



Your **Property Management** Family  
SINCE 1972

## Online Reputation Management

I'm sure you have all seen the ads on TV for online searches. They say things like, "the average person searches 8 websites before they choose a hotel", or "only use TC (trust certified) companies because they've been through our stringent qualification process!"

In the property management world, we deal with online reviews that, most of the time we have no chance to rebut, or even if we do, we are advised that we should never "go negative" because then it becomes a spitting contest that no one can win. Many reviews are filtered, which means that unless you know how to look for them, the general public will never see them.

We've decided to take a pro-active approach to this scenario. We receive emails weekly and also some online reviews that are very positive but are never seen. We want the world to see these reviews and so we have hired a company that will closely monitor our social media (Facebook, Twitter, Google, Yelp, etc.) and help us to get those positive reviews out for all to see.

We know that it is not a property manager's job to always make people happy. We sometimes have to deny a rental application or not return an entire security deposit. We have to explain to the tenant why the a/c company isn't going to be there in 20 minutes when it's 110 degrees outside. That is just part of our job. We also get to write the email or make the phone call that the roof is leaking, the pool pump died, or the a/c got stolen. We are very unpopular sometimes!

The company that we are working with, Fourandhalf.com, is helping us to reach out to our Owners and Tenants who want to tell the world about their positive experience with Bennett Property Management. You may get an email from us giving you the opportunity to do this. If you do, we hope that you will take a few minutes to jot down your review.

I would like to thank you in advance. I know that this is going to be a positive experience for us, because we have great Owners and Tenants – I see the emails and I talk to you every day.

Anne McCawley



[www.bennett2rentit.com](http://www.bennett2rentit.com)  
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Anne McCawley

Frank Bennett, Jr.

# FRANK'S FORUM

## Property Taxes

The assessments are out and we get many phone calls asking what they mean and what impact there will be on property taxes.

The forms have a clear explanation of the various terms used to calculate taxes. Except, there is no place showing the tax calculation nor the tax amount. That is because the figures given to us this year are not used until next year, and the resultant tax bill doesn't get to us for about 20 months.

For me, the most impactful information is that the Limited Property Value (LPV), the number actually used to figure taxes, cannot increase more than 5% in any year.

The other major number on the form, Full Cash Value, purports to show the actual market value of the property. Sometimes we agree with the number, sometimes not. Either way it doesn't seem to mean much.

The cynic in me would say that the property tax system (most tax codes) is designed to shield politicians from accountability. At every stage of the process "someone else" is to blame for the amount of the tax bill. The Legislature, Assessor, County Supervisors, and various school boards all point fingers and disclaim responsibility.

Seems to me that the stuff government takes care of has to be divvied up (that's cowboy talk) and paid by each of us. I don't resent getting the bill at all.



## Greece

You gotta love the Greeks! They have a national tradition of not paying their taxes, but the government budgets as though the taxes are being collected. Result? Huge deficits, of course.

So a few years ago the European Union bailed Greece out, extracting sincere promises of austerity and responsible behavior.

To nobody's great surprise the general population hated the austerity measures and voted in a new regime (Socialist) who promised to ignore the commitments. The EU has caved in again and extended the repayment terms of the bailout loans. Stay tuned.

Why is this in a property management newsletter? We have tenants who are just like the Greek government. When rent is unpaid they promise almost anything to avoid eviction.

BPM is a little tougher than the EU, however. We will accept a signed "promise to pay" to defer the eviction process until the end of the month, but no further. We never (well, rarely) let things slide past the end of the month.

Our experience is that once a tenant starts to slide there is little chance for recovery. Almost without exception the end is eviction and we believe that we're all better off taking the action sooner than later.

There is an old banking rule: "take the first loss." We agree.



## Expense Alert

It sure would be nice to have some good news about expenses, but it never seems to go that way.

Many of us remember the change in regards to Freon for air conditioners because of one of the Clean Air Acts instituted by the EPA several years ago. Long term the change probably made sense, but we've had a lot of extra expenses with the change.

Now the Feds have changed the rules for hot water heaters. The new energy efficiency standards will likely be taller and wider than current models. Our vendors tell us that prices will go up on the order of 25%.

Even tougher for many of us is the fact that the new hot water heater will not fit in their frequently confined locations, especially in apartments and small homes. Architects have been ingenious in using "dead" space in cabinets and unused corners.

It looks like we'll be paying for some remodeling-drywall, framing and probably cabinets will have to change.

Vendors are looking into tankless heaters, but these come with their own set of problems-cost, wiring, gas lines and so forth.

We are asking for your ideas on this issue. There may be a solution we've not heard yet. Give Anne or your Property Manager a call if you have any suggestions.

## Good News!

Vacancy rates and average days on market figures are both at the lowest point in several years.

As a company our vacancy rate is under 4%; apartments a little higher, single family a little lower. Back in the Olden Days we regarded 7% as "full". That translates into about 25 days a year empty and hardly gives time for a healthy "turn".

Aiming for higher rents, Managers have been directed to raise rents as much as possible. Our goal, as always, is to reduce time on market as much as possible even as we push on rent increases.

Our company philosophy has always been to keep units rented as long as possible keeping vacant days and turn costs to a minimum.



## **NARPM NEWS**

*National Association of Residential Property Managers*

**Narpm.org**

### **Ethics Class**

**Mike Mumford Instructor**

**April 23, 2015  
1pm to 4pm**

**SEVRAR  
1363 S Vineyard  
Mesa, AZ 85210**

To join our mailing list,  
please email us at:

[susan@bennett2rentit.com](mailto:susan@bennett2rentit.com)

## Financial Markets

If I had to make a list of things I dislike or fear, Wall Street would be near the top. The banks with their armies of lawyers and lobbyists have, over time, wedged us into a very tight corner.

From my vantage point of great age I've watched the pendulum swing way too far over toward the side of the finance people.

After the Great Depression, Glass-Steagel put restrictions on banks and stock brokers to prevent them from conspiring to ruin the country. Wall Street immediately began chipping away at those restrictions, and periodically the relaxed regulations would cause another collapse.

At each successive failure, taxpayers were hit for more and more of the loss. The latest train wreck, The Great Recession, cost us more than ever while the Bankers walked away with pockets full of ill gotten gains.

Hold onto your wallets, boys, they're after us again! Many of the same dangerous banking practices that bilked us almost 10 years ago (how quickly we forget!) are back in place.

Can we protect ourselves? I don't know. For Barbara and I the answer has always been real estate. That should continue unless the lending guidelines and secondary markets go nuts again.



## La Mesita

In almost every newsletter we talk about a non-profit we've supported for more than 40 years.

The latest piece of A New Leaf is the La Mesita Family Emergency Shelter, the only shelter in the East Valley for homeless families. We have operated La Mesita for about 15 years, using a 1930's motel to house our clients.

Two years ago it became obvious that we could not afford to continue repairing the buildings. Even with very generous donations from corporations such as INTEL and the Farnsworth Companies, spending more money on repairs on these dilapidated buildings was just not smart.

All the planning and effort has resulted in a new Family Emergency Homeless Shelter, with the Grand Opening April 15, 2015. Several families have already moved in.

The new facility has 7 one-bedroom and 9 two-bedroom apartments. There are new offices for intake and counselling, along with a large space to receive and distribute donations of clothing, appliances and food used to help the residents.

And now we pause for a brief commercial. A New Leaf is conducting its first capital fundraising campaign (we opened in late 1979!) to cover construction costs. Part of the monies raised will cover program costs for the next few years and establish an endowment for on-going operations.

**Dear Owners and Friends:**  
This is an important project. Our family and company have donated significantly to the campaign. If you are con-



### THE DEVELOPMENT OFFICE IS MOVING!

**Effective Monday, March 23rd, NEW donations can be dropped off at**

**The La Mesita Campus  
2254 W Main St  
Mesa, AZ 85201**

(The current drop-off site at 845 E University will permanently close on Thursday, March 19th at 4:00 p.m.)

For easier access, please enter through Ella Street to the Volunteer/Donation Center. It is the back building of the Main Street property.

**P.S. We are always looking for enthusiastic volunteers to help sort, organize and fill the shelves with NEW items.**

A New Leaf's East Valley Men's Shelter houses a second Donation Center Hub for NEW donations and toiletries at 2345 N Country Club, Mesa 85201

Considering any charitable donation, please contact me. I'll give you a personal tour. Thank you.

### Thought for the day

**"Be careful of the words you speak, make them soft and sweet. You never know from day to day which ones you'll have to eat."**



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