

10 Reasons to Hire a Property Manager

If you've owned a condominium where the Association is self-managing the property, you know that managing a condominium Association can be financially more economical. At the same time, you've also likely discovered that property management requires a large commitment of time and effort.

While it may make sense to take the do-it-yourself approach if you're a handy person, live close to your property, and don't mind devoting several hours per month to the task, in many cases this just isn't practical---especially if you hope to expand your business or your free time. With this in mind, here are some critical tasks a property manager can help you with:

1. **Setting the right condominium dues:** While looking at what other Associations charge for similar properties is a fine way to ballpark your dues. A good property management company will conduct a thorough analysis of your operating expenses, ensuring that you achieve the perfect balance between charging the appropriate amount and maintaining or gaining asset value.
2. **Collecting and depositing monthly payments on time:** If you've ever worked in a billing department, you know that securing payment from clients can be difficult, not to mention awkward. Property management companies have efficient, tried-and-true systems in place to effectively collect payments and maintain on-time payments. You'll find this particularly important if you have a limited amount of cash, and collecting payments on time is crucial to maintaining timely payments of invoices.
3. **Managing home owners:** A property management company will manage all aspects of the home owner relationship. The property manager will handle both routine and emergency maintenance, take care of routine inspections, and manage any situations where conflict resolution is required. Additionally, staff will assist in the process of refinancing, selling or buying by answering questions and providing needed information from lenders, title companies, buyers, etc.
4. **Managing vendor relationships:** Property management companies have relationships with maintenance workers, trades people, contractors, suppliers, and vendors that it's almost impossible for an independent home owner to duplicate. Not only will your property manager get you the best work for the best price, they'll oversee any necessary maintenance projects.
5. **Ensuring that you're in compliance with housing regulations and property laws:** There is a multitude of applicable laws and regulations to abide by when maintaining your 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 your property up-to-date and in compliance with these regulations.
6. **Enabling you to invest your time in other areas:** If you manage your own property, you're to some extent limited. By hiring a property manager, you can take advantage of more free time to do the things you want to do such as furthering your career, enjoying hobbies, traveling and enjoying time with friends and family.
7. **Maximizing the profitability of your money:** Most property managers charge a dollar amount per unit in exchange for their services. The rate typically runs anywhere from \$15 to \$25 per unit/month, which can be covered by what the property manager may save you in operating expenses, not to mention the value of home owner's volunteer time. Typically, the more units a property manager takes care of, the less per unit cost/month. As mentioned in #4 above, the property manager has buying power that the average home owner doesn't have.
8. **Accounting Functions:** Although most condominium Association insurance plans have some coverage for their Board of Directors, it's limited, whereas a reputable management company will have a more comprehensive policy. A great management firm will also have internal controls in place, bringing less risk to the Association.