

6 Steps to Choosing a Superb Rental Property Manager

By Flying Cat Marketing

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Having an unreliable property manager is often worse than having no property manager at all.

If the individual or company's anything less than diligent, you might end up with unpaid utility bills, fines from the city, stolen property, expensive water leaks, and angry guests and tenants.

"My biggest challenge is finding someone reliable, that I can pretty much hand off a share of the tasks to. I remember there was one that I thought vetted everything until I went over there and they didn't fix anything, tenants were angry, and I had to run damage control."—Mary Anderson, co-founder of Brotherly Love Real Estate (<https://brotherlyloveproperties.com/>)

So if you're wondering how to choose a property manager that actually benefits your business, or if you're thinking about taking the reins and managing your own property, you're in the right place.

In this article, you'll read all about why hiring a property manager is important, the difference between short-term and long-term rentals, and the necessary steps to choosing the right property manager for you.

If you're looking for a specific answer, use the links below to head straight to that section:

1. Why hiring a property manager is crucial
2. Short-term vs long-term rentals
3. Hiring a property manager: What could go wrong?
4. 6 steps to choosing a great property management company
5. Are short-term rental agreements right for your property?

Quit worrying about unreliable property managers. Jetstream's all-in-one solution optimizes your listing, provides 24/7 guest communications, and manages your channels so you can switch off. Book a demo (<https://jetstreamtech.io/contact-us/>)

Why efficient property management is crucial

Property managers and property management companies save you time and money by handling all the operational tasks that make renting real-estate difficult. Their duties include:

- Determining rent price or nightly pricing
 - Handling repair and maintenance issues
 - Marketing your property
 - Guest or tenant screening
 - Conducting property inspections
 - Communicating with current and prospective tenants or guests
 - Optimizing your property's listing on online travel agencies (OTAs) like Airbnb
 - Taking care of move-outs, check-outs, or even evictions
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- Monitoring the property
 - Managing your vacation rental revenue

Vacation rental management is a complex and time-consuming task. And unless you let rental management take over your life, things can slip through the cracks, sour your guest experience, damage your investment property, and hurt your income.

That's why efficient property management is an absolute must. Especially if your time is limited, you don't live near your property, or you're juggling countless management tasks. But hiring a professional property manager to manage your vacation rental isn't the only option.

Short-term vs long-term rentals

An important factor to keep in mind when choosing a prospective property manager is whether their experience is in short-term or long-term property management. That's because the two models require different sets of skills, experience, and tools.

As a property owner, you can choose between renting for the short-term or the long-term. And while many investors choose the latter, it's not always the best option for their type of property, market, and location.

Long-term rentals

Long-term rentals often span between a couple of months to a year and usually bring in a more consistent cash flow. But that doesn't necessarily mean a higher return on investment in the long run. Some of the pros of long-term rentals include:

- There's **more predictable income.** That's because longer-term tenants pay a consistent rental fee that's agreed to in a contract. **Knowing exactly how much rent is coming in every month helps you plan your expenses better.**
- You have **less turnover** because your tenants stay at your property for longer periods at a time. **This means you or your property manager will need to do fewer**

administrative tasks like negotiating leases, or getting the property ready for new people.

- It's **easier to manage** your property when there are fewer people coming in and out of

your property. **Fewer variables equal fewer headaches.**

- **Management is cheaper** compared to short-term rentals because **property managers need to put in less effort to fill vacancies, market your property, communicate with guests, and handle maintenance and cleaning workflows**
- **Lower operating expenses** are a definite advantage of long-term rentals. **That's because tasks like cleaning and paying utility bills are covered by the tenants, so there's no extra cost for you.**

On the flip side, some long-term rental cons include:

- **Lower profit margins** are a big disadvantage of long-term rentals **because you lose the ability to frequently raise rent prices.** For example, if you rent your property on Lake Como to a family, you can charge an average of \$2,000 per month. But you can also rent the same property to visitors and tourists for \$2,000 for a four-day stay during the high season.
 - There's **no scope for personal property use** since tenants will be occupying your rental for longer periods of time. **So if you tend to stay at your holiday or second home sometimes, renting long-term isn't a good option for you.**
 - There are more **maintenance problems** when you're renting long-term. Since you or your property manager aren't visiting the property regularly, **it's difficult to notice minor repair problems before they turn expensive.** Additionally, some tenants might avoid reporting a problem for fear of being charged.
 - **Finding the right tenant** is more difficult in this rental model because the stakes are higher. **If you've signed a contract with a bad tenant who pays rent late or is too loud, chances are you're stuck with them for a long time.** Evicting long-term tenants is difficult and expensive, while short-term leases can be terminated much more easily.
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Pros	Cons
More predictable income	Lower profit margins
Less turnover	No personal property use
Easier to manage	Higher maintenance difficulty
Cheaper management	Tenant applications
Lower operating expenses	

Short-term rentals

Short term rentals can last anywhere between a single night to a couple of months. And while long-term rentals may bring in a more consistent cash flow, short-term rentals can be a lot more profitable.

Some pros of renting short-term include:

- You can use your property for **personal use** when your guests are only occasional visitors. This is perfect for property owners who have a second home or a vacation home they still stay in from time to time.
- There's **less wear and tear** since guests stay for a limited time. Units can be regularly maintained and thoroughly cleaned, so you avoid issues accumulating over time.
- **Higher overall rental income** is a big advantage of short-term rentals. There's no cap to how much you can charge for stays, and more frequent rates of occupancy mean more revenue.
- You're able to **adjust your pricing** depending on seasons and occupancy rates. **This makes your property more flexible, and can also mean there's no cap on your income.** If there's an Elton John concert in town and the market is competitive, you can

raise your prices. But if it's off-season and you need to compete with other asset owners, you can lower your prices to attract more guests.

On the other hand, the cons of short-term rentals include:

- They're **harder to manage** since there's a higher frequency of check-ins and check-outs. **You or your property manager need to always make sure each unit is fully cleaned and maintained and that every guest has all the necessary information.**
- They have **higher management costs** mostly because these rentals are harder to manage. **While long-term property managers might charge a fee equivalent to about 10% of the monthly rent, this fee for short-term rental managers is anywhere between 30-50%.** These fees might make it tempting for you to manage your property yourself, and we don't blame you.
- The **rental market's more competitive** in this case because you're competing with all the other stays and hotels in your area. **This means you always have to keep your prices and amenities competitive, which can be extremely time-consuming if you don't use dynamic pricing software.**
- There's a **higher frequency of cleaning and maintenance tasks** associated with short-term rentals. **The rental needs to be cleaned and maintained every time a guest moves out,** which can be quite often, if you're successful.
- **Off-seasons** make it more difficult to keep your vacancy rates as low as possible and still have an income from your rental. **During this period, it's more important than ever to price your property competitively and be as hands-on as possible to attract more guests.**

Pros

Cons

Available for personal use	Harder to manage
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Less wear and tear	Higher management costs
Higher income	More competitive market
Flexible pricing	More cleaning and maintenance tasks
	Off-season causes a dip in bookings

Bottom line: to make sure you're maximizing your revenue and getting the most out of your property, you need to know which rental model will best suit your asset and location. Your property manager's services depend on the type of rental model, and a property manager versed in long-term rentals isn't the right person to handle short-term rentals.

With the right tool, short-term rentals can have more benefits than headaches.

Jetstream tells you if you're using the right renting model so you never leave money on the table again.

Get in Touch (<https://meetings.hubspot.com/sales-jetstream>).

6 Steps to choosing a great property manager

No asset owner wants to walk into their rental unit and discover mold, water damage, or angry tenants. **So just like you wouldn't accept any guest or tenant, you shouldn't settle for just any property manager either.**

Hiring a property manager: What could go wrong?

One of the most important qualities a property manager needs to have is reliability. You've invested a lot of time and money into your property, and it's crucial that the person managing it is taking the best care possible.

"I recently had a client who had the same property manager for a property for 6 years. I realized that they hadn't been to the property in the last 6 years and didn't even have a key for me to access the property. After going to the property, I want you to know that it was awful."—Kurt Grosse, Real Estate Agent with Realty One Group Las Vegas (<http://www.homesforsale.vegas/>).

Some of the risks of hiring a bad property manager include:

- **Screening out guests or tenants illegally** which violates Federal Fair Housing Laws
- **Ignoring repair requests** or refusing to address the problems
- **Entering the property without notifying guests** or even without giving reasonable notice
- **Getting bad tenants or guests** because they didn't screen properly
- **Keeping your property vacant for too long**
- **Ignoring calls** and ghosting the property owner, the guests, or both

If you're currently struggling with any of these issues, then that's a sure sign that you need to change property management companies (<https://jetstreamtech.io/changing-your-property-management-company-everything-you-need-to-know/>).

Some actionable steps that will help you make the right decision are:

- Look for the relevant experience
- Confirm licenses and certifications
- Read reviews and check references
- Check the tech
- Request a draft agreement
- Compare the cost

Let's take a closer look at each of these steps.

Look for relevant experience

First and foremost, **look for any relevant experience on the property manager's rental portfolio**. You need to make sure that they've managed properties like you before, and have experience with the right type of rental model.

Some questions you can ask a prospective property manager include:

- **What kind of properties have you managed the most?** This could include apartment units, condos, and single-family homes.

units, condos, and single family homes.

- **Have they managed short-term or long-term rentals the most?** The two approaches require different skill sets and experience, so make sure your property manager knows what they're signing up for.
- **How many units do they currently manage?** The portfolio size matters because it shows a good rapport with homeowners. But you also don't want to work with a property manager who's stretched out thin. Make sure they have the resources for 24/7 support.
- **How long have they been active in the business?**
- **Do they own any rental properties personally?** This isn't a requirement, but working with managers who understand what it's like to be in your shoes is always a plus.
- **How familiar are they with the local laws and regulations?** This one's a must, since not complying with local laws can cause a lot of legal trouble.

Confirm licenses and certifications

Your prospective rental manager needs to back up their expertise with official documents and certifications. So before anything else, check to see if their brokerage license is active with your state's Real Estate Commission.

Read reviews and check references

Just like you'd read the online reviews of restaurants before you eat there, you need to read the reviews and check the references of the person or team who's managing your investment property.

While references can come from past clients and tenants, references from trusted people in your industry are

even better measures of the candidate's work history. **Just make sure to read multiple references to get a full picture.**

"The beauty of having a property manager is that they take a lot of the grunt work of owning rental properties off of your hands. The bad news is that there are definitely bad ones out there. Unfortunately, much of it is trial and error, but getting referrals from both other property owners and tenants and looking at reviews can take away a lot of the guesswork." — Kyle McCorkel, Real Estate Investor at [Safe Home Offer](http://www.safehomeoffer.com/) (<http://www.safehomeoffer.com/>).

Check the tech

Modern property managers that are dedicated to continuous improvement, know how to leverage technology to make everyone's lives easier. This tech could include:

- Keyless entries and automated check-in processes
- Automated guest communications
- Noise monitoring tech
- Dynamic pricing tools
- Workflow automation software to efficiently outsource vacation rental cleaning (<https://jetstreamtech.io/outourcing-vacation-rental-cleaning/>).

An even better alternative to having 100+ different tools in a tech stack, is working with a property manager who combines all those tools with Jetstream's all-in-one solution (talk about a green flag).

What's better than having 100+ different tools on your tech stack? Combining them all using Jetstream's all-in-one solution. No long-term commitment, no up-front costs. Book a demo (<https://jetstreamtech.io/contact-us/>).

Request a draft agreement

Before signing a property management agreement, request a draft agreement so you can check for termination clauses, liabilities, property owner responsibilities, and services and fees.

This is important because you're making sure you're not caught off-guard later on, and that you're protected if

the manager doesn't fulfill their obligations.

Compare and understand the fee structure

Speaking of property management fees, make sure you're crystal clear on the candidate's fee structure. Be upfront about your budget, and ask them questions that will save you from being caught off-guard later on. Some questions you can ask include:

- What services are included in the contract?
- Are there any services that will be provided for an additional cost?
- Which services will the candidate NOT provide under any circumstances?
- How exactly is the management fee broken down?
- How will you be charged for "extra" services? (is it a flat fee or a percentage fee?)

When comparing the cost of different property managers or companies, don't rule out a candidate because it seems like they charge a higher fee. Other candidates that have lower prices might have "hidden fees," or could be excluding services that are a necessity for you.

Never get caught off-guard by hidden fees again. With Jetstream, there's no long-term commitment and no upfront costs. [Book a demo \(https://jetstreamtech.io/contact-us/\)](https://jetstreamtech.io/contact-us/)

Are short-term rental agreements right for your property?

Long-term rentals might be right for you if you never intend to stay in your property. If you *do* use your property at all, however, you need to supplement your personal use to balance out the cost of a second home.

Short-term rentals are much more profitable than long-term rentals, but there's also potential for more hassle. **But with Jetstream, you never have to worry about headaches like unreliable property managers, bad guests, or marketing your stay.**

And if you're currently hosting long-term tenants, but are considering a change to a more lucrative model, Jetstream can help you find out if your property's better as a short-term rental.

Quit worrying about unreliable property managers. Jetstream's all-in-one solution optimizes your listing, provides 24/7 guest communications, and manages your channels so you can switch off. [Book a demo \(https://jetstreamtech.io/contact-us/\)](https://jetstreamtech.io/contact-us/)

Work smarter, not harder

Renting short-term means you can still use your property, and there's going to be less wear and tear. **This model is more lucrative and flexible pricing allows you to be more competitive in the market.**

However, short-term rentals can also have more hassle, because they're harder and more expensive to manage.

"Having a property manager doesn't mean you don't need to take care of your property. Expect to spend a few hours per month checking in with the property manager. And if you don't remain dedicated and follow up on every issue, your property could suffer." —Lizann Lightfoot, Senior Content Editor at [PCSGrades](http://www.pcsgrades.com) (<http://www.pcsgrades.com>) and homeowner.

Before hiring a property manager, look for relevant experience, check their references and reviews, confirm their license and certifications, request a draft agreement, understand their fee structure, and check out their tech.

That said, managing your own property lets you keep your finger on the pulse of the day-to-day inner workings of property management. Jetstream's fully customized technology platform takes away the work and headache of managing your property so you can have the best of both worlds: control over your assets and a much shorter to-do list.

Quit worrying about unreliable property managers. Jetstream's all-in-one solution optimizes your listing, provides 24/7 guest communication, and manages your channels so you can rest easy. [Book a demo \(https://jetstreamtech.io/contact-us/\)](https://jetstreamtech.io/contact-us/)

Thank you for insight and inspiration:

Barry Saywitz, Managing Partner, [Saywitz Properties](http://www.saywitz.com/) (<http://www.saywitz.com/>).

Ben Gold, Founder at [Recommended Home Buyers](http://recommendedhomebuyers.com/) (<http://recommendedhomebuyers.com/>).

Fred Hoffman, Founder at [The True Wilderness](https://thetruewilderness.com) (<https://thetruewilderness.com>).

Frequently asked questions about choosing a property manager

What are the strengths of a property manager?

Some of the strength of a good property manager should include:

- Being detail-oriented
- Excellent communication skills
- Highly responsive
- Punctuality
- Being highly efficient organized
- Always learning and staying up to date
- Being knowledgeable in the local market
- Strong financial skills

How much does a property manager cost per month?

The rates of a property manager vary depending on location, number of doors, and property type. However, typically, property managers charge a one-time onboarding fee, and on average, a management fee equivalent to 10% of the monthly rent for a single-family home.

How do I get a property manager?

You can begin searching for a property manager by asking for referrals from friends or colleagues, or search for local property managers online. Make sure to check their licenses and certifications, talk to their tenants if possible, visit their properties, and look for any reviews on platforms like Yelp and Facebook.

How often do I need to meet with my property manager?

As an asset owner, it really depends on how involved you like to be in your property's operations. However, a good rule of thumb is to try and meet with your property manager at least once a month, to make sure everything is in order.

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