



BC Housing



BRITISH
COLUMBIA

Housing Provider Kit

Operations • Marketing Non-RGI Units





Marketing Non-RGI Units

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Chapter 1

WHY IS A MARKETING PLAN NEEDED?

Introduction

HOMES BC developments provide housing for people with a range of income levels. Some lower income residents pay 30 per cent of their household income toward rent, for “rent-geared-to-income” (RGI) units. Others with moderate incomes pay “non-RGI” rents that are comparable to low end rents for similar units in the private market.

Forty per cent of the units in HOMES BC developments are for moderate-income residents paying the non-RGI amount, and these units may require some marketing to fill. This section is intended to help you market non-RGI units, and is based on information provided by non-profit, co-op and private sector organizations. You can use the information to market other units as well, if needed.

By planning ahead, you’ll be able to define the marketing activities and budget needed during the development phase, before the building opens, and after the development is occupied.

While the marketing activities probably won’t get underway until about eight months before occupancy, you can begin to develop a marketing plan now to:

- Keep non-RGI units occupied. It’s important to aim for full occupancy, because vacancies can lead to an operating deficit.
- Develop the marketing expense line item for your capital budget.

Research Your Market

In some communities, you may not have any difficulty renting non-RGI units. But if you encounter competition that makes these units harder to rent, begin researching your local market to develop an effective marketing plan for your development. You need to determine:

- Where you stand in relation to other housing providers in the local market.
- How to tailor your unit designations to match local conditions and your waiting list.
- How to persuade potential renters to select your development.

Answering the following questions will give you the research data you need to develop a marketing plan.

Who will rent the non-RGI units?

Identify the people you’re trying to attract. If they have a variety of housing options to choose from, you may need to persuade people to select your building.



When rental housing is limited, people still consider location and design when choosing a home, but these factors aren't as likely to affect occupancy levels. However, when there's more housing to choose from, a less desirable location or design can make units more difficult to rent.

What are the economic conditions in your community?

Generally, your non-RGI units will attract people who are employed, so local employment opportunities will affect the size of your target market. With more jobs available in your area, more people will be looking for housing.

Even though your development may not be completed until several years after the planning phase, it's still a good idea to be familiar with the local job market and the level of family incomes in your area.

During every stage of development — design, planning, construction and occupancy — this information on market conditions will help you modify your marketing plans to suit the circumstances at different times.

What's happening in the local rental market?

There are several ways you can keep track of what's happening in the local rental market, such as:

- Reviewing local newspapers and CMHC market rent surveys.
- Contacting regional housing registries, the BC Non-Profit Housing Association at 604-527-8859 or 1-800-494-8859, and the Co-operative Housing Federation of BC at 604-879-5111 or 1-866-879-5111.
- Consulting the local municipal planning department.

These publications and organizations can provide information on vacancy rates, rental levels, new construction, conversions from rental housing to ownership (or vice versa), and secondary suite legislation.

Monitoring the local market throughout the development process will enable you to adapt to changing conditions and decide which size units should be RGI and which will be non-RGI.

For example, seniors, people with disabilities, or couples are eligible for one-bedroom units. It may be difficult to market one-bedrooms as non-RGI units, because you may not have many eligible applicants on your waiting list who can afford non-RGI rents for these units. As a result, it may make more sense to designate most of the one-bedroom units for people whose rents will be subsidized, and make the larger units non-RGI.

Who's offering similar housing?

If someone chooses not to move into your building, where are they likely to go? What are the units like in similar private market developments? If new rental developments are being marketed in your area, watch how they market their units.



What do you and the competition have to offer?

Determine the unit sizes, rents, and amenities offered by your competitors. Assess what you have to offer compared to competing developments. This information will help you identify how to promote your non-RGI units.

For example, perhaps other rental developments in your community have fireplaces and dishwashers, while your units do not. The rents determined by your appraisal should reflect this difference in amenities. Note other factors including:

- Amenities such as parks, schools, shopping, transportation, churches, community centres and programs.
- The age of buildings and amenities.
- Layout and design.
- Parking (is private, covered, gated, visitors, or RV parking included?)
- Playgrounds, play areas, and the safety of these areas.
- Type of heating.
- Appliances and their age.
- Room sizes.
- Common area and recreation rooms.
- Product colour choices.
- Security enhancements such as cameras, intercoms, door and window locks.
- Wheelchair accessibility.
- Laundry facilities.
- Wiring capabilities and locations (for phones, fax, computer/modems, TVs).
- Wiring capacity (breakers instead of fuses, multiple plug ins).
- Crime prevention through environmental design features. (See Tab 2, Resident Relations, Chapter 5, [page 37](#) for details of this program.)

By identifying all the amenities on your property and in competing buildings, you can emphasize the benefits you offer, without claiming the amenities are better in areas where they may not be.

In addition, HOMES BC developments have many advantages you can communicate to potential renters when you market the building. For example:

- Your development is built to the latest housing standards to ensure quality and safety.
- Residents are guaranteed high standards of maintenance and operation, which are specified in the HOMES BC operating agreement.



- Your development may offer amenities, such as child care services, a communal room people can use for social events, a playground for children, and opportunities for resident participation in the decision making process at the development. For example, housing co-op residents are members and make decisions that affect their housing.
- The ownership and operation of the building rests with a local non-profit or co-operative group, and the aim of the development is to provide secure, affordable housing for people in the community.
- HOMES BC developments will remain rental housing, and will never be converted to condominiums, giving residents greater security of tenure.

The BC Non-Profit Housing Association offers a Marketing Mixed Income Developments workshop. Call 604-527-8859 or 1-800-494-8859.

Chapter 2

MARKETING TOOLS

Some organizations are able to rent non-RGI units by just putting up a vacancy sign and advertising the units in the local newspaper. But you may need to market your non-RGI units more actively, depending on how much competition you have in the local rental market, the vacancy rates in your community, and the size and location of your building.

Notice how your competitors market their units. Contact your Property Portfolio Manager, the BC Non-Profit Housing Association and the Co-op Housing Federation of BC to find out how other groups market their units. And here are several marketing tools you can use to promote the units:

Advertising

Use the sample advertisement below as a model for drafting a classified ad for your development:

3 bdrm townhouse w/bsmt in Glenmore. \$740/mo. (Optional: Co-op housing with member participation. Share purchase necessary.) Families welcome. Recreation room, childcare available. Call Ken at 604-470-8615.

Include the location and best, or most competitive, amenities in your ad.

You may decide to attract potential renters with or without out advertising the connection with your society, co-op or BC Housing. Generally, when people see the quality of housing and discover the advantages of mixed income communities, any reluctance they may have felt toward living in a development with subsidized units diminishes.

If your development is located outside a large municipality, your local newspaper will get the message to people in the community. Some local papers offer bulk deals to advertise in a group of community papers at a reduced cost. It's also worth inquiring about non-profit advertising rates, because many community newspapers offer a discounted rate.

Within the metropolitan areas, you may want to advertise in both the community and city papers. In larger communities, there may be a weekly housing flyer to advertise in. Also check with major employers in the community to see if you can advertise in an employee newsletter, which probably won't cost anything.

In addition, you can contact the Co-op Housing Federation of BC, at 604-879-5111 or 1-866-879-5111, about advertising in the *SCOOP* newsletter and on the CHF BC website.



Signage

VACANCY SIGN

When you run the advertisements, also place a Vacancy/For Rent sign on the property, to attract people passing the development. Depending on the size of the sign, include:

- Unit sizes.
- Rents/housing charges.
- The display suite opening date (if known when the sign goes up).
- If the development is a housing co-op, and the requirement for participation.
- A phone number to call for information.

SITE SIGN

Put up a site sign during construction to notify people in the community about the development, while it's being built. A common size is 8' by 4'. The sign should state:

- The development name.
- Your organization's name.
- The development will provide quality, affordable rental housing for (families), (seniors), (people with disabilities).
- Unit sizes and rental range.
- The occupancy date.
- Display suite opening date (if known when the sign is erected).
- If the development is a housing co-op, and the requirement for participation.
- A phone number for information.

Call several sign companies to obtain competitive estimates.

Telephone Inquiries

When people call the number listed in your advertisement and on the vacancy sign, ensure someone is available to answer inquiries and show the suites. When you're running ads, you may want to staff the phone in the evenings and on weekends, because people may be working during the day and will call after working hours.

SHOWING UNITS

Before you show vacant units, review this checklist:

- Personal safety. Always ensure someone knows you're showing the suite. Keep a logbook in the office, and write down the viewer's name before the showing.
- Cleanliness and visual appeal of the property, grounds, landscaping, and building exterior.



- Cleanliness of the vacant suite, hallways, walkways and common areas.
- Adjust heat to correct viewing temperature.
- Close windows if it's noisy outside, or leave them open if quiet.
- Avoid harsh perfume or cleaning smells. Use non-allergenic scents.
- Bring an information sheet to give to the applicant.
- Ask the applicant what they're looking for in a suite to show you're interested in helping.
- Switch on the lights in the suite to emphasize brightness.
- Try to show two unit options, but not more than two.
- Except during construction, don't suggest you have several vacancies, even if you do.
- Follow up with a phone call to the applicant. If the person isn't accepting the unit, ask why, so you can adjust future viewings.

When you show the non-RGI units, make sure people understand rent subsidies are not available for these units.

Brochure/Fact Sheet

A brochure or fact sheet describes the development to prospective applicants, and can be distributed when people inquire about renting. Include the following information:

- Target groups.
- The rents and unit sizes available, such as one, two and three-bedrooms.
- Floor plans showing the unit layouts. (Include a set of unit drawings for reproduction as part of your architectural contract.)
- A description of the building's amenities.
- A site plan showing the layout of the development and grounds. (Also include a copy of the site plan in the architectural contract.)
- If the development is a housing co-op, participation required, the benefits and responsibilities of co-op living.
- A list of neighborhood amenities such as nearby schools, shopping, parks, recreational facilities, religious institutions, community centres, etc.
- Public transportation routes serving your development.
- Information on how the development is operated and on your organization.
- How to apply.
- Your society or development logo, if you have one.

If you have members/staff with writing skills and computer expertise who can handle layout, produce a simple, double-sided, letter or legal size fact sheet yourself, or a folded brochure, and have copies printed.



Or local print shops may offer layout, as well as copying or printing, for a reasonable price. Call different companies to compare prices.

Posters

You may also decide to put up a poster describing the development, in community centres, shopping malls, libraries, local restaurants, women's resource centres, the YMCA, the YWCA, religious, native, seniors' and immigrant services organizations, etc. If there's a major employer in your community, ask if you can post a notice in the lunchroom or on a staff bulletin board. (You may need permission to put up posters in other locations as well.)

You can either produce a notice yourself on your computer, or have a print shop produce one for you, and have it copied on 11" by 17" paper. Include the same information in the poster that's listed on the site sign.

Display Suite

If you want to set up a display suite to market your units, negotiate with your contractor to have one unit completed, including appliances, 60 days prior to occupancy. Include this statement in your construction contract. Then you'll have the option, in case you need it, even if you ultimately don't end up using the suite.

Locate the display suite near the entrance so people don't have to make their way through an unfinished building. Make sure the display suite hours are specified in the construction contract, and the contractor has appropriate insurance coverage.

An unfurnished display suite may be all you need to show people what the finished units will look like. Or you may want to furnish the display suite, if you're located in a very competitive market, or if the units are small and you want to show how furniture will fit.

Call different furniture stores that offer a rental service to compare prices. Furniture stores don't generally rent towels, bedding and pictures, so these items would have to be bought separately, and you'll need to price these items in your community.

You may also want to inquire whether different stores would loan the furniture without payment, in return for advertising the furniture store on site.

Advertise the opening day of the display suite and regular viewing hours each week in your local newspaper. (If you know the display suite dates when you put up your site and vacancy signs, include the dates on the signs as well.) The earliest time to open the suite is two to three months before residents will be moving in.

The display suite needs to be staffed for at least three weekends following the opening, and you may want to staff it several days a week as well, depending how competitive your local rental market is. If the market is not highly competitive, you may be able to advertise viewing by appointment, rather than regular display suite hours.

Use a room in the display suite for interviewing prospective renters, by furnishing the space with a desk and chairs, love seats or easy chairs.

The people who staff the display suite should be knowledgeable about the development, so your directors, members and/or staff are best suited to handle this responsibility.

Publicity

If you open a display suite, send a notice to local media inviting them to the opening day. A sample media notice could read:

SAMPLE MEDIA NOTICE

New Housing Development To Open

Media representatives are invited to the opening of the display suite at (building name), a new quality rental (co-op) housing development in (community). (Building name) opens in two months, and will provide secure, affordable homes for families, people with disabilities and seniors.

Join us on site at (address), from (opening hours). For more information, contact (phone number).

Include member participation if the development is a housing co-op. If you don't use a display suite to promote the development, try sending a public service announcement to local radio stations and newspapers, two months before the development opens, then again one month before opening. Media outlets will often broadcast or print news about an opening to let the public know they can inquire about a unit. A sample public service announcement could say:

PUBLIC SERVICE ANNOUNCEMENT

New Rental Housing Development To Open

(Building name) opens next month, a new quality rental (co-op) housing development in (community). Families, people with disabilities and seniors looking for secure, affordable housing can call (phone number) for information on unit sizes and rents.

Co-op Orientation Sessions/Interviews

Co-op orientation sessions and interviews provide opportunities to market co-op developments. Some co-ops hold orientation meetings to tell applicants how co-ops operate and provide information on a development. If people are interested in participating in a co-op, an interview is conducted to get to know an applicant and decide whether to accept someone as a member or put them on the waiting list.

Word of Mouth

People who rent your non-RGI units may be one of the best sources for finding other residents. Ask residents to tell their friends, relatives and colleagues about the building, and give them copies of your brochure or fact sheet to pass along.

Chapter 3

MARKETING SCHEDULE

8 Months Prior to Occupancy

- Review the current rental market in your community, including vacancy rates, market rents, and marketing strategies used by other housing providers.
- Develop a preliminary marketing plan, based on your market research and the market position you expect to hold when you reach occupancy. Include marketing tools, estimated costs and a timeline for implementation in the plan.
- Design, order and erect your site sign.

6 Months Before Occupancy

- Arrange for an appraisal to set the rents for your development. Review the appraisal to ensure the non-RGI rents will be reasonable. (Details of the appraisal process are described in Schedule D of the HOMES BC operating agreement.)
- Develop a logo, if desired. Compile the information you need to include in your brochure, and have the brochure written, designed and printed.
- Prepare your poster.

3 Months Before Occupancy

- Decide if the competitive environment warrants furnishing a display suite. If so, make arrangements to rent furniture for the date your suite will be ready.
- Plan at least three open houses for the first three weeks your display suite is available. Weekends are the best time to attract potential renters because more people are off work then.
- Arrange to staff the suite, and to have brochures, application forms and tenancy/occupancy agreements on hand. Set up a space to interview applicants and complete application forms.
- Visit competing developments to see how they handle open houses and display suites. Check where and how often your competition advertises.
- Make arrangements to advertise your open house dates and a number people can call for information.
- Put up posters in community centres, shopping malls, libraries, local restaurants, women's resource centres, the YMCA, the YWCA, religious, native, seniors' and immigrant services organizations, etc.
- Ask applicants where and how they found out about your development, and keep a record of this information. Use this information to target other potential renters if the non-RGI units rent more slowly than anticipated.



2 Months Before Occupancy

- Prepare a media invitation for the open house, and send it to the local newspapers, TV and radio stations.
- Hold the opening of your display suite.
- Assess the need for ongoing advertising, based on the response to the first open house.

6 Weeks Before Occupancy

- Review your progress to date:

Will the development be fully occupied on or shortly after the occupancy date? If the development is unlikely to be full, review which marketing strategies have been the most effective in attracting residents, and which have been less successful. Put more emphasis on the successful strategies. For example, continue advertising if people have come to you after reading your ads, or put up more posters if people are learning about the development from reading the poster in places they frequent.
- If you haven't done so, consider furnishing the display suite if the non-RGI units are renting slowly.
- Review your non-RGI rents to ensure they are in line with the local rental market. If you think the rents are not appropriate and are making it difficult to rent the units, contact your PPM to discuss adjusting the amounts.
- Prepare and send a public service announcement to local media outlets.

Staying Full

After the development opens, you'll still need to rent non-RGI units whenever people move out. All developments — new and existing — need a marketing plan to keep on top of filling vacancies.

You may experience higher turnover in the non-RGI units than the subsidized units, because these residents generally have greater financial resources, giving them more choices. Here are some suggestions for keeping the non-RGI units full on an ongoing basis:

- Maintain the development and grounds to reduce turnover and to attract new residents when people do move out.



- Provide services residents may be looking for, such as childcare and opportunities for participation, so people enjoy living in the development and will be more likely to stay.
- Maintain a waiting list of eligible applicants.
- Monitor the local rental market, and keep track of rental rates and new construction that could alter your competitive position. If you encounter temporary vacancy problems, try to identify the causes and adapt your marketing to resolve these difficulties. If your efforts to reduce vacancies do not resolve the problem, contact your Property Portfolio Manager, who will help assess the situation and provide guidance.



Chapter 4

BUDGET ESTIMATE

The sample budget worksheet below will help you figure out how much you need to budget for the marketing tools you select. Fill in the amount for each marketing tool you plan to use.

Sample Marketing Budget Worksheet

Component	Questions to consider	Cost
Advertising	<ul style="list-style-type: none"> • What's the best publication to advertise in? • What size of ad is required? • What will the ad cost? • How frequently should the ad appear? 	
Signage	<ul style="list-style-type: none"> • Is a site sign needed? • What size sign will we produce? 	
Telephone Inquiries	<ul style="list-style-type: none"> • Is a separate phone number necessary? • What will the phone line cost? 	
Brochure/Fact Sheet	<ul style="list-style-type: none"> • What kind of format would work best – a brochure or fact sheet? • Can we prepare the brochure, or do we need to hire a printing company? • How many copies are needed? 	
Posters	<ul style="list-style-type: none"> • Can we prepare the poster, or do we need to hire a printing company? • How many copies are needed? 	
Display Suite	<ul style="list-style-type: none"> • Is furniture necessary? • How much will it cost to rent furniture? • How much will accessories cost? • How much will it cost to advertise the display suite? 	
Other		
Total Cost		