

10 Reasons to Hire a Property Manager

Why would you even consider a property manager? For one thing, you decided to invest in a rental property, but don't know what to do next. You're not alone. The realities of maintaining and running a rental property can quickly become overwhelming- even to the most savvy investor. Many times, people choose to hire a property manager to help them in the day to day tasks, which could be just the answer you're looking for. To help make up your mind if hiring a property manager is right for you, here are 10 reasons that could help influence your decision.

- 1. Collecting and Depositing Monthly Rent Payments.** If you've ever worked in the billing department of an organization, you know that securing payment from clients and patients can be difficult, not to mention awkward. A property manager has his/her own systems in place to effectively collect rent and maintain on-time payments. Especially if you are a small investor, with a limited number of properties, not being able to maintain consistent payments is going to significantly affect your cash flow.
- 2. Rental Rates.** A property manager is going to make sure your rental rates are competitive, which is the key to securing (and keeping) tenants in your property. Their job is to know the rental market, knowledge which most likely isn't your forte.
- 3. Housing Regulations and Property Law.** There is a multitude of applicable laws and regulations that you are going to need to abide by when renting and maintaining your rental property. These include local, state and federal regulations, as well as fair housing regulations (such as the ADA). A property manager can help you avoid lawsuits by keeping up to date and in compliance with these regulations.
- 4. Marketing and Advertising.** A good property manager is going to have experience in offline and online marketing, as well as local direct mail opportunities, which will increase the exposure of your properties. Carrying a vacant property can be extremely expensive, and is an expense you want to avoid whenever possible.
- 5. Inspections.** Being extra vigilant in the care of your rental property is critical to the maintenance of your investment. Through routine inspections, a property manager can find and repair problems before they grow into expensive endeavors. It is standard for property managers to perform inspections before a tenant moves in, during their lease, and after the tenant moves out.
- 6. Tenants.** Securing tenants can be a time consuming process. Depending on the extensiveness of requirements for your rental properties, a property manager can take care of securing all criminal background and security checks, credit reports, employment verification, and previous landlord references. In addition all tenant disputes, conflict resolution and emergency maintenance will all go through a property manager, who will involve you at his or her discretion. In addition,
- 7. Access to Professionals.** A property manager has existing relationships with maintenance workers, tradesmen, vendors, suppliers and contractors that you do not have. This can save you significant time and money when it comes to maintenance on your rental property, not to mention ensuring quality work.
- 8. Time Management.** By having a property manager that takes care of the routine daily tasks, you are free to focus on other investments and/or your own career.
- 9. Remote Locations.** If your investment property is in another city or state, it's simply not possible for you to oversee management and maintenance of the property and its tenants. A property manager can be where you can't, and can take care of all the details you don't have access to.
- 10. Money.** Most property managers charge a percentage of the monthly rental rate which can range anywhere from 6-10%. The cost is actually quite nominal when compared to all the services a property manager can provide, which frees up your personal and professional time.