

# Property Management

## Self Management Versus Professional Management

A step-by-step guide to help you choose which management is right for you and your rental property. Do-it-Yourself Management also known as Self-Management or hiring a professional to help you. Professional management can be in the form of a Real Estate agent or a property management company.

Published by Management One Property Management

Copyright 2019




# PM Overview



You have a rental property, now what? Do you manage the property yourself or hire a property management company? I mean really; how hard can it be to manage a rental property? You place an ad on Craig's List, maybe put a "For Rent" sign in the yard, take a couple of calls from tenants, ask a couple of questions, and place the one your "gut" tells you is the best one, right? Simple, right? The short answer is WRONG!

The long answer is WRONG as well, but let me share with you why.

For more information regarding job descriptions click the link below.

 [Read More](#)

# Hiring Table of Contents



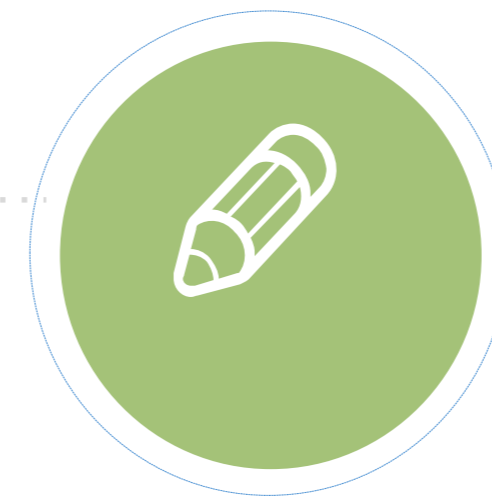
## Screening Residents

We discuss the difference in screening residents based on self-management and professional management



## Lease Agreements

Learn what is missing in your lease agreement



## Security Deposits

Learn how to properly handle a security deposit



## Repairs

Handling repairs before, during, and after tenancy



## Managing Cash Flow

Raising rents, charging late fees, and tax deductions



## Inspections

Monthly and Annual inspections, why are these important?



## Evictions

Serving proper notices and working with an Eviction Attorney is key.





# Credit Check



## Personal Details

Your first name and initial

Last name

Phone Number

Nationality

Address (street and number), see instructions.  
ZIP code, see instructions.

## Status

Check only one box.

- Single
- Married
- Divorced

## Income

1 It is a process to allow an organization to focus resources on the greatest

Document No. 38520-1

Number 1

Number 2

The number above is required.

No.

- You
- Spouse
- Others
- Yes
- No

# Screening Residents

Credit checks, employment verifications, and more...

# Screening Residents



## Self-Management

Doesn't run a check credit or uses a credit scores only.  
Credit scores vary depending on the company used.

Only check current rental history or not at all.

May or may not check current employment. Most don't check previous employment.

May or may not ask for proof of income at all

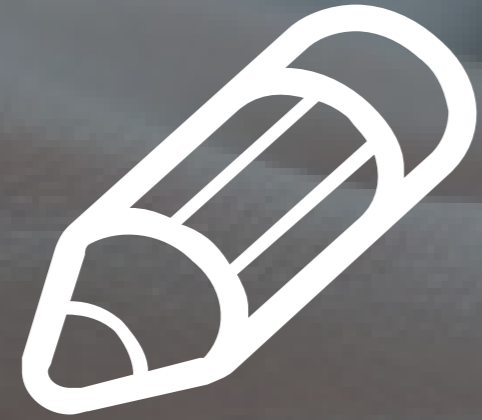
## Professional Management

Run Credit Checks using a third party company, standardized criteria

Check current rental history and previous rental history

Check current employment and previous employment

Verify income with current pay stubs and/or bank statements



# Lease Agreement

---

Do you know what should and should not be in your lease agreement?

# Create A Lease Agreement



## Self-Management

Typically use generic lease agreements

Don't check with local fair housing laws to ensure terms are in compliance

Specific terms are usually left out, opening landlord up for lawsuits

## Professional Management

Lease agreements are usually approved by an attorney specializing in Tenant/Landlord laws

Work with Fair Housing to ensure all terms are in compliance with local regulations

Protects landlord from potential lawsuits by ensuring lease agreement is legal





# Security Deposits

Proper way to handle security deposits



# Security Deposits



## Self-Management

Typically under charges or over charges for security deposit

Doesn't hold deposit in a non-interest bearing trust account as directed by Department of Real Estate

Thinks deposit can be spent by the owner and doesn't have to be returned to resident upon move out

## Professional Management

Charges according to local laws

Holds deposit in non-interest bearing trust account as directed by Department of Real Estate

Disperses deposit according to local laws



# Repairs

---

Handling repairs before, during, and after a resident



# Repairs-Before, During, and After



## Self-Management

Tend to think their home is in great condition even with mismatched paint, dirty walls, and poor flooring condition.

Want the resident to handle all repairs while living in the home.

Doesn't want to be bothered with repair calls

Over charge on security deposit when the resident moves out.

## Professional Management

Will bring the home up to market standards to ensure top rent is obtained

Will hold resident responsible for resident repairs and handle other repairs as needed.

Resident will call them for repairs at the property and not the landlord

Will charge resident based on local laws



# Managing Cash Flow

Raising rents, Collecting Fees, Tax Deductions, etc.



# Managing Cash Flow



## Self-Management

Typically don't raise the rent for fear of losing resident, lose out on thousands of dollars annually

Don't charge pet rent or an additional deposit

Don't charge late fees when resident pays late

Your services are not tax deductible

## Professional Management

Raise the rents annually if the market permits

Charges monthly pet rent and additional deposits as permitted by Fair Housing

Charges late fees when resident pays rent late

Management fees and repairs are tax deductible



# Inspections

Monthly and Annual Inspections are important



# Inspections-Monthly and Annually



## Self-Management

Monthly exterior inspections are usually random at best

No violations are issued if yard is in poor shape

Don't view property annually to ensure resident is maintaining home

If landlord does conduct inspections, they don't post a 24-hour notice before entering property

## Professional Management

Monthly exterior inspections conducted with photos

Violation or Warning issued if resident is not maintaining home per lease agreement

Views home annually to ensure resident is maintaining the home

Gives ample notice to resident before entering home





# Evictions

3-day notices, evictions, and more



# Evictions and More...



## Self-Management

Tend to be more tolerant of late paying residents, often waiting 3 months or longer to file eviction

Post the wrong 3-Day Notice to Pay Or Quit, causing a delay in evicting the resident, sometimes up to 6 months more

Don't hire an eviction attorney until late in the process, costing \$1000's in lost rents and courts costs

Evictions tend to take 120 to 150 days or longer due to wrong paperwork issued or not using an attorney

## Professional Management

Tend to less tolerate of late paying residents

Post proper 3-Day Notice to Pay or Quit according to current laws

Works hand-in-hand with an eviction attorney to ensure an expediated process.

Evictions usually to take 45 to 60 days depending on court dates and lock out dates issued by the courts.



# About Us

Give Us The Keys, We Will Take Care of The Rest



Management  
**About Us**  
●●●●●

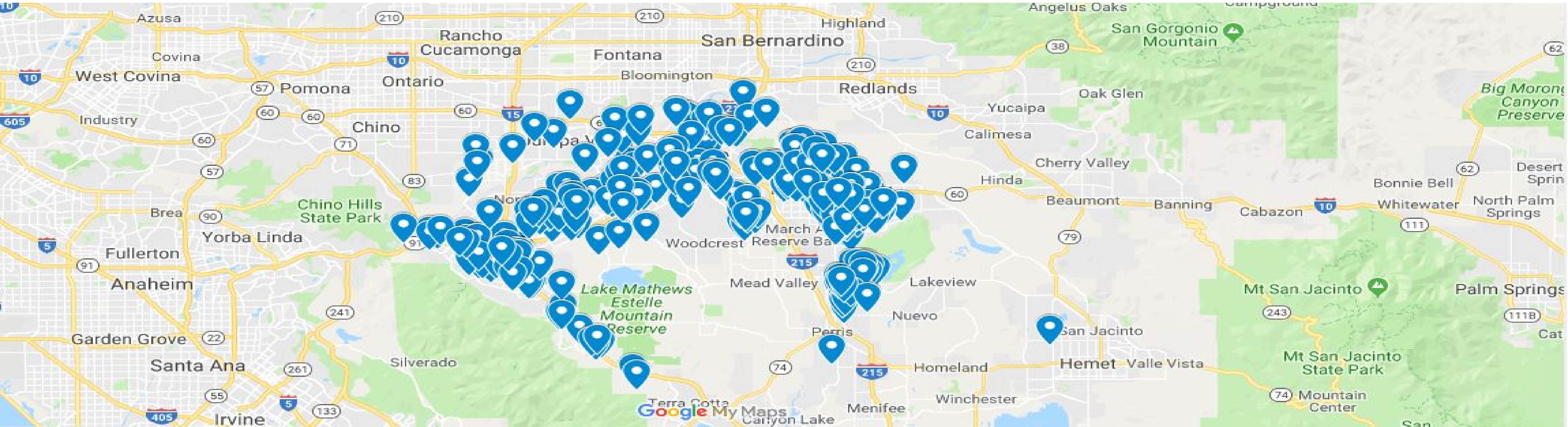


Since 1983 we have leased and rehabbed over 10,000 homes and managed thousands of homes. The success of any company starts with exceptional leadership as well as innovative and seasoned management. Management One has assembled a team of knowledgeable and experienced associates who, collectively, have over 100 years' experience.

Now owners, investors, and residents across the country can experience the Management One difference.



# Management Contact Us



Location:

Management One Property Management  
6800 Indiana Ave Suite 100  
Riverside, CA 92506



Contact:

[na@mgtone.com](mailto:na@mgtone.com)  
M1rent.com

951-735-2000