very much active in the day-to-day operations of Tiner Property Management. So owners is another one I'm very thankful for, right? Sometimes owners can be difficult, but most of ours are great. They're great, yeah. I got to know some of them doing this role, and I love talking to them, and they all have different stories and needs to why they're coming to us, and we're helping them with solve solutions to them,

which is what I love doing. It's a partnership, right? Us with the owners. And that's what we say when we get a new account. We look forward to partnering with you because it is. It's your home, but we often say it's ours, you know, because we're helping with that. We're helping manage it. We have a shared interest in making it work very, very well.

I had an interesting thing happen this week. We had an office meeting recently, and I told all of my property managers that for the holiday season, I would let anybody who had a difficult owner who was disrespectful or difficult to work with, they could drop one account. So I thought we could lose up to maybe 1% of our company when I offered that. And we ended up with all of our employees having this option. It's very empowering for them and kind of, you know, like, good. Like, nobody can talk to us. Who sucks as a client that we could? Right. And you know that out of nearly 1,200 accounts now, we had one owner that we dropped out of that. So that just tells you that not only are our people, a high percentage of our owners are fantastic, and my staff is happy to keep them because they're good owners.

And another one is the tenants. We hear so many horror stories, right, about tenants and the terrible things they do. But the vast majority of ours are great. We have very few that pay late. We have very few that ever trash a property when they vacate. And we have very few that we ever have to evict, as we've said many times, less than one a year with over 1,000 doors. So a really good selection of tenants, and that's an absolutely essential piece of having good investment properties and having it work well is to pick great tenants, and we have a lot of good ones. Yeah, thank you, tenants.

The other part of our team that's so important to us are our vendors, and we call them our vendors because we feel some ownership to them, but they are all independent contractors, right? They're not our employees or anything, but we have great relationships with them. We assign about \$1.5 million a year in repairs and maintenance, so we get to know the vendors that do the work very well. But some of them that we have are particularly good:

Tom Rodine, as Rodine Painting, has painted over 1,500 properties, I think, for us now. He does a great job. He knows how to touch up and not paint the whole house many times. Very good at that. Mike and Marilyn are our locksmith. We've had them for over 35 years. And they're just, they're the ones that rekey between every tenant every time and they do a great job for us.

Jason Farley is a really good contractor for us. He does remodels, bathroom remodels, everything down to handyman work also. But he's a great vendor and really helps us keep these properties running. They get on it. They do a good job. They're fair. They get in, get out.

And we're glad for him. He's fantastic. He's one that if I have a problem that comes up and usually my problems when they come up need attention right away. He just drops it and goes there super fast. He does that with others, but I, you know, I just, it's just how he is.

And these are the same vendors that we would use on our own home, Jenny. Tom's painted our house. Mike and Marilyn have rekeyed it. Jason's done work on a bathroom remodel. I sent him to my mom's house when she has problems. Right. And I was going to mention Danny at Hoyt Mechanical as HVAC guy. I think he installed your new air conditioner for you a few years ago. And he's a great technician.

So anyway, thankful for those vendors because we could not do the job we do managing these properties and doing it well if we didn't have great relationships. So a lot of the things we're talking about today that are good for property management company, they're the same kind of team that a landlord who manages their own property needs to put together on a small basis. They need to have really good support, a good team in order to do it well. You can't do it all yourself. So team building is an important part of property management.

Yeah, we have a great one that makes up Tiner Properties.

Well, thank you for listening today. We are so glad that you're with us and spending this time with us. We want you to know if you're needing some help with your own rental property and you'd like to be able to reach out to us, what we do is manage rental homes for property owners. A lot of times they only own one or two properties. They're not typically doing property owners that own 20 or 30 rentals. We're doing ones and twos and sometimes four and five at a time. Mostly single family homes and some duplexes, but no multifamily above that. But we're good at it.

And the process for you, you'll meet with Brandi, who you're going to hear about after the break. Brandi's our new account specialist. She'll meet with you or myself. Sometimes we come together and we will give you about a half hour of our time, explain how our services work, and we help you get the property ready for rent, beautifully market it, take great professional photos, and then help you screen and find a fantastic tenant.

Most important piece we do is find a great tenant for you. We do a move-in condition report and document the condition of the house before the tenant moved in so that we can make deductions from the deposit if it's damaged in any way. At the end of that time, give them possession, do the lease agreement, do all the paperwork. And man, the compliance and paperwork and disclosures that are required just keeps getting to be more, but we take care of all that for you.

We register your property with Sacramento County or Rancho Cordova, Citrus Heights. They have an inspection program. We help you get those registered for the annual

inspections. And then we do our own annual inspection every year. We do a market analysis, raise the rent if the market is going up, which it's not always going up, but often we're able to nudge that rent up each year.

And then we do the accounting. So we gather the rent from the tenants, process it to you at the end of the month, and pay any vendor bills, any repairs, because we've coordinated all the repairs for you also. And at the end of the year, you get a final accounting. And that's everything you need to prepare your taxes or to give your CPA so that they can. So it really makes it turnkey to own rental properties. And that's what Tiner Properties does.

Yeah, so if you want some more information, an easy way to reach us is our phone number, 916-974-6003. You can also check out, we have a lot of great information on our website, and you can reach us there as well. And that is Tiner.com, T-I-N-E-R.com. If you like this show, they're all replayed on our website as well. So go down to the podcasts, and we have about 25 episodes now. But a lot of great information on there. We'd love to hear from you. 916-974-6003.

And our focus when we do this show is to help landlords. But today we wanted to spend a little time with a special guest, which is Brandi Underwood. Brandi is our new account specialist and our business development manager. Brandi, we're so glad you're with us. How would you describe your job duties for Tiner Properties?

Thank you for having me, John and Jenny. I would describe my job duties with Tiner Properties as kind of the face of Tiner Properties when we're out in the big wide world. So I enjoy meeting face-to-face with our owners, assessing their properties, coming up with a list of any needed repairs before we get to marketing their property, and then also creating a detailed info sheet on the property so that when we're ready to go on the market, we have all of the amenities and details to advertise the property in the best light. And then we also talk about intelligent pricing before putting the home on the market as well.

Brandi is the face of our company and she's the new face because I was the old face. And I'll tell you, my face is better for radio, but she's a good face for the company and people love her. And not only that, she's killing it. We met through a group that finds business development managers for property managers all across the country. And they have a leaderboard. And with 100 of these business development managers, Brandi is consistently in the top five, sometimes the top three to the top one each month. So we always say one a day, one new account a day. And she's meeting that goal very well for us and doing fantastic. But she's doing the job I used to do and I'm doing a little bit more education and helping the public understand property management better.

Brandi, so we're seeing some little shifting in the market now. Things are slowing down a little bit, but what are you seeing and how long it takes to get a property rented?

So on average, we're seeing that the properties take about anywhere from 21 to 30 days right now from initial marketing to an approved applicant. And Tiner monitors our own inventory and properties every week. So you as an owner would receive a weekly update from your property management team on how many inquiries, showings, and applications you receive. Brandi's tracking that pretty close too because when she's pricing new properties, she wants to be able to tell about all the other ones that we've been having on the market or doing, how quickly they're renting. So 23 to 31 days has been average now for a while, but we know we're coming into that season where it continues to slow down from Thanksgiving until New Year's. So it's important if you have a vacancy to get that property rented quickly or they could sit a little longer on the market now.

One of our biggest challenges with new owners is to get them to price the property correctly in the first place because it's a slowing market and it's a reality sometimes that property owners don't want to deal with. They want to believe that it was worth what it was a year ago, and we know that it's not in many cases.

Yeah, that's true. Rents are down on a national average. They've shown that they're down about 8.1% from this time this year over last year. So it's important that the owners understand that intelligent pricing does play a key role in getting an A-plus applicant approved on your property and ready to move in quickly.

Right, and that's our goal, those A-plus applicants, right? So describe what you mean by that.

So our criteria for an A-plus applicant is our A-plus applicants know that they have available options. At this time in the market, there is more of a saturation of available properties. So A-plus applicants would be someone such as myself who has a clean background, good tenant history and all of that. I have other options to choose from when I'm looking for a home on the market. So creating a price that is attractive, you know, really attracts the A-plus tenants.

Right, those A tenants are smart. That's why they have perfect credit. That's why they have good rental history. They make good choices in their life, and they're the ones we want. So if you overprice a property, it's not a good value. They're also smart enough to move on to something that is a good value.

How do you see property conditions impacting the pool of quality applicants right now?

So it's interesting to see also in meeting with different owners on what their perception is of property condition. So I recently met with an owner who had a nice property, but it needed some cleaning and just some additional touch-ups that the owner was not willing to do because his reasoning was, well, you know, the tenant's not going to, you know, give a crap about the property condition. And I shared with that owner that our tenants do care, and the better quality product that we deliver to the tenants is directly going to correlate to them applying to rent the property. And we often see that it creates more of that sticky factor, right? If you have a well-maintained and clean property, the tenant is likely to want to stay there longer.

Yep. So having a negative attitude about the tenant you're going to get can be a self-fulfilling prophecy where you just continue to attract that. And it starts with how you feel about your own rental property and whether you get it up to really nice condition or not. So condition is very important to attract good quality tenants because you can't attract quality tenants to a non-quality property, right? You can't get A tenants to C properties. Yeah, exactly. And I think sometimes people miscorrelate what clean is over, you know, upgrades. The property doesn't have to be, you know, marble floors and beautiful countertops. It just needs to be clean and attractive.

What do you think is the greatest challenge that we're seeing crop up with property owners now? I believe the number one topic that I've been hearing over and over is insurance, right? Whether it be fire insurance, flood insurance, it's getting really expensive for some property owners to insure their investment properties, and we've seen an increase in the landlord insurance policies carrying a higher premium. Right, and there's a lot of non-renewals or insurance companies saying, go fix these things or we won't insure you. So it's a tough insurance market right now.

But we have another solution, Brandi, that you've been sharing with a lot of our owners now, too. Yes, we have come up with several solutions for our owners. So one of the products that we have is an independent third-party company, and they offer insurance at a much lower rate for the general master liability policy. So the owner would still carry their required flood and fire insurance, but then we're able to add on the general master policy and save them a little bit of money. Right, that's a great solution that we're seeing often works for our owners that didn't think they had an option.

Yeah. One of the things Brandi's been learning recently is how to say no. There are some landlords that we just don't want their properties. In fact, the one that you mentioned earlier who didn't want to clean his property up, we just didn't want that account. But we are taking a lot of good accounts, and there's a lot of owners that have a really good

attitude. A lot of times their owners are leaving the property they just lived in, so they really care about it, and it's beautiful.

But why would a landlord consider having a rental now? There's so much talk about it being a tough market, but what are we seeing in ways of success for our owners? We're still placing about one A-plus tenant a day on our properties, and we're still able to get multiple applications on many properties. It comes down to pricing, and then also if you're a smart owner, you will partner with Tiner Properties, and we will be able to manage your investment property for a lower risk and a higher rate of return.

Yeah. Occasionally you get one of those owners who just say, you guys are the expert, price it where you think it's right, and don't we perform considerably better when that's the case? Yes, I love those owners because they're willing to give up maybe \$100 or \$200 to fill the vacancy faster, and they're happier, and they ultimately place a tenant that's happier that stays in the property for a little bit longer too.

Well, Brandi, it's been great to have you in the studio today. Thank you for having me, and I'm thankful for Tiner Properties. Thank you, Brandi. Thanks so much for coming on and sharing all of your expertise. I am especially thankful for Brandi, and she has an assistant, Trinity, because they made our new account team just thrive. They're very, very helpful to me and John because it was a lot to do with just us, so very thankful.

Yeah, Brandi has been great for our company. I had been the one who met with owners for all those years. I think I've done 5,000 new account presentations. She's done it fantastically. So Brandi's really a microcosm of what we see with a lot of our employees, right? So you figure out how to do something well, and then you hand it off to somebody else, and hopefully they can do it as well and even improve it, and that's what we've seen Brandi doing, and that's what we see a lot of our employees doing is we give them a framework. We help them be quite good at it, and then they refine it and do even better.

So speaking of Thanksgiving, one of the things I'm very thankful for right now was the results of the election with regard to Proposition 33. This is not a political statement so much as this is a property management question for us, and if it had passed, it could have opened the barn doors to all kinds of problems for property management. I think that both owners and tenants are much better off that that one went down, and we are glad that it's not going to be the law of the land. It failed by around a 60-40 vote, and that's good news for people who own properties and even renters because ultimately rent control causes properties not to be fixed up, causes owners to raise the rent every year. It creates a tidal wave of evictions, so that's good news for everybody in the rental housing business.

Yeah, we were really happy with that, and it's interesting. This is the third time it got shot down. They tried it in 16, they tried it in 20, and now 24, and I hope you're getting the hint, lawmakers. Stop doing it. Well, the groups that were pushing that is interesting. A lot of the funding for that, and this was by far the highest, that has more dollars spent pro and against this one than any of the other propositions, but a lot of the funding that pushed for Against this one than any of the other propositions. But a lot of the funding pushed for this came from the AIDS Foundation, which was addressed in Prop 34, right? It said that they can't continue to use money that was raised for AIDS to go toward property management or landlord laws, which they'd been pushing with in the past. So this will cause them to just use their money for medical-related stuff, and property management will hopefully not be fighting that battle as often or as deeply as we were with them in the game.

Yeah, so we're thankful for both of those. Happy Thanksgiving. One of the things we're also thankful for is you, our listeners. We're so glad that you take this time with us each week. We appreciate the time that we spend together here. Hope you have a wonderful Thanksgiving. Enjoy your families and eat too much. We'll be looking forward to seeing you again next week.

Yeah, thank you for listening, everybody. Remember, professional property management doesn't cost, it pays. Would you like to learn more about the services provided by the Tiner Property Management pros? Their professional property management team will take care of your rented home from start to finish. Simply dial pound 250 and say Tiner to learn more about the ease of managing rental properties or check out their website, Tiner.com. Join us again next week for the Landlord Logic Show with John Tiner.