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Connecting with the Investor

This third article in the web portal series describes how to increase your owners' satisfaction and reduce your costs with websites that provide two-way communications between owners and your company. Owners are the true customers of a third-party property management business. Without a management contract with the owner of a rental unit, there is no property to lease and hence no tenant or resident. To grow your business, you must keep your existing owners happy while finding new ones. An owner portal can be a significant differentiator in this endeavor.

WHAT IS AN OWNER PORTAL?

An owner portal that is part of your company's website provides self-service 24 hours a day, seven days a week (24 x 7) for individuals that own the properties or units you manage. This portal automates self-service functions for the owner that free up property management staff and reduce operational costs.

Without an owner portal, the owner must contact the property manager during business hours to find information on occupancy, rent payments, maintenance requests, lease expirations, etc. Fielding these owner questions is a disruptive, time-consuming part of everyday activities.

With an owner portal in place, owners can serve themselves when it is most convenient for their schedule. Of course, there will always be some owners and questions that require personal service. We estimate an owner portal reduces 80 percent of the common questions.

WHY IMPLEMENT AN OWNER PORTAL?

An owner portal will save you money and time while increasing your owner's satisfaction. Each month, most property management companies turn into a mailing operation to produce an "owner packet" they send each owner documenting maintenance and financial activity. These packets require many manual steps to be completed including:

- printing each owner statement;
- copying each invoice and supporting documents

(for properties with several owners, multiple copies must be made);

- printing or manually producing a check for each owner;
- printing any other notices or communications for each owner;
- collating each of these pieces and stuffing them into an envelope;
- sealing, addressing, weighing, and applying postage to each envelope; and
- delivering the packets to the post office.

The materials, labor, and postage associated with producing these packages often exceeds ten dollars. With an owner portal, you can eliminate the aggravation and costs of producing these packages. Instead, the effort involved in producing these packages can go toward marketing and growing your business.

This approach can also offer some "green" advantages, particularly when the portal is linked with your property management software. Documents, including owner statements, copies of invoices, leases, etc., can be distributed online rather than printed. Work orders can be dispatched immediately after they are approved. Your time and costs associated with interacting with your owners can be reduced.

Jennifer Cunningham, an owner of twelve properties managed by Elite Property Management, was thrilled when Darren Ison at Elite implemented an owner portal. "Every few days I review the real-time rental income and expense information online. I like to plan my finances each month, and am no longer surprised when the check arrives." Jennifer indicated that the owner portal was, "an amazing improvement in my understanding of how my properties are performing. I am not limited to business hours to check the status of my properties." Darren is also considering additional capabilities including direct deposit of the owner's check and automated e-mail alerts.

An owner portal can set your business apart from other property management companies, particularly for out-of-state owners. Darren has found that this is his "biggest selling point in responding to the 'how

are we different' question. I have an owner of twenty duplexes who lives out of state. He loves this feature. It gives him a sense of being involved even though he is 700 miles away."

ANATOMY OF AN OWNER PORTAL

An owner portal can be constructed with a variety of functions. The sample portal described here has five sections: Units and Leases, My Account, Contact Info, Documents, and Work Orders.

The Units and Leases section provides information about the properties owned by an individual or entity including the percentage ownership for each. The owner can determine the occupancy of each unit including recent payment information. A profit and loss statement can be viewed for each individual property and selectable time periods. Consolidated statistics for all properties owned are shown at the top in score-like format.

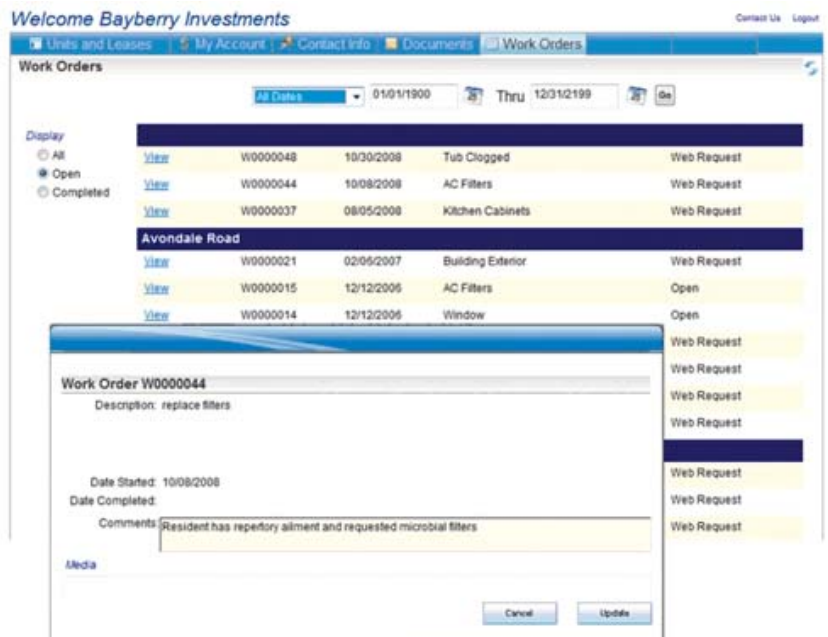
The My Account section provides an overview snapshot and drilldown to the details of the owner's financial position. The overview snapshot shows current balances, the held bills balance (bills held until money is available for payment), and recent payments. "View Profit/Loss" provides an income/expense summary for the owner. "View Register" allows owners to view all transaction history and detail. "Make a Payment" links to the payment portal for owners to make online payments to add to a low reserve account or pay for a capital expenditure made by the property manager.

The Contact Info section lists the current address, e-mail, and phone information for the owner including a history of previous changes. The owner is responsible for keeping this information up-to-date and can manage it all online.

Document management functionality is provided in the Documents section. This section shows any related documents including scanned copies of the management contract, invoices, work orders, lease agreements, late notices, inspection pictures and videos, owner handbook, etc.

The portal also provides the ability for owners to view and print their own statements. This feature greatly reduces phone calls to your office since the owner can always check their current balance and self-validate that payments have been posted correctly.

The Work Order section shown in the second screenshot (top right) displays work orders by property, both open and completed. The ability for owners to view and interact with the property management company through the Work Order section is one of the primary drivers for companies to adopt owner portals. This section provides owners the ability to self-manage the work done on their properties. With the work order section, owners can:



- see the history of work done including pictures, drawings, invoices, related charges, etc.;
- comment on future and on-going work by appending comments/notes to work orders; and
- create new work orders.

Example of Work Order section displaying both open and completed work orders.

OTHER OWNER PORTAL FUNCTIONS

There are many other functions that can be incorporated in your owner portal. Your imagination is the limitation to what can be done. A few ways others have used owner portals are to:

- manage approved vendor lists;
- send messages to your property manager;
- post commonly-used forms;
- renew owner agreements;
- provide statistical data on the people viewing their vacant properties physically and virtually (graphical displays of hits per listing including demographics);
- communicate via "broadcast e-mail" with all owners (or selected owners); and
- distribute owner communications including notices, reminders, newsletters, etc. in a paperless, low-cost manner.

CLOSING COMMENTS

You will obtain the maximum advantage from an owner portal if it is tightly integrated with your property management software. There should only be one repository of the data supporting your business, eliminating the cost and error-prone nature of multiple sets of data.

The next article will discuss how a prospect (or marketing) portal can improve prospect flow and increase your efficiency (lower time to lease and costs) in leasing your units. 🏠