

Growing Cash Flow and Reducing Payback Periods by 20+ Years with PadSplit

Make more money. Do more good.

PadSplit is a housing marketplace that connects property owners with residents seeking an affordable place to live. PadSplit helps real estate investors leverage underutilized space in their existing properties to make it more profitable for them, and more affordable for the community members.

Darryl Dunahoo first discovered PadSplit in 2019 and hasn't looked back since. Now, he has 10 homes listed on PadSplit and even participated in the company's Series A fundraising as an investor. And with a cash flow that reduces payback times on properties by more than 20 years, Darryl says working with PadSplit should be a no-brainer for property managers.

Darryl first started investing in real estate in 2004 as a kind of "retirement plan." He began by buying single-family properties with the goal of tenant rent covering the costs, but he soon found that self-storage properties offered a greater return on investment. In particular, Darryl notes key challenges around managing residential properties that limited his returns, including finding and replacing tenants and doing any repairs and clean-ups between tenants.

When Darryl learned about PadSplit in 2019, everything changed. He shares: "PadSplit led a presentation at one of my advanced real estate investors meetings in January, and the concept resonated with me from the beginning. When I learned even more about working with PadSplit, I realized it could significantly increase the gains on my single-family residential properties to make them just as good as the self storage facilities."



In particular, Darryl says the potential to dramatically increase cash flow and make a positive impact on people’s lives at the same time cemented his decision to work with PadSplit.

In the nearly two years since Darryl began working with PadSplit, he notes that the company has continued to evolve everything from its onboarding process to how property managers and tenants engage one another. Along the way, he says the experience working with the PadSplit team has been a positive one, and the team has helped resolve any issues that have come up along the way. Darryl had such a positive experience that he jumped on the opportunity to invest in PadSplit during the company’s Series A fundraise in August 2020.

2593 Clifton Springs 9 Bedrooms	Purchase Price Renovation Cost All-in Cost	\$142,000 \$45,000 \$187,000
PadSplit	PadSplit Revenue PadSplit Fee Utilities Maintenance Property Management Total Expenses Net Operating Income Improvement vs. Traditional Return on Cost Improvement vs. Traditional Annual Profit (Unlevered) Improvement vs. Traditional	\$5,383.57 \$646.03 \$480.70 \$210.60 \$379.00 \$1,716.33 \$3,667.24 127% 23.53% 127% \$39,366 167%
Traditional Rental	Rent Property Management Net Operating Income Return on Cost Annual Profit (Unlevered)	\$1,795.00 \$179.50 \$1,615.50 10.37% \$14,745.20
Common Expenses	Insurance (Est) Taxes (Est)	\$1,200 \$3,441

Why you should partner with PadSplit



Prospecting and Screening

PadSplit advertises your listings and finds residents. We run background checks and verify income and employment.



Managing Residents

We staff a dedicated call center for resolving resident disputes--because we understand that's the last call you want to field as a landlord.



Collections

We handle all bookings on our easy-to-use site. We remind members of rent due, charge late fees, and collect all payments for you.

Darryl says the primary reason he is such a big supporter of PadSplit is the cash flow. "The cash flow is the big win. I've doubled my net returns from the properties that are PadSplits, so it really helps to pay off the properties. It used to be a 30-year plan to pay off a property, but with PadSplit it's a fraction of that – maybe five or six years."

Given these results, it's no surprise that Darryl already has 10 properties he manages with PadSplit and plans to continue growing his PadSplit portfolio. He's also become a strong advocate for other property managers to begin working with PadSplit.

Darryl concludes: "I have encouraged many of my investor friends to become PadSplit hosts, particularly if they have a lot of properties because that lowers the risk when it comes to things like code enforcement. But I tell people they have to try it: It costs \$6,000-\$10,000 to convert a home into a PadSplit and you'll make that back in three or four months. So if you're able to go a year, you're way in the black, and if you're able to go three years, you're way further in the black."

Schedule a call with our property experts today.

We'll get to know you, your property, and share more about the PadSplit process.

Visit us at padsplit.com