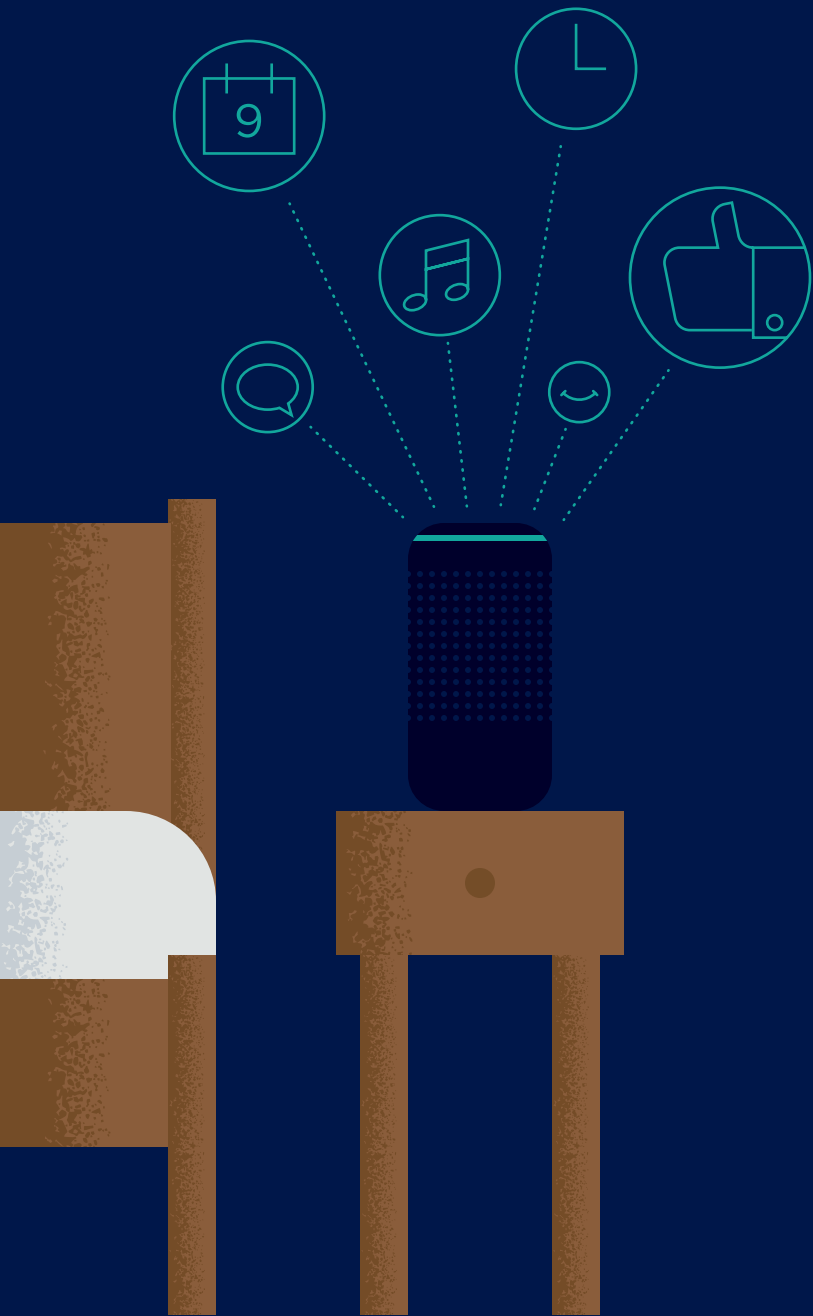


Property Manager of the Future

Your Guide to Optimizing Your Operations for Tomorrow and Beyond



The rise of technology and its demand



Does your smartphone wake you up every morning and provide you with the day's schedule of meetings and to-do's? Does Alexa tell you the weather forecast and the latest news? Do you have apps that track your physical activity, play the most popular videos, or let you chat with people across the globe? There's no denying that technology has become a permanent part of our daily lives and is surely here to stay. Certainly, the real estate industry is no exception - despite being a more traditional business when it comes to the use of technology.

There are countless programs, apps, and gadgets that have been designed to help property managers with everything from taking notes, to finding vendors, to communicating with tenants. The goal of these constantly-evolving technologies is ultimately to help you easily manage your workload and be more efficient at your job. Getting more done during your workday will allow you to spend less time worrying about incomplete tasks and enjoy more time with your family and friends. You deserve some good old work-life balance!



AUTOMATION TECHNOLOGY EXPLAINED

It is no surprise that the biggest technological trend that is making an impact in the real estate industry is automation technology. Automation creates a system that monitors and controls the production and delivery of products and services. This is especially useful, and perhaps necessary, in the property management world because so much of your work involves manual filing, reaching out, following up and responding to requests. Automation technology eliminates these time-consuming manual processes and serves as a mechanism that has the answers on-the-go, with just a press of the button!

The shift to automation technology along with cloud-based storage (storing your files and info digitally via the internet) is all about time and cost savings, scalability, increased security, and greater accessibility. It's designed to make users more efficient at their job, improving communication, and keeping track of all records – violation compliance, upcoming deadlines, and more. In order for you as a property owner or manager to remain competitive, you need to leverage real estate technology to your advantage – start by automating daily communication and administrative tasks through software that is right for you.

62% of property managers don't have a standardization system in place for their job functions.*

FINDING THE RIGHT SOFTWARE FOR YOU

It's important to evaluate the following factors when choosing the right applications and software services for yourself and your team:

- **Does it meet specific needs?** – Define exactly what your needs are before beginning your search. What are the top three things that you worked on this week that took longer than they should? What does your team need help with?
- **User-friendly interface and language** – Look for something that you can understand. How easy to use is the software? Can your team be easily trained? Do you see yourself using this on a daily basis?
- **Determine the size of your team and your properties** – Some apps will charge you based on the number of users and/or based on the size of your properties. It's important to have a scope of who would be using the software and at what user level (admin, manager, etc.)
- **Customer support** – Are you able to contact a human to get the support you need regarding any questions or concerns? It's very important that someone can walk you through any issues and answer any questions you may have. After all, you're paying for it!



TENANT REQUESTS GONE DIGITAL

On a daily basis, you're getting nonstop tenant requests via phone calls and voicemails, emails, text messages, and even pieces of paper and post-its. Somehow you have to prioritize all of this information based on importance and due date, contact and make appointments with vendors, and then follow up with tenants and your team. Automating this process will stop the madness and ensure that the appropriate steps are taken each time with clean recordkeeping for future reference. Here are some tips to get you started:

- Keep all tenant requests and maintenance issues in one digital and online space – an online portal – for easy access from anywhere, clean record-keeping, and future reference for both you and the tenant.
- Categorize requests based on the type of work that is required. For example, a leaky faucet is categorized under plumbing, a refrigerator replacement is categorized under appliances, and so on.
- Streamline the process so that it follows predetermined steps to ensure everything goes smoothly until the request is resolved. For example, for

all plumbing issues, automatically schedule an appointment with the preferred plumbing vendor, the superintendent, and the tenant.

Creating a plan to handle tenant requests can ultimately save you time, money, and stress. The best way to handle complaints immediately is by

Over 50% of property managers are contacted directly by tenants when it comes to complaints and requests.*

- Send an automatic confirmation email to the tenant once the request has been registered and let them know that you've received the request and are looking into it. Send another email once the job is complete.

using an automated compliance system that updates you as soon as a complaint is filed. This will allow you to quickly streamline external communication processes with vendors, supers, and on-site staff who can handle it right away (or at least communicate that it is being handled).



TECHNOLOGY TRENDS IN REAL ESTATE

Now that we've convinced you that automation technology makes your life easier, let's take a look at some other cool technology trends in the real estate space:

- **Smart homes and apartments** – People want the convenience of accessing everything from their portable devices (phones, laptops, tablets). Smart lights, locks, thermostats, and smoke and monoxide detectors can now all be accessed and controlled digitally, and the next generation of renters – millennials – are all about controlling it all from one controller, their phone.
- **Optimized websites** – One of the best tools you can use to enhance your business is your website. Your website is the face of your company and it's the first impression for your potential tenants. Ensure that all your information is up-to-date, the website is mobile-friendly, and all of your properties or units are beautifully displayed.
- **Blockchain technology and cryptocurrencies** – Blockchain is a secure, incorruptible digital mechanism that records financial transactions and distributes digital information. It is very useful when it comes to using cryptocurrencies, like Bitcoin, to ensure a legitimate transfer of funds. This innovative tracking technology is revolutionizing record-keeping (think real estate deals) and it is aimed at reducing fraud, making easy money transfers, and keeping organized records for every property.
- **Virtual reality and drones** – Imagine if your prospective tenants could walk through a space digitally, or with the help of drones. With virtual reality capabilities, your potential tenants can walk the property without ever stepping foot in it. The same goes with drones. Drones allow agents to give virtual tours, saving buyers, sellers and agents time, as well as opening the door to buyers who don't live in the area.



TECHNOLOGY TRENDS IN REAL ESTATE (CONTINUED)

- **Drone delivery** – Speaking of drones, some companies – Amazon, Walmart, Target, just to name a few – have already begun testing drone deliveries and it’s quickly becoming a norm rather than an exception. Some apartment buildings are participating in delivery lockers, where packages are dropped off by drones and people go to retrieve them, but options to deliver to your apartment door are still being explored.
- **Flying cars** – Flying cars are expected to be a thing as early as 2020, and they’re expect to land, pick up passengers, and take off on the roofs of tall buildings. Details and protocol are still being figured out but keep an eye out for this one!

Now more than ever is the right time to start investing in technologies that will help your organization move forward. We recommend starting with something small but that’s also bound to have a huge and positive impact on your company – automating the day-to-day administrative work. An organized and efficient company is vital to keeping your staff and tenants happy. It also opens the door to many more future advancements with all the operational cost savings you’ll be doing!

37% of property managers proactively track recurring maintenance requirements via a computer program or online website.*



Humans won't be replaced by technology... yet!

As useful and important as technology has become into our daily personal and professional lives, remain assured that it will not replace the wonderful humans that are the driving force of the real estate industry. The most valuable thing that you can offer to your residents & office tenants is human-to-human interaction. There's something irreplaceable when it comes to making a connection with someone who understands your thoughts and feelings. Sometimes a tenant just wants to be heard.





IN-PERSON COMMUNICATION

Face-to-face communication is probably the most important aspect of maintaining a good relationship with your tenants, vendors and team, and that's something that technology could never replace.

Here are some conversations that should always happen in person:



Tenant introductions

Meet with all of your tenants in person, especially when first introducing yourself! This creates a stronger, more authentic bond.



Vendor meetings

Put a face to the people you're hiring to complete the job. You should build a trusting relationship with your vendors. Often times they're the ones working on your buildings and going into your tenants' apartments or workspaces



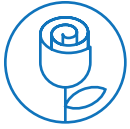
Property management team check-ins

Ensure that you're setting up regular meetings with your team. This allows them to ask questions, express themselves and stay on the same page. This makes for a healthy work environment and sure that any concerns are addressed.



Tenant check-ins

In-person meetings allow for you to get on the same page regarding expectations and how your tenants like to communicate (phone, email, text, etc.). Working the way your tenants work is key to keeping them happy, which means renewed leases (happy boss!) and fewer complaints (happy you!).



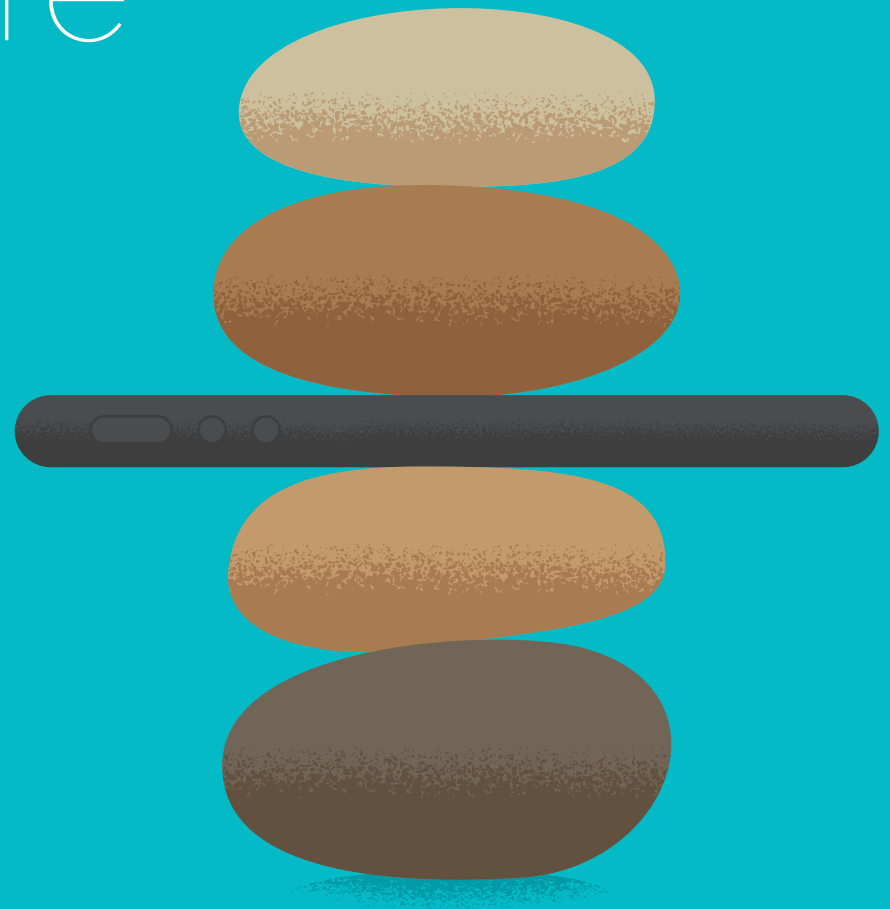
MODERN TENANT EXPECTATIONS

Happy tenants are really what adds value to properties. As more and more millennials move around, property managers across the country are making it a priority to meet as many expectations of these modern tenants as possible, and it's all about building amenities and "extras." Amenities have become a part of life that most tenants expect to have.

- **On-site package delivery storage**
– Does your building have a back (or front) space for storing package deliveries? With most shopping done online nowadays, package deliveries are requiring more and more on-site space, especially with residential buildings. It is an expectation that if you receive a delivery, the doorman or live-in superintendent will sign for the tenant and hold it until the tenant retrieves it.
 - **Gyms** – With the health and fitness industry emerging as one of the trendiest and fastest growing market, in-building gyms are a very hot commodity that everyone is looking for – whether it's at home or at work. Don't have the space or means to offer a fitness center? Tenants will be happy with a discount to a local gym!
 - **Laundry** – Laundromats across the country have been on the decline recently due to the demand of tenants to have washers and dryers in their units. This is perhaps one of the most important amenities that a residential building could offer to its tenants. If it is impossible for you to install a washer and dryer in every unit, consider making space for some machines in the building's basement.
 - **Online portals** – All-in-one- tenant portals are making it convenient for tenants to pay rent, put in requests, update information, and talk to management all in one place. This also enables them to have on-the-go access on their mobile devices.
 - **Others** – Some building owners and managers are outdoing themselves by going the extra mile (or two) when it comes to amenities. They've added game rooms, yoga studios, roof decks, pools, spas, indoor playgrounds and more! People love the sound of a lot of amenities and if they're willing to pay top dollar for it, property owners will give it to them!
- It takes competent, friendly, empathetic, and respectful people to make tenant interactions work. Sure, technology is on the rise and offers some solutions that may not have been available before, but at the end of the day, there will always be a need for someone to respond to a request to change a light bulb, sign for a package delivery, or ensure that the elevator is properly working.

Finding the balance as you progress into the future

There's a fear that automated systems will eventually replace human workers and robots will take over. However, the reality is that, at least in the real estate industry, the human aspect will always be necessary. It's just a matter of finding a harmonious balance. People should simply use technology to make their jobs easier and more efficient while maintaining human contact that enhances relationships.





THE MOVE IN & OUT PROCESS

You probably agree that one of the most labor-intensive tasks for property managers is the move-in and move-out process. Using automation technology will help do a lot of the (metaphorical) heavy lifting, but there's always some face-time required.

Some best practices to follow during this process are:



Keep your move-in and move-out info digital and filed together.

- Ensure that you're keeping clean records by categorizing documents appropriately. All related documents (signed leases, tax forms, proof of employment, etc.) should appear together under each category.



Bring the contract with you... on a tablet!

- In case questions arise, it's easy to use the search function for certain terms, rather than flipping through pages.
- The document can easily be signed by simply gliding your finger on the screen.



Perform the inspections with the tenants.

- Avoid they-said, we-said situations by making sure all parties are present. Get the tenants to sign off and date both the move-in and move-out list.
- Email it to all parties involved immediately - this will avoid creating a to-do item for later.



Don't forget to check off any regional laws.

- Make sure you add local and state requirements to your inspection list - things like window guards, lead paint, accessibility, and more are usually governed by municipal (or federal) laws.



VENDOR INSURANCE

Another process that you should streamline and use technology to improve its efficiency is the vendor selection and communication part of your job. Ensuring that vendors are legitimate and have the necessary insurance is very important before letting them work in your precious buildings.

- **Make sure to document what kinds of vendors need which kinds of insurance and how often certificates need to be updated.** Many property management firms require that vendors purchase their own Worker's Compensation, General Liability, Automobile Liability, & Employer Liability insurance in various amounts from \$500K upwards. For certain vendors who are deemed "high-risk" (e.g. toxic waste removal vendors), the requirements should be more stringent because the risk of accidents can be high. On the certificate itself, ask vendors to name the management company and the entity that owns the building as Additional Insured and as Certificate Holders. You should have all certificates updated and in hand before any work begins on your property.
 - **Circulate this list among your organization or place it in a shared online database to ensure you have a standard that you hold every single vendor to, regardless of who on your team is working with the vendor.**
 - **Make technology do the work for you.** Many property management firms publish their vendor requirements on their website (cutting down the number of requests you may get for what exactly you require), allow
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- You should have all certificates updated and in hand before any work begins on your property.**
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- A shared database could be anything from Google Drive to a more sophisticated system that tracks due dates and alerts you when policies expire. This way, when you head out of town on a (much-deserved!) vacation, everyone on your team knows exactly what is required of vendors.
- vendors to submit COI via an online database, and store vendor information electronically so they know exactly when a vendor policy is expiring and needs updating.



HOW TO MARKET TO MILLENNIALS

With the primary real estate market being occupied by millennial tenants, you must adjust your marketing techniques to appeal to the masses.

Here are some time tips to consider:

- What does your company offer that is unique? What is your differentiator from other management companies? What do tenants want that you can deliver? Make sure these are clearly communicated to existing and potential tenants.
- Pick one marketing project to work on each month, whether it be making your website mobile-friendly or implementing some Search Engine Optimization (SEO) best practices for you to be more discoverable on the web. Here are some recommendations:
 - **Invest in a well-designed and mobile friendly website.** In the age of the internet, your website is like the front yard – the first thing people see. Having a clean, aesthetically appealing website can help make a great first impression, especially as your website will often be the first resource people use to find more information about your business. Of course, it's important that the website not only look good, but also function well. Make sure your website is easy to navigate and readily offers all the information a customer might want – a list of properties and services you offer, your location base, and contact information.
 - **Show, don't tell.** Four times as many consumers would prefer to watch a video about a product than to read about it. Try incorporating photos and videos of your properties into your website to help potential customers envision what it might be like to live in your buildings.
 - **Implement SEO.** When Google is the most commonly used tool to navigate the web, maximizing your Search Engine Optimization can have huge benefits for driving traffic to your site. SEO is the process of optimizing your website to get organic, or unpaid, traffic from the search engine (Google) results page. This can be done by making certain changes to your website design and content so that the search engine will display your website as a top result on the search engine results page.
 - **Turn positive tenant interactions into five-star reviews.** A positive experience for one client gives you a winning reputation in their mind but imagine how that review could impact a wider breadth of prospects. Taking the time to ask your current tenants to leave a public review after a great interaction turns them into marketers for your company, helping to win over prospects and keep current residents.
- Provide relevant content on your website, emails, etc. Think about what millennials are concerned about and how you're providing a solution.



USING ONLINE SYSTEMS FOR DATA

Are you taking full advantage of all that the internet of things revolution has to offer your company? Property management companies can use wifi-enabled technology to improve and expand their businesses.

- **Controlled systems** - What started out as motion sensor lights evolved into smart lighting and temperature systems, built to make adjustments automatically based on available building data. These systems boost building sustainability goals in addition to helping save on energy costs.
- **Movement patterns** - Analyzing data within a space (for example, when and how much time people are spending at particular locations) helps with future decisions on property expansions and traffic flow. If you know a certain retailer is getting heavy traffic at a specific time of day, or a common

area in your residential or office space sees certain patterns, you'll have more information to make decisions regarding remodels and development.

- **Behavior patterns** - Knowing what people are doing and how they're interacting with your buildings (retail shoppers, commercial office space staffers, and residents) helps management teams develop and offer better, more tailored services. For example, the onslaught of residential deliveries brought about the expansion of package rooms, which is now a highly sought-after amenity.

The future holds many surprises for all of us, but one thing is certain - technology continues to advance and must be integrated into your daily job sooner or later. The sooner you adopt technology, the more ahead of the competition you will be in addition to being well-suited for coming changes and needs. Instead of fighting it and continuing to do things 'the way it has always been done', we encourage you to step into the future and utilize it. It's here for you and with you, embrace its helping hand!

*Results are based on a nation-wide SiteCompli survey conducted in 2017.



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