

Property Management Evaluation

HOA Property Manager Evaluation Criteria

References

Experience with HOA management: work record, number of units served, experience with all services provided and which of those services do they contract out, experience mostly with condos or single family homes,

Is this their primary business? Will they sub-contract to their business interests?

Baseline services : contract out snow removal and lawn service or have their own workers/equipment

Fees for service: identify any mark up fees on HOA contracts, fees for soliciting bids, charges to home owners, reserve fund study costs

Home Sales Transfer Fees Charges: amount, documented and justified, must only related to costs incurred by CAM unique to the sale of the home and no charge also collected from any third party such as a Title Company and no charge for work also completed by third party

Status reports to Board: frequency, type

On-site full-time licensed CAM or non-licensed/part time staff

Available to respond to inquiries and problems: days, evenings, weekends, holidays, times of day

Do all staff require background checks

Involvement in fines assessment for CCR violations

Board Meetings services: charges for attendance by CAM, minutes of minutes

Ability of Board to terminate contract

Service level agreement: penalties for late performance and not responding to inquiries within X number of hours/days. How are complaints logged, work order tracking and reporting

What don't they do?

If replacing a CAM, identify current problems and how addressed by new CAM and means to monitor work to prevent reoccurrence

What services can be performed by direct hire by the HOA such as a part time administrative person

Can the services of a full time property manager be broken apart into several contracts?

What is the property manager charging you for that can otherwise be eliminated or contracted out?

Billings and collections most likely can be handled outside the property manager contract less costly

Is company headquarters within the State or out of State?

Where are the bank(s) located that hold HOA funds?

Do they provide a web site for community use that will include posting all governing documents, minutes of meetings, financial statements, etc, security over web site, any restrictions on home owner usage

Experience in providing emergency services, relationship with local authorities



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Only allow an HOA Home Sale Transfer Fee when it only pertains to costs not reimbursed the property management company that are unique and extraordinary in the sale of a home and doesn't include any ordinary and routine tasks that have been paid for with HOA dues. Also ensure home sellers are notified of any alternatives in providing management company specific services from the private sector such as the Transfer Fee.

Ensure the HOA lawyer is not affiliated with the property management company

When transitioning from the developer to HOA Board control, consider hiring a new management company