



## **Hiring the Right Property Manager**

### **What should I look for in a property manager?**

Look for experience in important areas such as leasing, collections, marketing, advertising, tenant relations, financial analysis and budgets, maintenance, and knowledge of the local market. Most importantly, look for a company who is going to help you achieve your goals!

### **How do property managers charge for their services?**

Fees are typically paid in one of two ways- more typically a percentage fee, and sometimes a flat fee. Percentage fees can be a good incentive to the manager to improve the income of the building. A flat fee may be more appropriate when the property is a condominium or a type of cooperative complex.

### **What is the owner's employment relationship with the property manager?**

Property owners either employ the property manager directly or they employ them indirectly through a contract with a property management firm. A contract is more commonly used than a verbal agreement. The contract will specify the terms of the agreement, fees applicable, and any other provisions that may need to be in writing.

### **Will I need a property management contract or agreement?**

Regardless of the property type, a written agreement between the owner of the property and the manager is very important, as the manager will be playing a major role with the owner's real estate. The contract should definitely include the following:

- Identify the parties and property address
- Specify the term of the contract
- List the responsibilities and authority of the property manager
- List the responsibilities of the property owner
- State the fees and leasing or sales commissions
- Include the date of the agreement and signatures of both parties