

PROTECTING YOUR NEVADA INVESTMENT #019 - SELECTING THE BEST PROPERTY MANAGER

If you are planning to rent your property (or changing property managers), here are ten helpful but tough questions you should ask every property manager you interview. Remember, you are interviewing them as a potential employee.

1. "What is your Property Management Permit number?" If they do not have a Property Management Permit issued by the Nevada Real Estate Division, they cannot legally manage any properties.

2. "How long have you been actively managing properties?" It takes several years to become familiar with all the various problems, issues and challenges involved. Don't accept the answer that their Broker or partner has the experience. "No offence, but why we wasting our time talking about this?"

3. "How many properties do you personally manage?" If the answer is less than 25, they don't earn enough to be full-time. If they manage more than 50, your next question should be: "What support staff do you employ?" An agent needs the support of a qualified accounting department. They also need a stable of licensed trades people, pest control contractors, cleaners, and emergency personnel.

4. "How often will you inspect my property?" Monthly is far too often. That will annoy the tenant into not renewing. Never or once a year is too risky. A good answer would be every three to six months.

5. "How often will you drive past my property?" If they register surprise or the answer is seldom or never, you could have a problem. If the answer is weekly or even more frequently, they may be promising more than they can deliver. A reasonable answer is once or twice a month.

6. "What do you do for me to earn your 10%?" They should find tenants, do the initial walk through inspection, coordi-

nate any repairs, provide detailed monthly accounting, remit money to you promptly, provide a detailed annual tax statement, enforce the terms of the lease, inspect the property intermittently, drive past the property regularly, collect rent on time, do the final move-out inspection and coordinate an eviction (if needed). The primary role of a Property Manager is to preserve the value of the property and to manage the rental of the property.

7. "What are the addresses of the three closest properties that you manage?" Google or MapQuest these. If they are within three or four miles of your property, the Property Manager is more likely to drive past your property occasionally.

8. "What do you do to find a tenant?" In reality, there are few things a Property Manager can do beyond placing it in the Multiple Listing Service and advertising on Craigslist. Some, however, will claim that they have large numbers of waiting tenants. What you are really looking for is their willingness and ability to explain this truthfully and explain that tenants will select the most suitable property in their price range, not the one a Property Manager tells them to rent.

9. "Please show me a sample of the reconciliation you will send me monthly."

10. "Explain the last three complaints against you at the Association of Realtors or at the Nevada Real Estate Division." There should be none but if there are, the explanation should shed some light on this Property Manager's relationship and attitude with property owners and with tenants (who are your customers).

Although I hold a Property Management Permit, I do not manage properties. If you would like to talk with a great Property Manager, I can recommend one to you.

© 2015 Ken West Protect-018a.ai / VPP-C