

# Upgrading Facilities to Increase Rent at The Village Chase

ECO-595

Applied Business Research

Group 13  
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# Background - Ashtageeta Ashok Hingmire

The Village Chase is an apartment community located in Dallas County and the 75206. The village chase decides to increase rent as part of the upgrades in terms of facilities such as walkability to restaurants, shopping, and nightlife. Chase is one of the celebrated classic neighborhoods because it reimagined the way tenants can live in a community. Recently, they are renovating all the amenities (pool, park, fitness center etc.) within the community as part of their upgrading facilities. The village needs to know how likely the tenants are to accept the increase rent in terms of upgraded facilities. The research is to analyze whether the upgraded facilities will be enough incentive to Increase Rent Without Losing or Upsetting Tenants. An article was published in CARLSBAD on How to Increase Rent Without Losing or Upsetting Tenants and found that if your tenants choose to keep renting from you, even after the rent increases, consider giving them incentives. This can be anything from a free parking spot to free or reduced-cost laundry services. (Paskill, Ashley, 2023).

# Literature Review - Yuvaraj Reddy Nava Amuru & Ashtageeta Hingmire

Most states and cities across the United States have some form of rent regulation. In such states, landlords are required to rent out properties only at a certain price, and cannot increase the price at their will. As there are no rent stabilization or rent control laws in Texas, landlords can raise the rent by as much as they wish. But the increase should be ideal and justified so that the property doesn’t upset tenants leading to lose agreement (McCaw Property Management). Renters don’t want to pay more; owners don’t want to stuck with same rent every year and lose customers who may already be on the fence. Therefore, consistent and justified rental rate increases are a necessary part of a successful business model. Upgrading facilities can a great strategy for a better return on your rental investments and to justify the increase rent and it will make the tenants acceptable. The tenants probably already understand this concept too (storable, 2021). An article was published in Rental Journal “Upgrades That Can Lead To Rent Increases” to prove that upgrading facilities has positive aspect with rent increase (Bergman, 2019).

# Purpose of the Research - Yuvaraj Reddy Nava Amuru

The aim of this research is to find the impression of tenants towards upgrading facilities within the community and likeliness to accept increase rent for those visible improvements. ''Renovations are a precursor to new construction,'' said Michael T. Cohen, president of the Williams Real Estate Company.

# Research Design and Sample Design - Saiprasanth Korrapati & Ashtageeta Hingmire

To know the likeliness of the tenants to accept increased rent for upgraded facilities, our research shall be proceeded with both qualitative and quantitative approach. Firstly, Email survey can be conducted to the existing tenants. The survey will include three parts: 1) demographics, 2) the facilities are to be executed within community, 3) point of view toward upgrading facilities, and 4) categories of ranges for increase rent they are likely to pay for the upgradation - which will be a quantitative approach. A reward of $7 discount from the rent amount could be provided to those who successfully complete the survey. The survey aims to answer the likeliness of existing tenants to pay increase rent for upgrading amenities.

Secondly, phone calls can be made to the tenants on their weekends. This part will have a dichotomous question to get answer whether they want to pay an increase rent for the upgradation they are doing within the community. It will be a yes/no question.

Thirdly, interviews can be taken at the upcoming couple of events they are executing in next one month. This will be a face-to-face conversation with tenants. A total of 100 interviews are expected to be executed. A $20 free breakfast ticket can be a great incentive to make the tenants participate for the interviews. The interview will have an open-ended question to know their point of view toward continuous upgradation within the community.

For the above-mentioned elements to the research, it is required to select sample randomly from their existing tenant’s database as well as from the participants in the upcoming events.

# Budget and Time Schedule - Saiprasanth Korrapati

The proposed budget for the research is given below in details:

|  |  |
| --- | --- |
| **Item Description** | **Cost in USD $** |
| Email Survey Rewards (20% of 500 tenants) $7 for each | 700 |
| Executive for Phone Calls (to make 500 calls) $18/hour - Total 25 hours required | 450 |
| Executive to take interviews - to take 100 interviews | 900 |
| Interview reward - $20 for 100 tenants | 2000 |
| Data Scientist (for the research project) | 2500 |
| Miscellaneous | 1200 |

The proposed timeline for the research proposal is two and half months which is given below in weeks:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 10 WEEKS | | | | | | | | |  | |  | |
| TASK | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | 10 | |
| Defining res. Objective |  |  |  |  |  |  |  |  |  | |  | |
| Planning a res. Design |  |  |  |  |  |  |  |  |  | |  | |
| Planning a sample |  |  |  |  |  |  |  |  |  | |  | |
| Collecting the data |  |  |  |  |  |  |  |  |  | |  | |
| Email Survey |  |  |  |  |  |  |  |  |  | |  | |
| Phone Calls |  |  |  |  |  |  |  |  |  | |  | |
| Interviews |  |  |  |  |  |  |  |  |  | |  | |
| Analyzing the data |  |  |  |  |  |  |  |  |  | |  | |
| Formulating conclusion |  |  |  |  |  |  |  |  |  | |  | |

# References:

Works Cited

Paskill, Ashley. "How to Increase Rent without Losing Or Upsetting Tenants." University Wire, Apr 25, 2023.

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McCaw Property Management

<https://mccawpropertymanagement.com/texas-law-rent-increase/>

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Lucas Bergman -February 8, (2019). Rental Housing Journal

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