

5 MINUTE RENOVATION MEANS LOW VACANCY LOSS

One of the biggest expenses in operating an apartment building is the total loss due to vacancy. The total loss would include:

Apartment in Apt. Bldg.
in old obsolete city

loss of rent
cost of repairing
cost of cleaning
administrative costs
extra bookkeeping
showing apt.
phone calls
cost of redecorating
plastering
painting
advertising costs
adds in newspapers
signs in yard & in
bldg.

Total loss offset by
inadequate deposit
usually \$50-\$100 when
required

Apartment in
Victory City

loss of rent
cost of repairing
cost of cleaning
administrative costs
extra bookkeeping
showing apt.
phone calls
cost of redecorating
renovating panels

Total loss always offset
100% by balance required
in bankbook except for
the cost of:
loss of rent
administrative costs

During periods of high vacancy ratios, an apt. may be vacant for several months or the greater part of a year. In this case loss of rent due to vacancy makes a very high cost. In a Victory City, even during periods of high vacancy ratios the demand for apts. in V.C. should be great because of the uniqueness of V.C. People are tired of riots and high crime rates and are eager for a safe, secure place to live such as V.C. will have to offer. In times of inflation the great economy, efficiency and convenience of V.C. will always exert an irresistible appeal.

People could be expected to move into a V.C. apt. as soon as it is ready for occupancy and usually it should be ready in a matter of minutes. Therefore it should be rented the same day it becomes vacant, which means no loss of rent due to vacancy.

In this case the only loss would be in the form of administrative costs. In the old obsolete cities the owner or manager of an apt. bldg. often has to drive for many miles through heavy traffic to go to the apt. bldg. just to show an apt. to prospective tenants. He will usually have to show it at least several times before it is rented. Without exaggerating at least half the time the prospective tenant never even shows up to look at the apt.