

07.17.2024: MX rental homes - monthly rent

From: M Bret Blackford (bret_blackford@yahoo.com)

To: bret_blackford@yahoo.com

Date: Friday, July 19, 2024 at 11:58 AM CDT

MEMO to FILE

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From:bret_blackford@yahoo.com

To:dave-n-amy-weiler@juno.com

Cc:donaldfitzgerald@att.net,bstevens@shandselbert.com,emcpherson@mcknightcrossings.org

Wed, Jul 17 at 5:15 PM

Thanks, Dave.

Another data point - my daughter said she pays \$2,215/mo (including pet rent) for similar ranch rental home in KC.

I trust the Admin Elders to review options and make the best decision.

--- Bret

On Wednesday, July 17, 2024 at 03:25:47 PM CDT, **dave-n-amy-weiler@juno.com** <dave-n-amy-weiler@juno.com> wrote:

Hello Bret:

You are correct that we are well below the market with our rental rates. The benefit of that is long-term tenants, less demanding tenants, no vacancies, and no staff time needed to recruit/screen prospective tenants.

Our pattern now is to increase rent \$50 per month each January 1.

There is a benevolence element for the one family with the autistic son. His ability to live in the Ladue school district has been a wonderful blessing according to that family. I'm not sure when he is due to graduate.

Our properties are reasonably solid, but they are not in top dollar condition, either.

I have wondered about the practical benefits of hiring a property management firm for the two rentals. They would get a fee and would push the rentals toward the market rates, and they would deal with keeping them occupied. I don't know any specifics on the costs and specific duties.

I am open to putting this on the agenda for our next Finance Committee meeting scheduled for 7/30.

Thanks for sharing your thoughts.

Dave

----- Forwarded Message -----

From: M Bret Blackford <bret_blackford@yahoo.com>

To: Dave Weiler <dave-n-amy-weiler@juno.com>; Don Fitzgerald <donaldfitzgerald@att.net>; Brad Stevens <bstevens@shandselbert.com>

Cc: Elizabeth McPherson <emcpherson@mcknightcrossings.org>; Bret Blackford <bret_blackford@yahoo.com>

Sent: Wednesday, July 17, 2024 at 01:10:43 PM CDT

Subject: 07.17.2024: MX rental homes - monthly rent

Admin Elders,

I think we are charging well below market for the two rental homes, maybe by as much as \$500,00/month each.

My daughter recently shopped for rental homes in the Kansas City area. For a similar home she could not find anything for less than \$1,800.00/month. Our rental homes are also in the very attractive Ladue school district.

Zillo rental estimates:

- 1346 N. Rock Hill - [\\$1,849.00/month](#)
- 1356 N. Rock Hill - [\\$2,364.00/month](#)

I do not expect us to pursue top dollar but we should expect market rate for our rental investment. There may be some consideration of benevolence but we are looking at about \$6,000.00 per tenant, or a total of \$12,000. That is a lot of benevolence. If we did not have the houses but the equivalent funds in the bank and someone came to the church asking for help, would we be willing to give two strangers \$6,000/year for multiple years? Remember, as rental property they also consume administrative overhead, with Tom Hunsaker required to periodically review property and maintain.

My recommendation would be to inform the tenants that we plan to increase rates substantially. If they find it excessive they can shop for a better rate (which they won't find). If they decide to vacate we can sell the property (I'd like to sell the 1346 property) or find new tenants, but at a much higher rate, closer to market. Again, we are leaving about \$12,000.00/year on the table.

This is an area I think we need to revisit periodically and wanting to get on your radar again.

--- Bret

----- Forwarded Message -----

From: Elizabeth McPherson <emcpherson@mcknightcrossings.org>

To: M Bret Blackford <bret_blackford@yahoo.com>

Sent: Monday, July 8, 2024 at 02:02:29 PM CDT

Subject: Re: MX rental homes - monthly rent

Rent for both properties is \$1,500/mo each (i.e., \$3,000/mo combined).

On Mon, Jul 8, 2024 at 1:02 PM M Bret Blackford <bret_blackford@yahoo.com> wrote:

Elizabeth,

what do we receive each month from the rental homes? I'd like to know the monthly rent for each of the houses.

Low priority so whenever you get a free minute.

--- Bret

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Elizabeth McPherson