



## HOW TO FIND THE RIGHT PROPERTY MANAGER FOR YOUR HOLIDAY RENTAL

So you've purchased a holiday home or decided to rent your own home out over the peak holiday season for some extra income?

**CONGRATULATIONS!** That's exciting news.

Now you need to make the decision to manage the property yourself or call in a property management company to manage it for you.

There are many owners who manage their own holiday rental, thoroughly enjoy it and wouldn't have it any other way. Then there are those who haven't had any experience with holiday accommodation, have had a bad experience in the past with a property management company or simply don't have the time and would happily engage a great company to do it for them.

It must be said, it can be a lot of hard work managing a holiday rental yourself. There's the promotion, advertising, photography and copy writing, fielding booking inquiries, answering any questions about the property, vetting potential guests, organising services such as cleaning, linen, repairs and maintenance and then following up any reviews.

If this is something you don't feel confident doing or you don't have the time, there are plenty of companies who will do it for you.

But how do you find the right property manager for you?

When deciding who to engage for the task of not only maximising rental income, but protecting your investment, you should take the following into consideration.

### **DOES THE PROPERTY MANAGEMENT COMPANY HAVE TRUST ACCOUNTING?**

This is arguably one of the most important factors in entrusting your property to a holiday rental company. It is a legal requirement for Licenced Real Estate Agents to hold a separate trust fund for client payments for deposits, rent, bonds, marketing paid in advance etc. This money cannot be deposited into the agents' general operating bank account and must be held in a separate trust account. Currently there is no legislation requiring payments for holiday or short-stay accommodation to be deposited into a trust account. This means that if the property manager goes broke or disappears, so could your money.

The first question you should ask your potential property manager is ***do you operate a trust account?*** If the answer is no, keep looking for one who does.

## **WHERE IS YOUR PROPERTY ADVERTISED?**

This is another big consideration. At the very least, your property should be listed with the major accommodation sites Booking.com, AirBnB, Stayz, Homeaway and Trip Advisor. Even better, your agency should have access to more channels via more sophisticated holiday accommodation booking software. Getaway Property Management have access to up to 60 Property Management Systems worldwide in addition to the afore mentioned big five. This is a big investment that many boutique operators simply can't afford. Make sure you ask where your property is advertised, and if they only have two or three booking channels, move on.

## **HOW KNOWLEDGEABLE IS YOUR PROPERTY MANAGER?**

Your manager should be an expert in the local area. A great property manager will know everything about the local market — occupancy rates, competitive pricing, what types of properties perform well, peak, super peak, shoulder and off seasons, and what local laws apply to holiday rental properties.

Ask your potential manager questions about the local market. If they display a large amount of local knowledge, you've probably found a good manager who dedicates a lot of time thinking about how to help their clients succeed.

Also make sure they are across any local laws that apply to holiday rentals. For example, every property manager should be fully aware of the Mornington Peninsula Shire's Short Stay Rental Accommodation Code of Conduct. If they aren't, find one who is. Also don't choose a property manager just because they have been in the game for years. There are quite a few long time property managers who haven't kept up with changes in the industry and don't perform well as a result.

## **WHAT ARE YOUR FEES AND CONTRACT TERMS?**

Holiday rental property management fees vary from company to company and may depend on the level of service required. For example, Getaway Property Management offer two levels of service - a basic level to manage inquiries, bookings and collect guest payments or a full management service that includes everything from booking inquiries to cleaning, repairs, maintenance and even a gardening service.

Some property owners are nervous to commit to contracts. What if they sign a 12 month contract and are unhappy with the service after just a few months? Are there any out clauses based on poor or non-performance? For example, if the management company fails to clean the property three times in one year, or your property only gets you two bookings in six months, you should be able to leave their service without a penalty.

You'll also want to know payment terms and timing. Some managers can take months to pay and, if you're caught in an unfavourable contract, you could wait a long time until you get paid.

Most importantly, make sure the company helps you build a holiday rental business that prioritises guest experience over short-term profit. Repeat business is the key to a successful rental. If your guests are happy, they'll make a repeat booking, leave a favourable review and refer the rental to family and friends.

## **WHAT IS INCLUDED IN YOUR MANAGEMENT FEES?**

If you engage the services of a property management company, you'll want to know exactly what services are included in their fee.

Does the fee cover marketing, photography, writing and updating the listing, observing market trends, cleaning, maintenance, pre and post checks and in-person visits for any issues that arise during a guest's stay.

You should also ask about any services that are not included in their fee – for example, some property management companies will charge an extra if a staff member has to visit the property outside of business hours to address a problem the guest is having. Getaway Property Management engages a security company for additional checks during the peak season and to instantly address any issues that may arise. Property Managers are also on hand for any urgent matters that occur during a stay. Excellent guest support should not cost more.

Once you know what services the fee does and doesn't cover, ask yourself if you're getting enough bang for your buck. If your management company covers everything from marketing to maintenance, the fee may be worthwhile. If it only covers cleaning and all other services are an additional fee, you should probably keep looking.

## **HOW DO YOU MARKET MY PROPERTY?**

How and where is your property manager going to market your holiday rental?

Marketing covers a large range of services including the copywriting, photography and promotion of your rental that give it the best shot at becoming a high-converting listing.

Getaway Property Management's marketing fee also includes subscriptions to local and state tourism bodies such as Mornington Peninsula and Sorrento Tourism, Tourism Victoria, advertising at local yacht, golf and sporting clubs and advertising on the popular Searoad Ferries. A rental manager's fee should also cover efforts they make to raise the profile of their own website and the promotion of properties available for rent.

As mentioned, you want to be listed on all the major websites such as AirBnB, Stayz, HomeAway, Booking.com and Trip Advisor. No matter how popular a local manager's site is, it's never going to get the same amount of traffic as the major online booking sites – which means you'll be missing out on a lot of potential guests if you're limited to just one or two websites.

Your manager should also actively solicit reviews from happy guests and follow up with guests who have already stayed at the property to see if they want to book again next year. Ask your holiday rental manager what they do to ensure repeat business and 5-star reviews to entice new guests to come and stay at your property.

## **HOW OFTEN CAN WE EXPECT UPDATES ON OUR PROPERTY'S CONDITION?**

After every stay, you want to know that your property has been left in good condition and that any damage was documented and addressed. How does your property manager deal with issues like broken or missing items after a guests' stay?

You want a manager who performs a post-check after every guest stay, takes photos of any damages and takes steps to bring the property back to its original condition before the next guests arrive.

Your property manager isn't expected to pay for damages out of their pocket – that cost will come from the guest's deposit or insurance. However, your manager should notice the damage, report it, and speak to the guest about retaining their deposit to cover the damage if necessary.

#### **ASK TO SPEAK TO CURRENT OR PAST CLIENTS**

The best way to see if a property manager is any good is to speak to other clients. Previous and current owners can share details about their experience with the company and exactly what level of service to expect.

If a manager is reluctant to give you references or isn't enthusiastic about current clients speaking about their experience, that's a good sign the manager might not be right for you. You should be able to hear or read success stories from customers who endorse the company.

If their current clients rave about this holiday rental manager and give you lots of tips they've learned since working with them, then go for it. This may just be just the business partner you're looking for.

#### **GET MORE FOR LESS**

Getaway Property Management's property management software can channel to a lot more sites worldwide than just the main 4 or 5. So basically, we can drive more guests to your property for an industry low 10% booking fee and our full service management fee is also an extremely competitive rate of just 17%.

We've been helping holiday home owners earn thousands in rental income for over 10 years and we continue to grow and evolve in this dynamic and ever-changing holiday accommodation industry.

We'd love to help you too.

Call today for a complimentary property appraisal, styling and advice on making your home holiday rental friendly on 5985 0098 or visit our website for FAQ's on holiday rental management.