



## SMART INCOME PROPERTY MANAGEMENT

### How to Manage for Best Return on Your Investment

Income property investments are not about simple arithmetic. In fact, forethought and planning are essential to short- and long-term success with such investments.

Owners not only need to be able to articulate their property's projected ROI, they need to manage their asset with an eye to minimizing their direct involvement, which in turn increases their profit margin and focuses more attention on building their property portfolio.



#### IMPORTANT MANAGEMENT ADVICE

The single most important recommendation UPM can make to owners/investors of income property is to do your homework.

Build your database of data related to the property and its location, its current condition and anticipated maintenance, current rent rates and any related cycles, and local management options. With this knowledge you will be able to make more informed decisions about leveraging your asset and minimizing liabilities.

*This information is brought to you by Ultimate Property Management, LLC, your residential property management experts.*

The team at UPM has extensive experience with managing income property, so we have in-depth knowledge of how best to improve profit margins while maintaining equity. We possess in-house construction expertise, as well as a strong sales and marketing track record. We also distribute timely reporting and owner residual checks and are accessible when needed.





## SMART INCOME PROPERTY MANAGEMENT

### *Identifying Key Management Considerations*



*Is your property management a strategic decision?*



*Want to be on call or have your privacy?*



*Look closely at the real costs of used versus new appliances.*

#### MANAGING INCOME PROPERTY

##### • Strategic Management

- Management of your asset should be a strategic decision. If you plan to build a portfolio of rental properties, your time is far more valuable applied to that endeavor rather than day-to-day logistics.
- Determine the cost of your time to manage your property versus that of your efforts to grow and manage your investment portfolio. Is the tradeoff worth it?
- In the event you hire a management service, and assuming they are responsible, you are wise to remain anonymous to renters.
  - If you make a unilateral decision to advertise your rentals because you believe you have more flexibility with regard to background checks, including credit rating, consider the following:
  - You may be sending mixed messages about your property and its management.
  - You could live to regret accepting renters that don't meet certain minimum requirements.
  - Once renters have your name and contact information, believe us they will use it. When property issues arise, the tenants will call you. Are you prepared to take 4 am emergency phone calls?

##### • Rental Property Appliances

- Buying used major appliances has a face value appeal, but this approach has potential flaws. But there are other considerations.
  - The pursuit of used appliances can be time consuming.
  - You will likely be responsible for pick up, delivery, and installation of the appliances. Most retailers offer free delivery and even pick up of your broken appliance.
  - Used appliances normally don't come with a warranty and you may find yourself either repairing or replacing something sooner than later (which will demand more of your resources).
  - New products come with a warranty, so in the event there is a problem with an appliance, repair or replacement can be handled by the store or their third party service.

##### • Accounting and Reporting

- You have your choice of simple to complex software to manage these functions, as do reputable management firms.



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