



## INVESTOR CLIENT SERVICES

### PROFESSIONAL SERVICES

With your expressed interest in purchasing investment property, it is our mission to partner with you and your sales broker to make your dream become a reality. We understand that you may have concerns about becoming a landlord. At Windermere Property Management / Lori Gill & Associates, alleviating your concern is our specialty. We can provide you with stress-free management, rental market advice, and support throughout the entire process.

### TURN-KEY MANAGEMENT

We offer comprehensive property management services including complete vetting of applicants, a sound lease written by the best landlord/tenant law attorneys in our state, thorough move-in condition reports with photography, regular periodic visits to the property, and complete accounting.

### PORTFOLIO SUPERVISION

As your investment portfolio grows, your property manager will continue to provide you with professional guidance by annually reviewing each property for rental adjustments based on vacancy rates and market demand. Additionally, Windermere Property Management / Lori Gill & Associates offers discounted rates with each new property you acquire.

**Providing professional property management services for single family homes, townhouses, condominiums, commercial, and multi-family.**

**BELLEVUE**  
**425.455.5515**

**EDMONDS**  
**425.672.2000**

**SEATTLE**  
**206.527.0400**

**PIERCE COUNTY**  
**253.442.8200**

**LAKE CHELAN**  
**509.415.3505**

  
**Windermere**  
PROPERTY MANAGEMENT  
[www.wpmnorthwest.com](http://www.wpmnorthwest.com)

Windermere Property Management / Lori Gill & Associates is committed to the highest level of integrity driven property management, leasing, and rental relocation services in the Greater Puget Sound area.

With over 20 years in the residential property management industry our vast knowledge of rental market conditions, landlord tenant laws, property accounting, and maintenance make us the leader in our marketplace. Throughout 2016 in King, Pierce, & Snohomish counties combined, we out-performed all other Northwest Multiple Listing Service competition by 9 fewer days on market and averaged 9% higher price per square foot. Our market share in King County was over 23%. We currently manage over 1,300 residential properties.

We stick to what we know. Our brokerage is strictly focused on Property Management and leasing so that we can provide you with the expert knowledge you have come to expect from Windermere. Several new residential leasing laws were introduced in the city of Seattle in 2017 and we are proud to be the industry expert in navigating our clients through these changes.

## **RESIDENTIAL FEES & SERVICES**

### **LEASE ONLY**

Fee equal to 1 month's rent (minimum \$1,000)

- Complimentary rental assessment of up to 5 properties
- Advertising and showing of home
- Thorough tenant screening and background check
- Negotiation of terms and drafting of lease documents
- Thorough move-in condition report with photographs
- Complete accounting and full documentation of transaction

### **FULL MANAGEMENT**

Fee equal to 1 month's rent (minimum \$1,000) + 10% of the rent each month (minimum \$100)

- Leasing of the property as outlined above
- Rent collection and enforcement of lease terms
- Direct debit for tenant rent payments
- 24-hour emergency on-call service
- Direct deposit to owner's account
- Complete vendor management and monthly bill paying
- Licensed, insured, and pre-screened vendors
- Monthly and year end accounting statements
- Twice yearly interior periodic visits with reporting
- Thorough move-out condition report with photographs
- Settlement of security deposit
- Consultation on all Landlord Tenant Law issues

### **ANCILLARY FEES**

- For each property we take over management of with an existing tenant there is a setup fee of \$500 per unit. If the existing tenant is on a WPM/LGA lease the setup fee is \$350 per unit.
- Management fees begin at 10% and are discounted for multiple properties, please inquire for more details.
- Each renewal of a current tenant has a fee of 1/2 month's rent.

## CASE STUDIES

Below are examples of rental properties purchased by our clients in 2015 and leased throughout 2016. Our calculation of Return On Investment (ROI) is fully explained on the next page.

### RENTON SINGLE-FAMILY



Initial Investment: \$74,988 (25% Down)  
Purchase Price: \$299,950  
Leased Price: \$2,200/mo  
Projected Total Cash Flow Over 5 Years: \$8,180  
Projected Future Sale Value: \$347,724  
Projected Net Gain After 5 Years: \$26,398  
**5-year Projected ROI: 26.4%**

### SEATTLE CONDOMINIUM



Initial Investment \$79,975 (50% Down)  
Purchase Price: \$159,950  
Leased Price: \$1,300/mo  
Projected Total Cash Flow Over 5 Years: \$1,215  
Projected Future Sale Value: \$185,426  
Projected Net Gain After 5 Years: \$10,929  
**5-year Projected ROI: 10.2%**

### BELLEVUE SINGLE-FAMILY



Initial Investment: \$425,000 (50% Down)  
Purchase Price: \$850,000  
Leased Price: \$3,500/mo  
Projected Total Cash Flow Over 5 years: (\$-15,975)  
Projected Future Sale Value: \$985,383  
Projected Net Gain After 5 Years: \$35,650  
**5-year Projected ROI: 6.3%**

### MERCER ISLAND SINGLE-FAMILY



Initial Investment: \$1,415,600 (All Cash)  
Purchase Price: \$1,415,600  
Leased Price: \$5,500/mo  
Projected Total Cash Flow Over 5 Years: \$156,569  
Projected Future Sale Value: \$1,641,068  
Projected Net Gain After 5 Years: \$242,547  
**5-year Projected ROI: 12.9%**

DISCLAIMER: There is no calculation built in for income tax for properties operating at a positive annual cash flow, nor for deductions on properties operating at a negative annual cash flow. Please consult your accountant for the capital gains and income tax (or deduction) percentages that apply to your unique situation. Case study information is deemed reliable but not guaranteed. Windermere Property Management / Lori Gill & Associates is a Property Management firm. This is not guaranteed investment advice and we encourage you to discuss your investment opportunities with your sales broker, accountant, investment advisor, or other qualified professionals.



## ROI BREAKDOWN

While researching investment properties, your sales broker can help you determine the ROI on each property. Our case study calculation of Return On Investment makes the following assumptions:

- Property purchased via 30-year mortgage at 4.5% interest. Down payment (if applicable) indicated per property. All rental income and all carrying costs (aside from fixed mortgage payment) appreciate by 3% annually. Future sale value of the property also appreciates by 3% annually.
- First year figures (2016) are all factual known quantities (property tax, insurance, HOA dues, etc.), and 3% annual appreciation numbers are projections. Built into the carrying costs are our management fees and most current average percentages for vacancy risk (4.45%) and maintenance (4.23% for condos & multi-family, 9.2% for single-family & townhomes). Leasing commissions are factored in at a full month's rent for initial tenant placement, followed by ½ month renewal fee, assuming new tenants are placed every other year.
- Future sale of property after 5 years is calculated less 8.5% closing costs and capital gains taxes are deducted at 25%. Again, please contact your accountant to determine the capital gains and income tax implications for your unique situation.

Having reviewed 1,300+ properties that we currently manage, we have developed the following percentages for determining realistic property maintenance and management costs:

### REPAIRS & MAINTENANCE

CONDO / MULTI-FAMILY  
4.23% of Gross Annual Rent

SINGLE-FAMILY / TOWNHOUSE  
9.2% of Gross Annual Rent

#### EXAMPLE:

RENTAL AMOUNT : \$2,500/mo  
\$2,500 x 12 months = \$30,000 Gross Annual Rent

#### ANNUAL REPAIRS & MAINTENANCE

Condominium: 4.23% x \$30,000 = \$1,269 per year  
Single Family Home: 9.2% x \$30,000 = \$2,760 per year

Repairs and Maintenance costs typically include: Appliance Repairs/Replacement, Carpet Cleaning/Replacement, Painting, Yard Maintenance/Service, Plumbing and Electrical Repairs, Equipment Repairs and Maintenance, Equipment Rental/Lease, Cleaning/Janitorial, Pest Control, and Locks/Keys.

Repairs and Maintenance costs do not include: Home Owner Dues/Assessments, Mortgage Payments, Property Taxes, Insurance, Utilities, Security Services, and Eviction/Attorney Fees.



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