

OREGON BEACH VACATIONS

16 Ways to Vet a Vacation Rental Property Manager



Office Locations:
**SEASIDE, PACIFIC CITY,
LINCOLN CITY**

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OREGON BEACH VACATIONS - A PARTNERSHIP THAT EXCEEDS EXPECTATIONS

More than anything, Vacation Rental Homeowners care about revenue, housekeeping, and a strong relationship with their management team. Below are 16 ways to vet a property manager before enrolling in their services.

Relationship Topic	Marketplace Norm	Oregon Beach Vacations	Red Flags
1. Owner Notifications Companies use automatic notifications to keep owners in the loop on their property.	The majority of companies will notify the homeowner whenever a new booking occurs.	Oregon Beach Vacations notifies owners on new reservations as well as new work orders created for their property.	If a company has no automatic notifications in place, this would be a red flag.
2. Termination Requirements All property manager contracts outline termination timelines and requirements to end the management agreement.	The market norm is termination within 90 days of notification, with the shortest notification period of 30 days and the longest notification period of 26 months.	Oregon Beach Vacations requires a 90 day notification to terminate. Bookings outside of the 90 day window are relocated to other properties at no cost to the owner, or the guest is offered a full refund.	Red flags include long notification requirements (over 6 months), or requiring the honoring of bookings beyond the notification period in addition to honoring the notification period.
3. Staff Turnover Rate High staff turnover leads to staff unfamiliar with the property or how a homeowner likes things cleaned and arranged.	The estimated turnover rate for hospitality along the Oregon coast is over 15 percent per quarter according to the Census Bureau.	Oregon Beach Vacations has an average employment length of 6 years for non-seasonal positions.	A red flag for owners would be a company that has had more than 2 owner relation managers in any given year. The market high we've witnessed is 9 owner relation managers in a year.
4. Call Hold Times The speed at which a company picks up a phone call can reveal a lot about their operation.	The quickest response time in our market has been within 5 seconds, and the slowest response time has been over 9 minutes. Ideally all calls are answered within 30 seconds regardless of time of day.	Oregon Beach Vacations has an average response time under 30 seconds regardless of the time of day.	For pickup speed, a red flag would be any hold times beyond 30 seconds in length. Call hold times are an easy item to check for owners shopping the market, and we encourage the testing of potential manager phone lines.

REVENUE

Revenue is the number one consideration for most homeowners. Six ways a homeowner can vet a company on revenue generation can be found below.

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5. Management Commission The majority of property management companies charge a fixed percentage of rent collected as their primary payment for management services.	The marketplace ranges on full-service management commissions from a low of 18% to a high of 45%. The marketplace average is ~30%.	Our company has commissions rates ranging from 25-30% depending on the size, location, and amenities of a property. Rates are based on revenue volume, and homeowners with multiple units can negotiate special rates.	A red flag for homeowners would be any commission rate above 35%. HOA's conveying exclusive management rights should be avoided.
6. Credit Card Processing Depending on your management agreement, some property managers will charge the homeowner credit card processing fees on transactions booked at their home	Most property managers along the coast make credit card processing inclusive in their management commission. We estimate around 80% of companies operate without charging credit card fees to owners.	Our company makes credit card processing inclusive in our management commission. Homeowners have no control over credit card processing rates so we feel this is a company facing expense.	A red flag for homeowners would be a credit card processing charge coupled with a management commission above 30%.
7. Unit Distribution The greater the unit distribution, the greater the revenue, in most cases. Listings on third party websites are usually commission based, allowing all companies big and small to participate.	The majority of vacation rental companies will distribute to at least 3 websites including their own. Over a third of properties in our marketplace will list on 30+ websites through their property managers.	Our company lists homes on 30+ websites besides our own. Major websites include VRBO, Airbnb, Booking.com and Flipkey.	A red flag for homeowners would be less than 3 website listings or a company that can't book online directly. Some management companies charge travel agent fees or listing fees for certain 3 party sites.
8. Payment Frequency Revenue generation is useless if a homeowner doesn't get paid. Payments should have regular intervals.	The norm for the Oregon coast is to pay once per month based on reservation departure date. Payments come between 15 and 45 days from the reservation checkout date.	Our company pays twice per month based on departure date. Payments come between 14 and 30 days from the reservation checkout date.	A red flag would be a company paying less frequently than once per month.
9. Dynamic Pricing Dynamic pricing simply means pricing the rental rate based on demand. Factors that go into demand include weather, occupancy, amenities, and historic booking information to name a few.	Approximately half of property managers price dynamically, changing rates weekly, daily or even hourly. The other half prices statically, changing rates every 2 to 3 months.	Oregon Beach Vacations uses dynamic pricing software and rates are adjusted daily.	A red flag would be companies pricing statically. Dynamic pricing produces double-digit revenue increases compared to static pricing regardless of property.
10. Third-Party Fees Most major websites charge property managers booking commission for each new reservation.	The norm in the marketplace is to have the manager absorb third party booking commissions as	Oregon Beach Vacations absorbs all third-party booking commissions and fees as a marketing expense.	A red flag would be a company charging third-party fees. It's difficult for a homeowner to verify the source channel, and this

HOUSEKEEPING

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11. Staffing The #1 reason for housekeeping failure on the Oregon coast is staffing level. Companies should have enough staff to turn any unit within 24 hours and not over-schedule back to back cleans.	The market norm is to have approximately 1 staff member per every 4 to 5 homes. Companies will use staff as well as subcontractors to complete housekeeping work.	Oregon Beach Vacations has 1 staff member per 4 homes in off-season, and 1 staff member per 2.6 homes in season. Oregon Beach Vacations does not employ subcontractors.	Red flags regarding staffing include if a company places holds on your property due to cleaning constraints, takes longer than 24 hours to turn a unit, or uses subcontractors as their primary means of cleaning.
12. Linen How a company processes linen can convey a lot about their operation and where staff is spending their time.	The market norm is to process laundry at the home or to carry laundry off-site as needed during back-to-back cleans.	Oregon Beach Vacations processes company owned linens off-site for all homes. This is expensive, but it makes our staff extremely efficient. There is also less wear and tear on your homes washer/dryer and less energy usage.	A red flag for linen processing would be a guest or owner finding sheets or towels left in the washer & dryer. This is a common issue for understaffed managers doing laundry on-site.
13. Owner Cleaning Owner cleaning is the practice of having owners clean after their own stays, typically checking the results with company staff afterwards.	Most property managers along the coast don't allow owners to self-clean. Companies that do allow this typically don't allow it on back-to-back cleans.	Oregon Beach Vacations does not allow owners to self-clean. We have very high standards for cleanliness and want to ensure each clean is guest ready.	A red flag would be companies allowing owner cleaning. This adds chaos to the housekeeping system if a home becomes a back-to-back last minute, or is not cleaned by the owner.
14. Housekeeping Inspections Unit inspections are critical to producing predictable cleaning results and keeping the home in a rentable condition.	Most managers on the coast do not conduct regular housekeeping inspections. If they do inspect, inspections are not predictable in nature.	Oregon Beach Vacations inspects 100% of non back-to-back reservations, and 15 to 20% of back-to-back reservations due to logistic constraints.	A red flag would be a company that cannot produce any documentation on their inspection process such as an inspection sheet or standard property appearance guidelines.
15. Chemical Toxicity Low toxicity chemicals are important for those with sensitivities, children or pets. They also reduce owner liability if a child or pet gets into a chemical.	Most companies in our market-place use environmentally friendly chemicals, most of which are non-toxic.	Oregon Beach Vacations primary cleaner is non-toxic and environmentally friendly. Our specialty cleaners (oven cleaner, stove top cleaner, etc) have higher toxicities.	A red flag would be a company that can't speak on the types of chemicals they use or that allow for owner chemicals to be left in the home for incoming guests.
16. Deep Cleans Deep cleans cover items not done during normal departure cleans such as a thorough inventory, cleaning behind fixtures, or rarely cleaned spots that don't affect the guest experience.	Most companies in the marketplace will have some form of deep clean at least once annually.	Oregon Beach Vacations conducts semi-annual deep cleans before and after high-season.	Red flags for deep cleans would be a company not doing any at all or charging exorbitant amounts for the deep clean. Deep cleans usually come in under the cost of a regular guest cleaning fee.

OUR COMMITMENT TO YOU

Oregon Beach Vacations implements a comprehensive strategy in promoting your rental home. We are committed to the successful development of your rental investment and offer the following services on your behalf.

- We are local and are solely focused on vacation rentals along the Oregon Coast
- Aggressive marketing on your vacation rental home
- Competitive property management fees
- Bi-Monthly statements, timely payments, direct deposit
- Maintenance of your investment property



Our knowledgeable staff is available to handle any concerns you might have. You can reach our managers at owners@oregonvacationrentals.com for a response time within 24 hours or by calling us at 503-528-7480 for an immediate response during office hours or in the event of an emergency. In addition to these points of contact, you will have a specific Owner Relations Manager representative with extensive knowledge of your property. Our Owner Relations Managers are responsible for providing the highest level of owner and guest customer service, as well as overseeing scheduling of maintenance.

WHY OREGON BEACH VACATIONS?

SOFTWARE	<p>OBV uses sophisticated software that allows us to operate in an efficient, cost effective manner. Whether it's our custom built housekeeping software that ensures great cleaning results, or our property management software that allows for marketing distribution worldwide, we're firm believers in the power of technology.</p> <p>Some of the items our software addresses include guest payment collection, tax remittance, review collection, housekeeping scheduling and performance metrics, call tracking and unit performance metrics to gauge our marketing effectiveness. Ultimately, our software allows for automation in key areas so that we can provide our owners and guests with the highest level of service.</p>
DYNAMIC PRICING	<p>Dynamic pricing seeks to price a unit to match market demand. We estimate this demand based on factors observed in the market place such as, occupancy, rate, holidays, special events, local weather patterns, historical booking patterns, property specific features, and proximity of the unit to popular attractions. We also adjust rates to account for the time of the reservation, whether it is an advanced booking or a last minute stay. Our rate strategy adjusts rates 1 to 2 times per week based on what we're observing. We find the average homeowner will increase their revenue over 20% annually under this strategy compared to traditional static pricing methods.</p>
EXCEPTIONAL EXPERIENCES	<p>Our goal is to make the vacation rental experience as simple as possible for our guests and homeowners. We handle the advertising, listing, marketing, rates, contractors, reservations, housekeeping, housekeeping supplies, maintenance tracking, customer service, guest inquiries, and 24/7 emergency response for each and every one of our homeowners. We can also assist homeowners with permitting, unit updates, and vendor bids for large projects. At the end of the year, we send you a 1099 tax form for your use.</p>