



How Savvy Real Estate Investors Use Property Managers



The Entrust Group ("Entrust") does **not** provide investment advice or endorse any products.

All information and materials are for **educational purposes only**. All parties are encouraged to consult with their attorneys, accountants and financial advisors before entering any type of investment.

Today's Agenda

- ❖ Introducing Property Management
- ❖ Reviewing Benefits of Hiring a Manager
- ❖ Best Practices to Finding a Manager
- ❖ Exploring Costs
- ❖ Comparing to Self-Management
- ❖ Covering Compliance and Due Diligence
- ❖ Explaining How to Get Started
- ❖ Q&A





Meet **Your Host**



Bill Neville



Over 14 Years at Entrust



Educates investors and professionals
on tax-preferred retirement accounts



B.S. in Finance from Penn State University



About Entrust



Self-Directed IRA Administrators



Knowledgeable Staff with
CISP Certifications



Monthly Educational Webinars



About Entrust



\$5B

Assets Under
Administration



24k+

Active
Investors



40+

Years of
Service



1

Point of
Contact

How Savvy Real Estate Investors Use Property Managers



Hi there, nice to meet you...I'm Jock



Driving value and growth in property management is my passion. I love creating real, lasting wealth for our clients.

Jock McNeill
Vice President
PURE Property Management
License CA DRE #01297788

707-975-0805
jock@rentpure.com

www.rentpure.com

About Jock McNeill

I've been a licensed CA real estate broker for over 25 years as well as an active, multi-location real estate investor with extensive industry leadership and property management experience.

I was the 1st of over 75 property management company acquisitions completed by PURE.

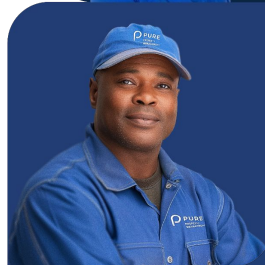
In addition to acquisitions, I identify new partnership opportunities that benefit PURE's investor clients and lead our client advisory practice.

**“If you want to go fast, go alone.
If you want to go far, go
together.”**

Real Estate investors can go further,
faster by leveraging the capabilities of
others.

Assemble a Dream Team of
professionals who can help you
achieve your real estate investing
goals.

PURE
PROPERTY
MANAGEMENT



Partner with professionals

Creating a team of professionals to support your real estate investing goals is the best way to get started. The team should include:

- Real estate professional
- Property manager
- SDIRA professional
- Lender
- Legal and accounting professionals



Get clear on your investment goals (and share them)

A good property manager will perform in your best interest when they understand your goals.

Income or Appreciation?

Long term hold or value add and sell?

LTR or MTR or STR?

Single family, multifamily, commercial?



What does a property manager do?

Property managers act as your representatives and fiduciaries in the relationship between you and the residents of your investment property.

Essential services include:

- Rent collection
- Financial reporting
- Leasing and resident screening
- Maintenance coordination
- Lease enforcement
- Communication with resident and vendors



Benefits of hiring a property manager

Time Savings

- Spend your time where you want to and create passive income

Market expertise

- They understand local rental rates and regulations
- Boots on the ground

Resident screening

- Reduce problem residents and vacancies
- Consistent screening criteria
- Proven screening process

Legal compliance

- PMs stay current on landlord-resident laws
- Fair housing compliant policies and procedures
- Forms, notices and letters

Maintenance management

- Coordinating repairs with trusted contractors
- Experienced in all aspects of home maintenance and construction
- Relationships!

Reduce stress

- No middle-of-the-night emergency calls
- Business-minded, low emotion

How do I find a property manager?

Referral from a trusted source - Realtor, friends, or other investors

Online - Google, Zillow, RE investment groups

National Association of Residential Property Managers - narpm.org

Most states require property managers to have a real estate license and work under a broker. (Exceptions: Idaho, Kansas, Maine, Maryland, Massachusetts, Vermont)

Check credentials through your state licensing website

Some states also require a specific property management license

Read online reviews - don't expect perfection

Bonus points for professional designations - Master Property Manager (MPM), Residential Management Professional (RMP), Certified Property Manager (CPM), Accredited Residential Manager (ARM)



Should I contact a property manager before I invest?

Yes, please!

Property managers are an excellent source of information for investors.

- Rental comps to determine potential rental value
- Market intel - help identify the most desirable areas
- Vacancy trends
- Best types of properties to purchase
- Hyper-local market conditions
- Referrals to real estate professionals



How much does a property manager charge?

PM fees will vary by region

- Management fee - 7-10%
- Leasing fee
- Renewal fee
- Maintenance markup
- Hourly fee
- Admin or accounting fee
- Onboarding and termination fees



Should I self manage my property?

Under SDIRA rules, you can still actively manage your investment and oversee the property. This may include:

- Managing vacancies
- Hiring contractors
- Managing paperwork
- Tax filings

Don't underestimate the skills and education required to manage property. One misstep can cancel out a lot of gains!



SDIRA Compliance and PMs

You are not required to hire a property manager, but it's often recommended.

As the SDIRA holder, you must stay at arm's length from your investments to avoid entering into any prohibited transactions.

Ask the property manager if they are familiar with SDIRA-owned properties and the requirements.



Contracts

- Agreements are made in the name of the SDIRA
- Signed by The Entrust Group “The Entrust Group, Inc., FBO Your Name’s IRA Account #1234

Finances

- Monthly payments are sent to your SDIRA
- Bills are paid by the PM so expenses are consolidated on a single statement.
- Financial reports are sent to the beneficiary and as directed.

Repairs & maintenance

- You cannot work on a property owned by your SDIRA - no sweat equity
- Any labor, repairs, maintenance and improvements must be performed by a paid, non-disqualified third-party contractor.

Due diligence and questions to ask

Resident selection and leasing process

- Understand rental criteria
- Agree on rental rate
- Review sample lease and addendums

Financial reporting and payments

- Rent collection and payments to owners
- Monthly reporting cycle
- Ask for a sample statement

Maintenance and expenses

- Ask about how residents report maintenance
- Vendor requirements - licensed and insured
- Expense authorization limit
- Emergency maintenance

Communication expectations

- Set expectations on communication method and frequency
- Single point of contact vs. departmental contact

Great questions for a property manager

How long have you been in business?

How many properties do you currently manage?

What types of properties do you manage?

Do you own investment properties?

Tell me about your team?

What do you think the outlook is for the rental market?

Would you buy this property as an investment?



How to get started

Investment Goals

- Asset class
- Market location
- Deal Structure

Dream Team

- SDIRA Partner
- Realtor
- Property Manager
- Legal
- Accounting
- Lender

Deal Acquisition

- Find your property
- Make an offer
- Buyer Inspections
- SDIRA Partner signs contracts
- Close the deal!

Implementation

- Find a property manager
- Lease the property
- Cash flow to SDIRA

RE Investor Resources

Market Data & Research Platforms:

LoopNet - Commercial real estate listings with market data and trends

Realtor.com and Zillow - Residential market data, price trends, and neighborhood information

RentSpotter and RentBerry - Rental market analysis and pricing data

CoStar - Professional-grade commercial real estate data (subscription-based)



RE Investor Resources

Government & Economic Data:

Census Bureau - Demographics, population growth, and economic indicators

Bureau of Labor Statistics - Employment data and economic trends by metro area

Local city/county websites - Zoning info, development plans, and economic development initiatives



Thank you!

Jock McNeill, MPM, RMP

jock@rentpure.com

707-524-8380 office

Property Management.
PURE and Simple.

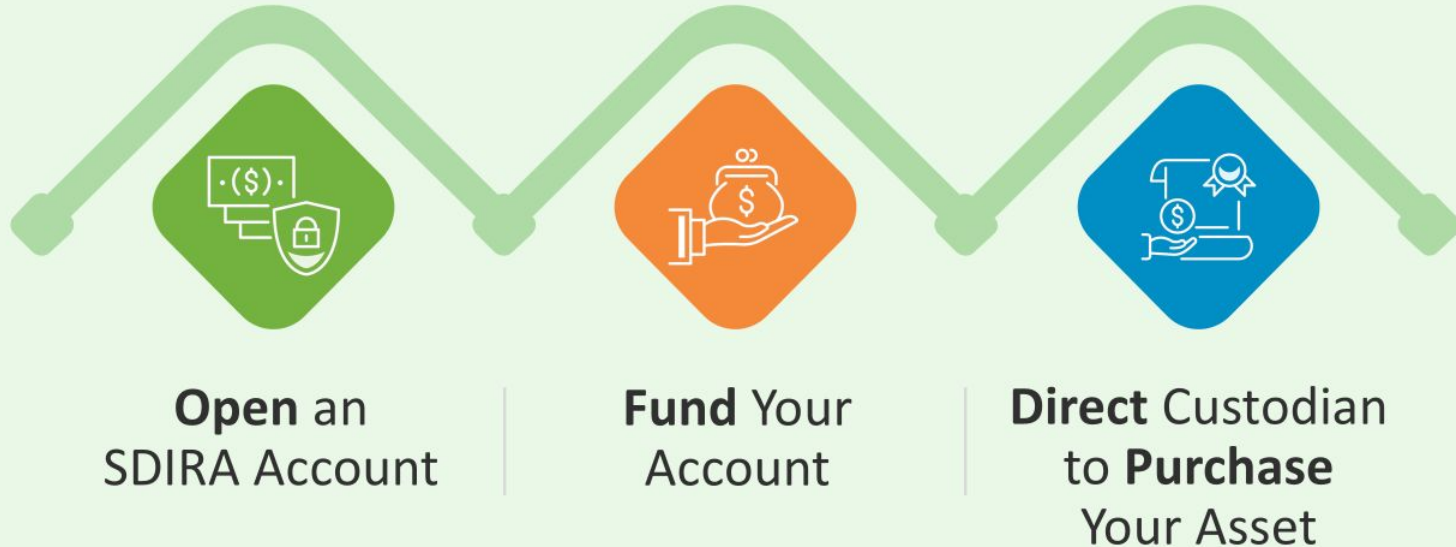


Let's Wrap Up





Getting Started **in 3 steps**





What's Next?

Sending you replay & additional resources

Our follow-up email will include video replay, slides, and more education

Register for August's Webinar

Investing in Retirement Properties With Your SDIRA





What's Next?

Need more information on SDIRAs?

Visit our website and Learning Center

Follow us on social media for updates





Question & Answer Session



Stay Connected



Bill Neville



Business Development Manager
at The Entrust Group



bneville@theentrustgroup.com



(510) 587-0950 x237



Jock McNeill



VP Acquisitions & Partner Relations
at Pure Property Management



jock@rentpure.com