***Newsletter of the***

***St. Louis Real Estate Investors Association***

**Not-for-profit: Serving Missouri & Illinois since 1977**

[www.STLREIA.COM](http://www.STLREIA.COM)

**January 2023**

Monthly meeting the 3rd Tuesday of each month (except December)

**1st Friday each month**

**↮ Ask the Attorney LIVE ↮**

**Davis and Travaglini, LLC**

Are you a landlord? Do you have tenants? Do you have non-paying tenants? Do you have a contract question? Maybe you just don’t want a problem or want to know what’s going on with your courts.

Watch your email or visit STLREIA.com

for details on all events!

Space is limited.

Register in advance - [www.STLREIA.com](http://www.STLREIA.com)

\*Missed an episode?

Replays are available on STLREIA.com



**Main Event**

**January 17, 6:30PM CT**

Is Your G.P.S. Accurate for 2023?

Is your real estate investor G.P.S. taking you where you really want to go this year? Your personal Goals Plans Strategy can take you in the right direction or can lead you astray. Have you programmed your G.P.S. correctly for this year?

What are the experts saying in regard to the housing market, interest rates, and the future of real estate? How will you be affected? Will your goals, plans, and strategy get you where you want to be?

Join us on the 17th for a Townhall type meeting where we’ll look at what the experts are predicting for 2023. We will talk about how these projections may impact your business. You may be surprised at what you’ll find out.

Get your G.P.S. aligned now! Arrive early and bring your business partners. Why? Because we want you to scale, upgrade, and grow your business together with us in 2023!

Plan on being On Location this month. It’s worth it!

Our Main Event will be Live On Location at:

**\*Moolah Shrine Center -- *Oasis Room***

**12545 Fee Fee Road**

**St. Louis, MO 63146**

**~ RSVP to attend via zoom at STLREIA.com ~**



**Every Friday @ 11:00AM**

**STLREIA *Continues* LIVE on Zoom**

**Buy Sell Here**

**Haves & Wants**

Network. Buy, sell, and connect with Local & International Investors. Off market investment properties, financing, contractor needs and wants. What do you have? What do you want? You are also welcome to ask questions or just come and listen.

 

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### How to make good tenants into Better Tenants By John Nuzzolese

We already know that the key to a successful tenancy is to first find a good tenant. Haven’t we often secured good tenants only to find they drift to the wayside and gradually become bad tenants? Why is that? There are a combination of reasons that this happens. Let's explore how to make good tenants even better and how to keep them that way.

Now that you have a good tenant you have already screened, accepted and signed a lease with, you may be tempted to feel like your job is finished for now. The property is rented! Now you can take a vacation, right? Wrong. The job is never over unless you sell your rental property and retire somewhere nice, never to see or speak to another tenant again. Are you going to do that anytime soon? OK, so lets talk about making good tenants even better.

1. **Emphasize the most important lease clauses.** If you haven’t already done so when you carefully went over the lease personally and emphasized the important items to your tenant, do it as soon as possible. (I hope you used my LPA Lease - I’m personally biased.)You can even do it with a follow up letter welcoming the tenants to their new home an reminding them of those key elements in your lease that are most important to you. Some landlords even send the tenant a spare copy of the lease with certain clauses highlighted.
2. **Tell the tenants that you report** to "National Tenant and Credit Reporting Bureaus”. The reason I phrased it like that is because I don’t want you to feel like you may be telling a lie. Reporting to a “National Tenant and and Credit Bureau” could mean the LPA's ["National Tenant Rating Bureau or Deadbeat Database"](https://www.thelpa.com/lpa/ntrb_description.html)…. Or it could also mean that you are ready to use The LPA site to [“prepare a delinquency report"](https://www.thelpa.com/lpa/credit-rptingdescr.html) to the three major credit bureaus. You’d be amazed at the results I have achieved by telling new tenants not to pay late because it can affect their credit rating. I inform them that they may not qualify for a car loan or mortgage in the future if they are not careful about their rent payment. I say, “PLEASE DON’T RENT FROM ME if you think you will have trouble paying the rent on time. You seem like such a nice couple. I’d HATE to ruin your credit and damage your financial future.”
3. **Enforce your lease** with [“Essential Landlord Forms”](https://www.thelpa.com/lpa/forms.html) that will support your lease. When a tenant gets out of line, correct the situation with a professional form. Nip the problem in the bud before a small problem becomes a disaster. If you do not send a late notice as soon as the rent is late, the tenant will continue to be late. If you are inconsistent with sending the late notice, the rent may consistently be late. Have you ever heard the old adage “Familiarity breeds contempt” ? Well, when a tenant becomes comfortable enough to think the landlord is a friend, he often loses the professional respect he may have once had. So, enforcing the lease with professional forms is the way to go.
4. **Enforce penalties such as late fees.** Using a professional form is great, but it has to pack a punch to get the results you want. Don’t be afraid to hit a tenant with the late charge whenever the tenant is late. I’ve had tenants tell me they were late just to see if the late fee would be enforced! Use a [“Late Charge Due Notice”](https://www.thelpa.com/lpa/forms/ef-late.html) or an [“Urgent Late Notice”](https://www.thelpa.com/lpa/ef-urgent.html) to collect rent and late fees before too much time passes by.
5. **Allowing an Early Payment Discount** is another effective tactic to get the rent paid on time or early. Everyone wants to save money. And that money adds up over the year, so make sure the tenants know about it. If you didn’t use the clause in your lease, you can always send them the [“Early Payment Discount Voucher”](https://www.thelpa.com/lpa/forms/ef-earlydiscount.html) found in Essential Forms.
6. **Routine Inspections** aren’t always as important as the expectation of routine interior inspections. When the tenant is expecting an inspection of the premises by the landlord or manager, the property is usually kept ready to pass the inspection. Many landlords will inspect on regular intervals prearranged with the tenant. Others will do surprise inspections, and some just emphasize that they will be doing inspections, but just don’t get around to it. Even if you can’t get around to it, it may be a good idea to send the tenant a note from time to time to tell them of an upcoming inspection. The main thing is that your property is cared for properly.

Keeping good tenants good or better is an ongoing process that we as landlords continue to improve with experience. It all starts with understanding and agreeing with each other. After that, it’s just a matter of professional communication.

This article and other great articles can be found at **www.theLPA.com**

**Please welcome our new 2023 board members:**

President – Lloyd Alinder

Vice President – Amber Gray

Secretary – Laura Jimerson

Treasurer – Jim Choyke

Membership Chairman – Laura Lee

Past President - Jim Heisserer

Program Director - John Lee

General Directors: Jeanne Whalen, James Zeng, Cristen Luehmann, Alex Wheatley, and Diana Mayo

**We thank you for volunteering your time and talents to St. Louis Real Estate Investors Association!**

**Want Help Gauging Your Housing Market?** By Luke Weber

If your house is for sale or you are looking at a house to buy, look at how many other properties are under contract.

Each neighborhood/subdivision is going to be different, but this scenario is becoming a bit more common and is seen in all class of neighborhood from entry level to high end. As an example, a subdivision could 5 active listings and 5 closed sales, with NO properties currently under contract to buy.

Based on that description, there would be 6 months of inventory (5 sales in the past 6 months and 5 houses available).  Let’s say those 5 houses on market right now have an average days-on-market of 80 days with the newest listing already having been on market for 24 days.

If I were looking to BUY in this neighborhood I would want to know if anyone else is looking and gauge my offer based on that.  This tells me I can name my price because I have ZERO competition going after these properties.

Now seller motivation will play in to it, they may not need to sell or are just testing the market or may already be in pre-foreclosure that is an individual basis to look in to.  Just because you make a low offer, doesn't mean they have to accept it, but it does help to know if you have competition and this is a great way to find out.

If I were looking to SELL in this neighborhood I would want to know if anyone was even looking to buy here and gauge my list price off of that.  If there was one property under contract and it was at the bottom of the price range, that would tell me people are looking to get in at a cheap price.

If there was 1 property under contract at a mid-range price it would tell me people are still paying for what they want, just less of them looking.  If 6 were under contract, I'd want to price high because everyone wants to be here.  With none under contract, it doesn't make sense to price at the bottom and hope to entice a buyer with a super low price, they just aren't buying.  I would price in the mid-range of the pack if my house was nice, because quality will trump minor fluctuations in pricing and a buyer most likely would look at all of the houses before making an offer, no rush since no one else is buying.

And to take it one step further, I would NOT buy a property to flip in this community-scenario because you have no idea of what the ARV will be. Safe investing is smart investing.

Printed with permission by the author Luke Weber, investor and author of:

The Flipping Blueprint: The Complete Plan for Flipping Houses and Creating Your Real Estate-Investing Business The Wholesaling Blueprint: Real Estate Investing with No Money out of your Pocket





**St. Louis Real Estate Investors Association Your #1 Source + the Very Best Value for Your Results in Real Estate Investing today!**
**Membership is *Still* only *10 cents* per day!**

STLREIA Provides You with More Cutting-Edge Education Online & Offline than any other area REIA
**www.STLREIA.COM**

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