





## 5 Secrets to Great Homeowner Property Management Services



*A great property management company is like a movie production. There is a lot of work that goes on behind the scenes. The director needs to have the right skills to stage the scene and all the actors need to know their role. Not only that but you need the right contactors to build the set. If you hire the right studio for your production you are sure to have a hit on your hands. If you think in those terms the secret to great property management is really not so hard to accomplish.*

**We've broken it down in 5 key steps. Please read on.**

### 1. Financial Reporting:



A well run homeowners association should have on-going studies conducted by engineers and other construction specialists to identify how much money they should be socking away to meet future needs. A sufficient amount should be included in annual budgets and reserves to meet these long term needs. The best way to do this is for your homeowners association to be professionally managed where someone other than the board of directors collects the dues, pays the bills and generates financial reports for review.

*Make sure your Property Manager provides:*

- Monthly Financial reports.
- A Fiscal End of Year Report.
- Year to date Budgets and Budget Comparisons.
- Comprehensive reserve studies.



### 2. A Solid Business Plan

Once you have the key financial documents in hand you can now move on to this area.

- Which property assets are your weakest and in need of immediate attention
- Determine the average life-span of common elements
- Develop a replace/repair cycle to accommodate these findings.
- Is your current fee structure able to adequately fund reserves?
- What is your special assessment policy?



### 3. HOA Website

The secret of success in any large organization is good communication. Homeowners associations that have good means of communicating usually end up with a more informed and happier membership. An [association website](#) can deliver content to your homeowners on a timely and frequent basis. A **great** site will:

- Portray your community as a modern place to live.
- Show board transparency.
- Provide a Dues Payment Gateway
- Offer Electronic Service Requests/Work Orders and Tracking.
- Contain the latest BOD documentation.
- Provide submit-able electronic e-Forms to aid in communications.
- Clearly show Association Rules, Specifications and Procedures.
- Provide a place for positive interactions between neighbors

### 4. Insurance reviews



Insurance is one of those things that many of us don't think about until we need it. Unfortunately, with the tremendous exposure of homeowners associations to liability claims, this is an area where homeowners associations cannot afford to make any mistakes. The [Trayvon Marton](#) case is a prime example, the homeowner's association settlement payout was estimated to be several million dollars. Regularly review insurance policies to ensure that they are current. Doing anything less than this is betting the farm, or the homeowners association, that a catastrophic loss will not occur.

- Make sure you have the correct coverage to match your [CC&R's](#).
- Ask management to seek new quotes to make sure you are getting the best value.
- Make sure the Board Directors properly insured against personal liability claims
- Make sure Property Management Company have comprehensive coverage?

### 5. Experienced Managers

Exactly who is your [Manager](#)? Even though many States do not require special licensing you need seasoned industry educated professionals to take care of you.



- What certifications does the Management Company and Managers hold?
- Is there a Broker of Record, Licensed Insurance Property and Casualty expert and licensed Real Estate professionals on staff?
- Consider a company certified by the [Community Associations Institute](#). This Alexandria, Va.-based organization has a range of certifications for companies and individual managers.
- Be sure the company performs [criminal background checks](#) on its employees, especially its managers.

***Like any good screen play or business venture, poor management of an asset – no matter how strong the story line is – seriously compromises your success at the box office.***

In the final analysis, if the community looks good, it usually means that something positive is going on in the community. Experienced management companies will help you increase your property values while enhancing the homeowners living experience. Make sure you partner with people who will help this vision, not hinder it.

If you've had any issues with your HOA that you'd like me to try and delve into, and possibly write about later, please let me know. Email us at [info@acirilty.com](mailto:info@acirilty.com)

