

McGrath Real Estate:

AppFolio Success Story

This interview is with Tim Savin from McGrath Real Estate Services in Northern Virginia. McGrath has specialized in residential property management for the past 30 years.



Tell me about McGrath Real Estate.

When I started about 6 years ago we had about 250 properties and were using Yardi. Today we are managing a mixed portfolio of 600 properties, with a high percentage of our clients serving either in the State Department or Military.

Although we were satisfied with Yardi's accounting functionality, we wanted to grow quite a bit and we knew we needed software that would help us grow. After researching different solutions we selected AppFolio because it is great at all facets of property management. Our conversion process from Yardi was actually really smooth, it took about a month to be up and running.

What are some examples of areas where AppFolio has made a difference in your business?

We can do our work five times faster. The biggest one is how easy it is to use the software - our team was more productive immediately. With AppFolio we can really do things five times faster, and that's not an exaggeration! We can find information really fast, and spend less time on our routine property management tasks. Because we're so much more efficient we have been able to raise the bar with the level of service we provide to all of our customers.

“With AppFolio we can do things five times faster.”

We're making more money. When we are selling to new owners we specifically talk about AppFolio and how it helps our business. We think this really helps us stand out from the competition. In addition, we are accomplishing tasks so much faster and this gives us additional resources to focus on property management and sales. Basically because of all the time we've saved we've allocated more resources to earning more money.

We are increasing Owner Retention. At the end of the day we think using AppFolio really does help our owner retention rates. Due to higher productivity we are able to focus more on our clients and give them the personal touch we feel all clients deserve. It's a trickledown effect - We provide better customer service due to the tools and speed of this program, our owners are more satisfied with

the service they are receiving which leads them to continue working with us. This keeps our retention rate higher so we have more accounts gained (net) every year, thus increasing the size of our company. We can provide this great service because of AppFolio.

You have over 50% of your residents paying rent online each month - this is very impressive! Tell us about how you have such a high adoption with your residents.

We used to spend about a week of time processing checks but now 50% of our tenants pay rent online each month - this saves us just a ton of time and money. We made a conscious decision to really focus on having more residents pay online each month. We put it in our advertising, we use the brochures provided by AppFolio and pass those out all the time. It's pretty simple, everyone on our staff mentions ACH anytime they can.

Having the tenant portal for payments increases the compliance as well. The portal automatically emails our clients to setup their ACH payment. It provides them with the flexibility to either setup monthly recurring payments or one-time payments. They can also have their settings set to email them a monthly reminder to pay their rent via ACH. It's the perfect amount of outgoing communication to the tenant to be effective yet not overwhelming. We know we can't get to 100% of our tenants paying rent online, but we want to get as close as we can!

How are you using AppFolio for marketing properties?

Before AppFolio, we used to have three people working on our vacancy postings and it would take them a lot of time to manually post vacancies to Craigslist, our website and other rental listing sites. Now we have everything in one system and it takes one person just an hour each week to post our vacancies.

Would you recommend AppFolio?

Yes - hands down. My experiences with AppFolio and Yardi are not even in the same league. It is hard for me to describe how much better AppFolio is!