Talking Points: The Hidden Cost of Condos

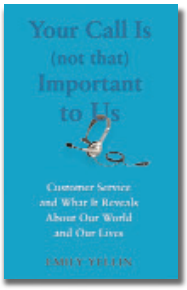
NEW METHODS TO LEASE, market, retain and manage apartment industry assets are always on my radar. So when I saw an article in a May edition of *The Wall Street Journal* titled "The New Condo Reality" (http://tinyurl.com/dl979a), I was intrigued. The information it contains is essential to any apartment community that finds itself in competition with the condo market.

If you have a prospective resident or current resident who is considering purchasing a condo because it is a "good deal," let them know about this hidden cost: If the building is not fully occupied, those who live there will wind up footing the bill for all of the building's expenses, from window washing and pool cleaning to big-ticket costs like roof repair and boiler replacement.

Source: *Lisa Trosien, www.apartmentmarketingblog.com*

60-Second Book Review

"Your Call Is (Not That) Important to Us"



THE APPROXIMATE COST of employing a live, American-based customer service professional averages somewhere around $7.50 per phone call, but outsourcing calls to live agents in another country brings the average cost down to about $2.35 per call. That's according to Emily Yellin's book, "Your Call Is (Not That) Important to Us." Furthermore, having customers take care of the problems themselves through automated-response phone systems averages around 32 cents per call.

Too often, Yellin notes, a disconnection occurs between the customer-service line and a company's product-development and marketing departments. Who better to flag problems or pass on suggestions for improvement than the people who listen to complaints? But in too many places, these agents are not treated as vital resources. Angry customers have found a work-around, taking their grievances to the blogosphere and often creating a public-relations disaster for companies that might have resolved a problem quickly at the front lines of customer service.

Source: *Barbara D. Phillips,* The Wall Street Journal

Indianapolis Tops List of Best Cities for Young Renters

WHERE CAN YOUNG ADULTS, new to the rental market, get the biggest bang for a buck? Here are the 10 best cities for twentysomethings to live, according to a survey released by Apartments.com in May. Rankings consider cities with the highest concentration of young adults (ages 20-24) from 2006 U.S. Census Bureau figures, inventory of jobs requiring less than one year of experience from CBcampus.com (2009) and the average cost of rent for a one-bedroom apartment from Apartments.com (2009).

BEST BANG FOR YOUR BUCK

CITY	AVG. RENT
1. Indianapolis	$ 625
2. Philadelphia	$1,034
3. Baltimore	$1,130
4. Cincinnati	$ 691
5. Cleveland	$ 686
6. New York	$1,548
7. Phoenix	$ 747
8. Denver	$ 877
9. Chicago	$1,133
10. San Antonio	$ 696

Source: *Apartments.com*

Lynd Co. Adds Fiber Optics in Houston

THE MANDOLIN, an apartment community in Houston, recently upgraded to a fiber-optic network. David Lynd, COO of Mandolin owner, the Lynd Company, says the biggest benefit of the upgrade has been the value the network has added to the community.

Because Lynd buys bulk services from its service provider, the company can market those services—including a TV package with more than 200 channels—to its residents. Residents pay a flat fee of $45 for the service with their rent each month—an amount that is competitive with similar offerings in the area but that provides higher quality and greater bandwidth capacity.

"Residents can do everything they need to, technologically speaking, right there in their apartments, and that's significant," Lynd says. "Residents want upgrades in their individual units more than they want improvements in other parts of the community."