

# The Collector Chronicle

North American Recovery

May 2020

America's Collection Authority

## Last Month's Lucky Winner

The lucky winner of our client prize for April is Rocky Mountain Anesthesiology. They have been using our agency since 2008! We will be sending Dr. Slade a Visa gift card! Enjoy!



## This Month's Prize

This month we will be giving away an Apple gift card! Each client who sends new accounts during the month of May will have their name entered into a drawing. At the end of the month, we will draw a name. If it's yours, you'll win the prize.

*Don't miss out on your chance to win.  
Send new accounts in May!  
Good Luck!!*



## You're Leaving Money on the Table...

By: David J. Saxton  
President, North American Recovery

This month's article focuses on the Property Management industry, but this concept applies to all industries.

Leaving money on the table is not something any business wants to do. However, if you're in the Property Management industry, that's exactly what's happening if a property is having the attorney who handles their evictions also handle collections. Here's why.

We've all heard the saying "Jack of all trades, master of none," right? Residential eviction is a specialty niche. Debt collections is also a specialty niche. They have vastly different state and federal laws, and you need different skills to be successful at each. It's a perfect example of comparing apples to oranges. They are different.

My company focuses on one thing—collecting unpaid debts. That's it. Specialization has allowed us to refine our techniques and processes over the years to the point where we are pretty darn good at what we do, if I do say so myself.

If a property has an attorney who does a great job evicting non-paying renters, does that mean the attorney will also do a good job of collecting unpaid accounts? Maybe. Or maybe not. How would a property know? Well, there are a few questions you can ask.

First, does the eviction attorney make outgoing collection calls on every single account? If so, how many calls? Do they call employers? Relatives? Neighbors? If not, why not? Does the eviction attorney send debt collection letters? If not, why not? Does the eviction attorney have debt collectors that receive special training? Do the eviction attorney's employees skiptrace? If so, how do they do it? What do they say? Does the eviction attorney have specialists that focus on collections? These are all important questions. If a property already knows the answers to these questions, great. If not, it would be well worth their time to find out.

If it's discovered that an eviction attorney doesn't make collection calls, doesn't send collection letters, and doesn't provide specialized training or skiptracing, the eviction attorney is absolutely leaving money on the table. And even if the attorney does make calls

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and send letters, and does collect some accounts, they aren't collecting every account, so there's still money that should be collected.

How can you possibly get more money out of your bad debt accounts? Second Placements. What are Second Placements? They are accounts that have been with an initial collection agency (or eviction attorney) for a period of time before being recalled and reassigned to a second collection agency.

The way it works is a creditor will assign their accounts to their first agency or attorney. The accounts will stay with that first servicer for anywhere from 12 to 18 months. During this time the first placement agency or attorney will collect everything they can. However, after the set period of time, any accounts the agency has not collected, set up on payment plans or commenced legal action are recalled from the first agency and placed with the second agency.

It's a system that large banks and finance companies have been utilizing for years. In fact, we have a large national credit card issuer that uses up to four different agencies. We specialize in their second, third, and fourth placement accounts. We work with many clients that utilize at least 2 agencies.

The reason this works is because not all agencies have the same business model. An agency that's effective with second or greater placements has a specialized legal process: that's us. We collect in all fifty states. We have our own proprietary attorney network consisting of hand-picked attorneys who specialize in debt collections. We are the solution.

If you're a Property Management company that works with an eviction attorney, there is no doubt they are doing a great job with evictions. However, take a look at their collection results. If you're not seeing a regular—and large—monthly check from their collection activity, money is most certainly being left on the table. Even if you are receiving a regular monthly check, wouldn't you rather see two?

We have several large property management clients that have been using us for well over 25 years. We've had great results from them and consistently send them a large check every month. You can watch a quick testimonial from one of them here: [Pentalon Management](#).

We also have several case studies you can view here:

- [Evergreen Management](#)
- [Millwood Management](#)
- [FourSite \(formerly Bach\) Property Management](#)
- [Pentalon Management](#)
- [Capital Growth Management](#)

What do we recommend? You can do one of two things. First, send your evictions to your eviction attorney. They are the eviction experts. Send your non-eviction unpaid accounts to North American Recovery. We are the collection experts. You'll be receiving the best of both worlds.

Alternatively, or in addition to the first option, tell your eviction attorney they have one year to collect any account you've sent to them—eviction or not. If they haven't collected the account, set the consumer up on monthly payments or commenced legal action within one year of assignment, you will be recalling the accounts and sending them to NAR.

We will take the accounts and, before long, start sending you a large remittance check every month. 👍

If your attorney pushes back and says he or she won't do that, don't worry. I have connections with other evictions specialists that would be happy to participate in an arrangement like this. Hopefully it won't come to that, but I've got your back if it does.

If you would like to see exactly how this would work, call Bryton Howell at 801-364-0777 x6. He will be happy to discuss the process and calculate the amount of additional money it could mean for you.



The Collector Chronicle is published by North American Recovery for prospective and current clients. the owner, David Saxton, welcomes your questions or comments. [DaveSaxton@North-American-Recovery.com](mailto:DaveSaxton@North-American-Recovery.com)

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