

Managing Your Vacation Property

All property managers are not created equal.

Finding the right property manager for your vacation home can be as tricky as finding the right fit for a marriage. Both require a leap of faith, a cultivation of trust, a clear understanding of expectations, two way communication and a working partnership to achieve the same goal, be it caring for your investment or caring for your heart. Another similarity shared between choosing a property manager or a life partner is; if you have misjudged and the relationship sours, putting closure can be a slippery slope of negative emotions, with the worst case scenario turning to litigation.

A good way to avoid problems and form a lasting relationship with your property manager is to heed Benjamin Franklin's words, "An ounce of prevention is worth a pound of cure." You have to know the right questions to ask when hiring a property manager and you can never assume this person or their company is going to take care of your place to the same level you would, if you were here doing it yourself. You want to hire someone you can trust. Someone who comes highly recommended. However, it is up to you to make sure they stay that way. You as the invested owner carry the responsibility to put in all the checks and balances necessary to keep your property manager on track.

Take one home owner, who after five years with the same property manager discovered that everything shown on the accounts as paid were in fact not, to the tune of about \$25,000 dollars. They received well organized monthly statements, emailed to their northern home, but they didn't look close enough to see that the statements showing bills paid were missing backup receipts to support this. Their property manager was smart enough to pay the bills that would result in services being cut off and crooked enough to pocket the money on bills such as property taxes and water consumption, that could take years before an owner discovered the deception.

Unfortunately, this homeowner's experience is not an isolated situation and if you own a vacation property or know someone who does, you are most definitely privy to many other examples of double-dealings.

The motive of this article isn't to paint all property managers as bad people, nor is it to scare you away from buying your dream home in Cabo. If you are going to require someone at this end to manage your investment, the idea is to highlight some ways to dodge some of the pitfalls.

Numero Uno: have a clear idea of what your needs are before you start interviewing managers. As an example, will you be offering your place for vacation rental or is it for your personal use only? When you arrive will you want your car waiting at the airport and your fridge full of your favorite foods? The menu of services varies greatly from mom-and-pop style property management to full service companies that do their own advertising to help rent the homes they manage.

Numero Dos: ask your neighbors if they have any recommendations and check references from several different owners represented by the property manager. If there is any hesitation, take a pass. Inherently people like to be nice and they like to give extra chances to someone they've been working with in the hopes they will prove themselves. If you ask a direct question and don't get a direct answer, be forewarned.

Numero Tres: do some test runs for communication response. Bombard the potential candidate with a lot of trivial questions via email. If they respond in a timely way, with a cheerful, positive manner, then they will probably be able to handle your need to know everything that is happening with your property.

Numero Cuatro: go to their office, their home, whatever place they work out of. How well is it kept, does it require maintenance? How organized are their desks. Check out what kind of systems and record keeping they are using for their current clients? (full disclosure, this writer has a messy desk but organized thoughts)

Numero Cinco: are you and the property manager comfortable with the fees and clear on what they include? Nothing can spoil a relationship faster than when one party feels they are being taken advantage of and the other one feels they are being nickle-and-dimed.

Numero Seis: take the time to write down everything that is agreed upon. How many times should your home be cleaned while you're not there? Who is responsible for gardening pool service, changing lights...? Don't leave anything open to assumptions.

Numero Siete: understand that the relaxed atmosphere you find charming for your short stays, is not always a plus for the person managing your home. It often takes longer to accomplish what you might think a simple task. On the flip-side, don't let the property manager use the term *manaña* as an excuse. Cabo is way more efficient and service orientated than in the past.

Numero Ocho: come to Cabo, enjoy your place in Paradise, profit from your investment, breath life into the community and leave your worries behind. You can relax by finding the right fit with a carefully selected property manager.

Like a marriage, have open communication, hide nothing, be there for each other and never take advantage or for granted the relationship you are forming.