

# What is Revenue Management ?



## The Right Unit

No longer one dimensional.

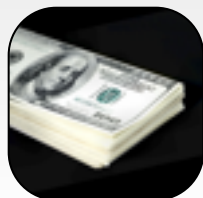
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## The Right Time

Matches up a prospect's desired move-in date with apartment availability.

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## The Right Price

Set by lease term to marry up supply and demand.

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## The Right Prospect

Depends on a prospect's needs.

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# Revenue Management Providers

## ■ The Rainmaker Group

- LRO, “Lease Rent Options
- Longest Tenure (11 years)
- Most units deployed in the U.S.

## ■ Yardi

- Rent Maximizer
- New Kids on the block....
- Operating System provider

## ■ RealPage

- Yiedstar
- OneSite Integration
- Operating System Provider

# What kind of properties use RM?

- Minimum of 2,000 units
  - may fluctuate
  - major operating system
  - AMSI, MRI, Yardi, OneSite, Jenark
- Conventional, Market Rate Properties
- TaxCredit or Affordable with “gap” between max rents and current level rent
- “some” student applications
  - Much different updating methods
  - shorter “lease” season
- Senior Housing
- Small properties with “campus style” leasing...clusters

RAINMAKER CONFIDENTIAL



# Rainmaker

## Forecaster Models

Integration



- 💧 Lease History – original lease, renewal leases, notification dates, move out dates
- 💧 Guest Cards – show date, expected move-in date, unit type
- 💧 Charges – monthly, includes impact of concessions
- 💧 Units – status, available dates, unit types

## Applications & Leases



## Property Statistics



## Availability



## Traffic



# Traffic

- Unique Interest in Your Units
  - Walk-ins
  - Internet Leads
  - Call Center Leads
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## Applications & Leases



## Property Statistics



## Availability



## Traffic

# Property Statistics

## Traffic



## Applications & Leases



## Availability



# Availability

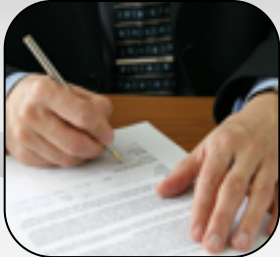
- Vacant Units
  - On Notice Units
  - Forecasted Renewals
  - Forecasted Early Terminations
-

# Property Statistics

## Traffic



## Applications & Leases

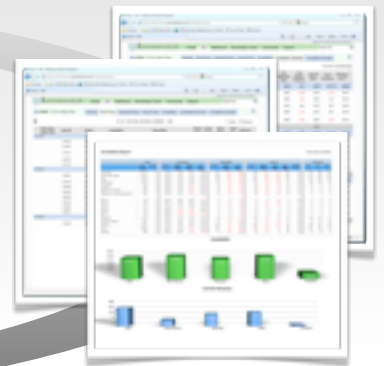


## Availability

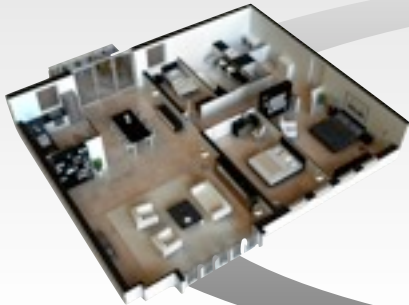
**Traffic**



**Property Statistics**



**Availability**



**Applications & Leases**



# Applications & Leases

- Property Applications
  - Property Leases
-

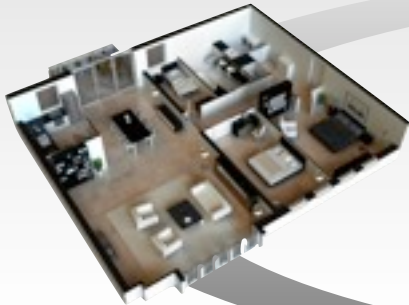
**Traffic**



**Property Statistics**



**Availability**



**Applications & Leases**

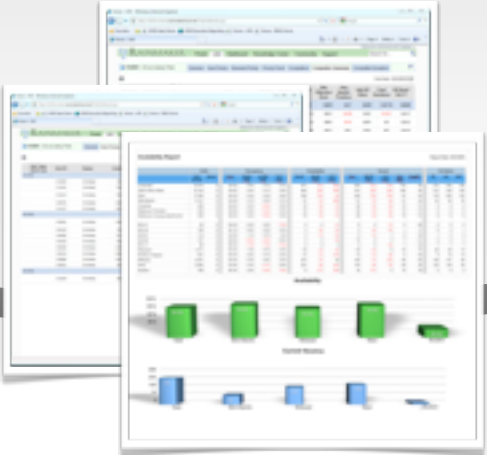
**Availability**



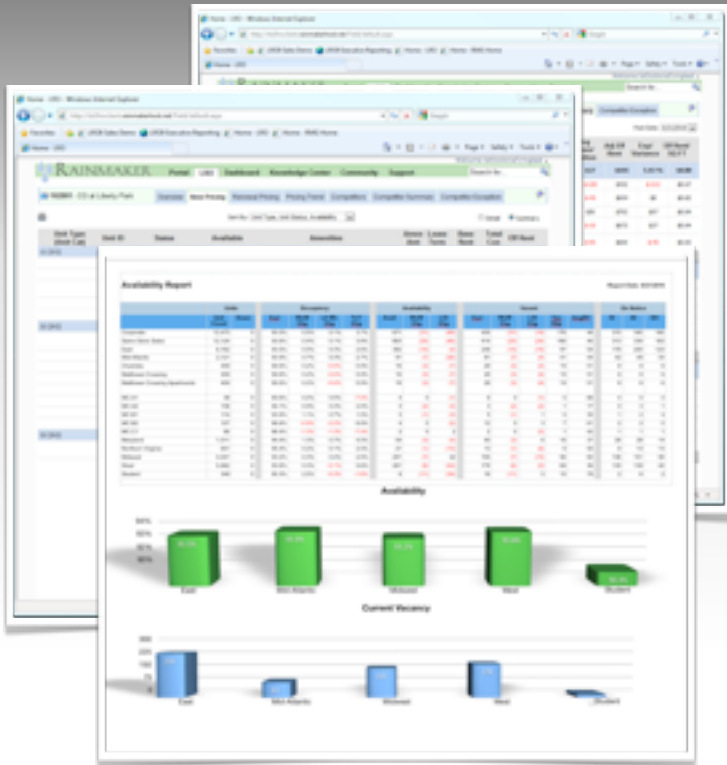
**Traffic**



**Applications & Leases**



**Property Statistics**



# Property Statistics

- Lead Time Curve
- Seasonality Curve
- Renewal Retention
- Price-Demand Relationship

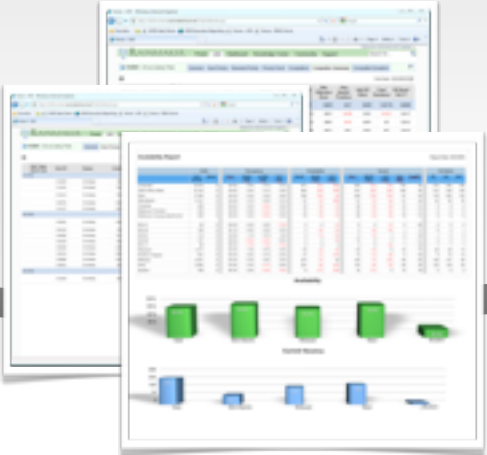
**Availability**



**Traffic**

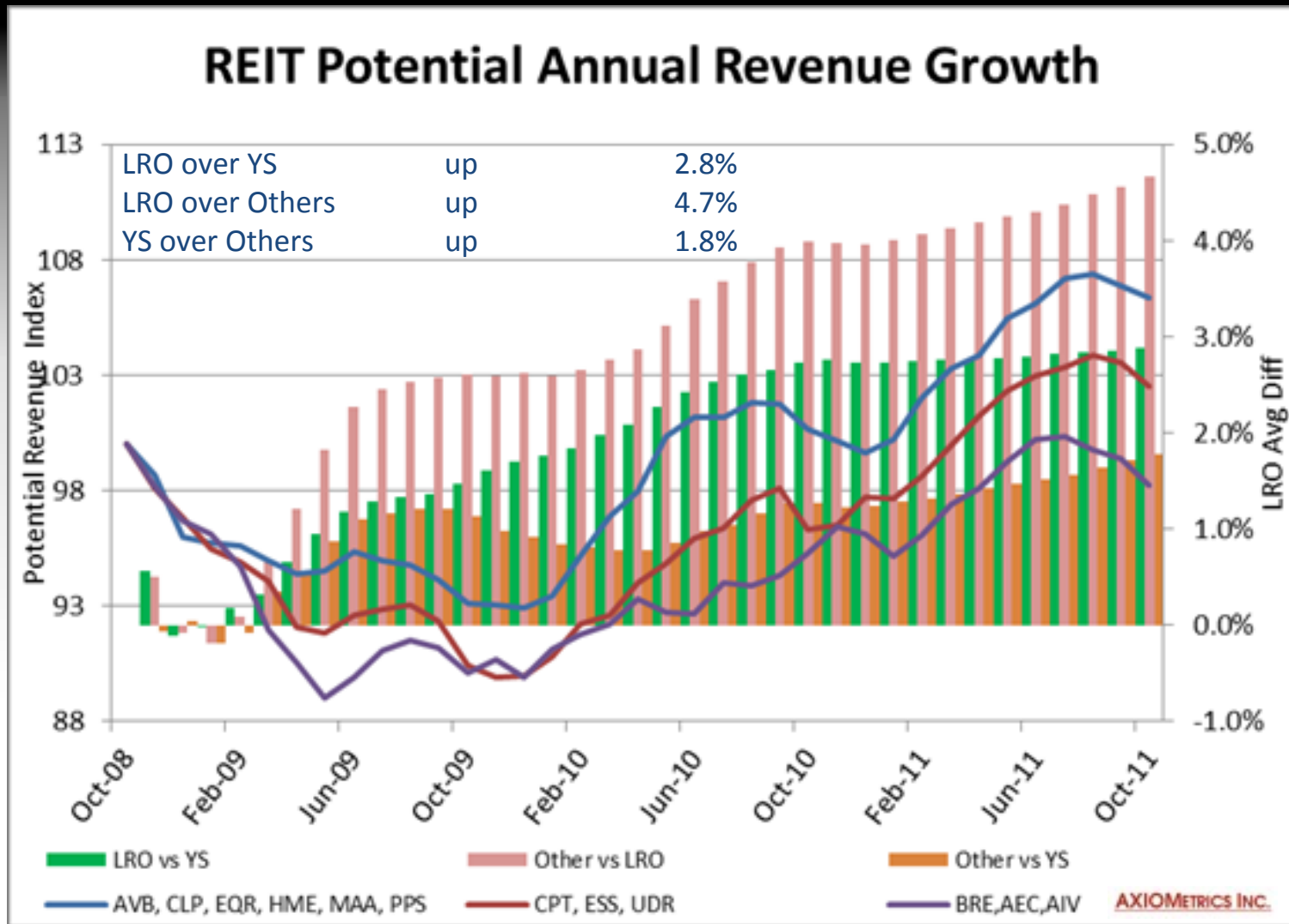


**Applications & Leases**



**Property Statistics**

# AXIOMetrics Analysis - National



# Why Use Revenue Management?

- 💧 RM systematically and without emotion, continually gathering and updating statistical data on each community
- 💧 All traffic is considered when LRO is making pricing recommendations, not just leases
- 💧 Corporate strategy is embedded into pricing decisions - not a one size fits all
- 💧 Prices increase or decrease incrementally, to achieve long term gain while avoiding dramatic peaks and valleys
- 💧 Market information is gathered and updated by associates that interact directly with customers
- 💧 RM encourages a collaborative approach to pricing