

Guide on How to Choose the Right Property Manager

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Guide on How to Choose the Right Property Manager

Owning rental property is a worthwhile opportunity for savvy investors, but it does come with the added responsibility of being a property owner. For some, this is a welcome challenge; however, managing tenants is not for everyone. If the latter describes you, hiring a [property manager](#) may be the perfect solution. That said, an experienced manager can ensure your tenants are happy, all cash flow is accounted for, and the property remains in excellent condition. However, a bad property manager can cost owners both time and money. In addition, the wrong manager can ruin your business by mishandling regular inspections, tenants with rental arrears, and renewals leading to low retention. So, how can investors choose the right manager for their properties? Continue reading for our top 10 tips on finding the best property manager.

What is a Property Manager?

Before you decide which, one is best, it is important to understand what a property manager is and does. Property managers can be an individual or a firm that takes over daily rental operations for a fee. Thus, these professionals take over when the owner cannot attend to landlord responsibilities or simply does not want to. Some of these responsibilities include -

- Targeted Marketing
- Applicant Screening
- Legal Leasing Documents
- Property Inspections
- Rent Collection
- Basic Accounting and Reports
- Maintenance Coordination
- Tenant Communications
- Fair Housing and Legal Compliance

10 Tips for Selecting the Best Property Manager

Finding the best property manager can take your investment to the next level. However, rental management is a complex undertaking involving legal matters, handling tenant communications, and taking steps to protect the property itself. So, with rentals continuing to be a booming industry, property management firms are popping up



everywhere. That said, not all rental managers are created equal. To find the best fit, check out these tips to find the best property manager below.

1. Do Your Research
2. Stick with Local Expertise
3. Prioritize Organization and Technology
4. Interview Multiple Candidates
5. Test Candidates with Very Specific Questions
6. Get Referrals from Other Investors
7. Review Local Ads
8. Look for a Proven Track Record
9. Only Entertain Licensed Property Managers
10. Personal Impressions Matter

Do Your Research to Select the Best Property Manager

Modern technology puts vast amounts of information at the fingertips of owners in need of professional property management. Therefore, the best way to start looking is a simple Google search. This helps narrow down prospective property management companies and focus on the ones that could work for you. Then, from your shortlist, take a careful look at each property management company's website for these key pieces of information -

- List of Services (*tenant screening, rent collection, etc.*)
- Management Fees, Fee Schedule, and any Ala Carte Services/Fees
- Staff and Leadership Information
- Special Features for Owners and Tenants
- Contact Information
- Client Testimonials
- Tenant Reviews



Stick with Local Expertise

When it comes to effective property management, understanding the local market is critical. However, this goes beyond local competition to determine pricing. So, the best property managers have proven local experience such as –

- **Applicable Laws and Licensing Requirements** – Each jurisdiction may have specific laws that govern rental properties. That said, these may include rental licensing, inspections, or lead certification.
- **Market Demographics** – Filling vacancies efficiently comes in part from understanding who your tenant pool is. For example, is the area popular with students? Is your property likely to attract a family? So, knowing who is looking in the area helps managers target their marketing efforts for maximum exposure.
- **Vendor Relationships** – Every rental will need repair or maintenance eventually. That said, it is important to partner with a manager with established vendor relationships. Therefore, meaning your property can receive the attention it needs promptly.

Prioritize Organization and Technology

Managing rental property involves a lot of communications and record keeping. The property manager you choose must have the [processes and technology](#) to handle the vast administrative demands. The best property managers are organized, efficient, and handle records with as little paper as possible. Electronic or “paperless” systems are more secure and accurate than traditional paper copies. So, a company that is up to date on technology is a huge benefit for owners.

Interview Multiple Candidates

While reviewing their website for key information is important, so is asking some questions. Keep in mind, [finding the best property manager](#) involves gathering as much information as possible. The goal is to find the best property manager that you feel comfortable handing over the reins to your business. So, reach out to the companies you think are contenders and ask them some of the questions below.

- How long have you been in business?
- Will the company allow you to review key documents such as the Property Management Agreement and lease?
- How many employees does the company have?
- What is or is not included in the monthly management fee?



- Is the management fee based on rent collected or rent due?
- How many properties does each manager typically oversee at a time?
- What are the standard applicant requirements and basic screening process?
- How do you perform property inspections?
- What are your practices for returning security deposits?
- Do you have an online portal for tenants and owners?
- Do I receive monthly and annual financial statements?

By asking these kinds of questions to a few different candidates, you can get a better feel for who would be the best property manager for you. But also evaluate their responsiveness to your questions at the same time. So, if they are not responsive to you as a prospective client, chances are you will not get the best service as a client.

Test Candidates with Very Specific Questions

An ideal property manager is someone who is flexible and experienced enough to handle a wide range of property issues. Therefore, test candidates by asking them specific questions that assess their skill set. These talking points may include -

- The process for after-hours emergencies
- Marketing strategies to limit vacancy
- How they would deal with sudden or severe property damage
- What would happen if a tenant needs to be evicted

Get Referrals from Other Investors

Sometimes the best property managers are the ones referred by friends and colleagues. So, ask anyone you know who works in real estate or property management if they know of anyone who may be a good fit. Word of mouth is still compelling when it comes to finding a quality management company. After all, if a property management company has a bad reputation, the chances are that message has spread amongst industry professionals. In addition to referrals, check the state's [Real Estate Commission and the Better Business Bureau](#) to ensure the prospective property manager has a license and no complaints against them.



Review Local Ads

Many local property managers use local advertisements to share vacancies. So, check out newspapers, online classifieds, and sites like FaceBook Classifieds to find sample rental ads. In addition, most reputable companies have a website that also lists available properties, and this is a great opportunity to see their quality of rental ads. The best rental ads are featured on a variety of sites to maximize exposure and include -

- **A Dynamic Unit Description** - Ideal unit descriptions describe the unit accurately but with enough detail to grab the reader's attention. Anything with grammatical errors or over-exaggeration that rings untrue should raise a red flag.
- **Professional Quality Photos** - Pictures are worth a thousand words and as prospective tenants scroll through listings, grabbing their attention is critical. The pictures make viewers click on the listing and want to know more.
- **The Option for Virtual Tours** - Virtual tours have gained popularity during the COVID-19 pandemic, but the benefits extend far beyond lockdown restrictions. Virtual tours allow applicants to view the property's full potential anywhere and anytime, conveniently online.

Look for a Proven Track Record

Vacant units cost owners money in lost profits and lost opportunities. With that in mind, look for a property management firm with a proven track record. Many owners take into account the average time it takes a company to fill a unit. However, filling a unit quickly is only great if the tenant is well-qualified and stable. So, also inquire about the company's eviction rate in addition to how quickly they fill vacancies.

Only Entertain Licensed Property Managers

Most states require property management companies to have a real estate broker's license or management license. A licensed property manager has gone through an approved property management course and passed a state licensing exam. This means they have an added layer of knowledge to help owners navigate their business needs.

Personal Impressions Matter

Beyond experience and approach to management, professional rapport is key to a successful match. Therefore, try to get to know any potential managers personally by asking them about their lives, interests, and any other details that may influence how they approach their job. After all, owners work closely with their managers, so you must



communicate well and collaborate effectively. If you have two different communication styles, you risk not of not being on the same page for important issues.

Picking the Perfect Property Manager

Picking the right person or company as your property manager is essential to your investment's success. Following these tips above will help to narrow down your search easily and efficiently. For owners throughout Valley County in McCall, Donnelly, Cascade and New Meadows look no further than DoneRight Management.

At DoneRight Management we handle every aspect of your rental business for a low monthly fee. In addition, our professional marketing helps rent your home in an average of fewer than 30 days. Furthermore, a thorough applicant screening process allows us to boast a less than 1% eviction rate. So, if you are looking for a local [property management firm](#), give us a call today to learn more.