

THE SPARTAN SHIELD

Spartan Invest - Quarter 1, 2020



-What Everyone is Talking About - COVID-19

As we close another quarter in turn-key real estate, we find ourselves in the uncharted territory of a global health emergency and resulting economic instability. We at Spartan are continuously monitoring the trends via reliable resources on both the national and local levels. Our goal is to bring you the most relevant, fact-based information when you need it.

Though our team has been working remotely, we are still here for our clients as we maneuver through the complexities of current events. We are taking precautions in many areas - evaluating only vacant properties, addressing emergency maintenance workorders only, and showing properties via electronic lockboxes and virtual tours.

Many have asked how the current state of the housing market can be compared to 2008, and luckily, it looks nothing like it did 12 years ago. You can read more on this topic [HERE](#), where we take a deep dive on the differences between the new Coronavirus pandemic and the Great Recession. One thing remains the same; the key is to base your investment decisions on facts, not emotions.

We've gathered [HERE](#) many interviews, articles, and other resources for ease of reference. If you have any questions for us regarding the industry or particular facets of our business, please don't hesitate to reach out to us. We're here for the long-haul.

We'd love to hear
from you!

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Spartan Invest has compiled a collection of interviews with several of our trusted colleagues - each experts in their fields. Click on the pictures below for the full videos.

Forging Ahead in Turbulence



Spartan Invest's Maureen McCann and Aaron Chapman of Security National Mortgage Company discuss how to forge ahead in today's turbulent times.

We're talking about interest rates, investing in hard assets, and how COVID-19 is affecting the real estate market. As investors, we should know what our options are when we may not be able to cover the debt service on our portfolio of rental properties; we're discussing why forbearance may be one of those options.

Alabama Real Estate Closings Persist in Uncertain Times

Spartan Invest CEO Lindsay Davis and Birmingham closing attorney Jeff Parmer, of the Law Offices of Jeff W. Parmer, discuss how the closing process is being impacted amid uncertainty surrounding COVID-19.

Jeff shares his insight on the transactions he is currently managing and talks with us about the new Alabama proclamation that allows virtual notary, and his thoughts on how this could affect closings in the long-run.



Cultivating a Healthy Portfolio for the Highs & Lows



Lindsay and Dan Zitofsky, President and CEO of Zitofsky Capital Management, connected to go over how to cultivate a healthy portfolio that will stand strong throughout the highs and lows of the economy.

The world is coming to terms with how to manage investments during global health crises. Dan and Lindsay chat about their own experiences in their individual markets and how they are handling the day to day business of owning and managing rental properties.

What the Stimulus Means for You

Lindsay sat down with Heather Melson, CPA with Pearce, Bevill, Leesburg, and Moore, to talk about what the stimulus is and how it will impact your business.

The entire goal of the stimulus is to help companies continue to provide paychecks to employees for a period of time during the Coronavirus pandemic. There has been a lot of information out there; the rules are changing often, and Heather is here to keep us straight.



Working Apart, but Closer Than Ever

If you've had the chance to visit us in Birmingham, you may have heard the stories of how our team manages to (somehow) turn everything into a competition. Well, working remotely for the past few weeks has given our family a unique opportunity to get creative with our challenges!

Each week, we've been presented with a specific challenge, and the winner for the week is presented a gift card to the take-out restaurant of his or her choosing. Examples of these games include - Best Home Office, Name That Baby Pic, Spartan Jeopardy, Best Lunch, Best Picture of Your Work Buddy, and Work From Home Bingo.



WORKING FROM HOME BINGO

| | | | | |
|-----------------------------|------------------------------------|---|---------------------------------|------------------------|
| Check symptoms for Covid-19 | Child screams on call | Roommate / spouse argument | Didn't change out of PJs | Sleep until 8:59 |
| Forget what day it is | Binge watch Netflix | Pet walks through "office" | Forget to save file / lose work | Boss text |
| Laptop dies | Have more than 3 beverages at desk |  | Emergency call to IT | Trump briefing on news |
| Make coffee | Check Facebook / Instagram | Facetime a friend | Takeout order | Internet crash |
| Dropped call | Remote meeting | All staff email | Work from bed | Get dressed for a call |

Cross off each as your day goes!
Sign off for the day when you have 5 in a row!



Shine Bright, Simone - Q1's Spartan Star!

At the end of every quarter, one of our team members is awarded the Spartan Star award for outstanding performance. This team member is granted a gift card and lunch take-out of their choosing for the next quarter. It's our way of giving a special shout out for those who consistently go above and beyond. Simone Harris, Leasing Agent Extraordinaire, is Q1's recipient!



Simone Harris

Q1 Stats at a Glance

56 Houses Leased

4-Time Weekly MVP

January % to Goal - 113%

February % to Goal - 113%

March % to Goal - 120%

Simone came on-board with Spartan in 2018. She is a licensed real estate agent with over 7 years of management and leasing experience with multi- and single-family homes. She also has over 16 years of customer service and sales experience in various industries. Simone is an expert at building rapport and interpersonal relationships with clients. Simone has been an invaluable part of Alabama Rental Property's tremendous first quarter of 2020. In fact, her deposits alone account for 25% of all deposits received by ARP in Q1! (Read more about ARP's success on the next page.) Simone's comments on what she enjoys most about her role at Spartan provide all the insight you need on her character and work ethic.

What I enjoy most about my position is that I help so many people get a new start in life while practicing with a high standard of ethics. It's very important to me that customers are serviced without prejudice of any kind. The first time I saw a family of 4 living out of their vehicle, I knew this is what I wanted to do for a living. I was so proud when Spartan started accepting housing vouchers. I knew we were about to make a difference in our community. I had worked with voucher recipients during my years of servicing multi-family units. We take for granted how many people are homeless, live in poverty, lack education and have no family or support systems. The customers need us and we need them. Everyone wants people to see them, hear them and know that they matter to you. My technique and focus is to know my customer, identify and fill the need without prejudice. I love what I do so much that it doesn't feel like work, The customer observes and feels that, hence my current success.

"Simone has gone above and beyond in all aspects! With all of the new agents the past few months she has gone out of her way to share her tips and tricks and help them be successful. She has set an amazing example for customer service, always helping her customers have all of the information they need and staying in communication with them all. She has helped create an environment in leasing that feels like family." - MaKayla Dansby, Leasing Manager

"She is a great teacher! The agents all gravitate towards her for guidance. She excels at it because she loves doing it! Simone is so reliable and will always jump in and go above and beyond for the team." - Stephanie Devine, Director of Property Management

*"Thank you for being such an awesome realtor for us during our house searching process."
- Another satisfied tenant, placed in their new home in March*

Alabama Rental Property

Despite half of Q1 being shadowed in uncertainty, one thing is clear - Alabama Rental Property is unstoppable!

Leasing Totals for Q1 2020:

Current Occupancy - 95.6%
Properties Released & Leased in Q1 - 31 Days to Deposit
of Deposits - 223
Deposit % to Goal - 101%
of Agent Showings - 943
of Self Showings - 3,720
Leases Signed - 164

Accounts Receivable for Q1 2020:

Percentage of Rent Collected - 93%
Eviction Percentage - 1.6%

Maintenance Averages for Q1 2020:

Maintenance Ratio - 4.5%
Move Out Days - 14
Move Out Cost - \$1,597

New and Noteworthy

We made many changes our property management division so far this year. There are now five full-time leasing agents, plus an additional agent to float between territories. Maintenance now has two full-time technicians, plus an additional technician on contract basis. We've also brought on a full-time Tenant Placement Coordinator to run prospective tenants' applications and assist with the Section 8 process. All these changes, plus additional promotions and incentives for tenants and adding commercials to our marketing, have made this our best start to a year yet.

With the stellar team we've assembled, we have no doubt that we can keep up the momentum for the long-haul. Keep up the great work, guys!

At Alabama Rental Property, Our Home is Your Home!