



November, 2022

To our valued clients:

This is the time of year we try to summarize the current year and make projections for the next year. Things are actually calming down a bit, much to our relief.

As usual, we thank all of you for your continued support. Our job is a pleasure because our clients are accessible, reasonable and appreciative. In the chaos of covid, this was particularly important. Everyone has been most understanding, patient and cooperative.

Staff: We had several additions to our staff this year. When we absorbed the properties under management with Salinas Valley Realty, we were lucky enough to bring on board their Property Manager, Jana Whitlock. She is a licensed agent with many years in the property management field. We also added Angeles, a recent graduate of CSUMB with a degree in Business Administration. It is nice to have young people around. Speaking of which, our front office person, Celeste, is off on maternity leave with a beautiful baby boy.

Values, Rents: We are anticipating rents will not increase as much this year, as long as the rent on your unit is currently at market rent. There is certainly no sign of rent decrease, as some of the big cities are seeing. The market is still strong, but it is usual to slow down in November-January.

We are now able to evict tenants as necessary; the only restriction is that, for multiunit properties a reason must be given.

Management Fees: **Once again there will be NO increase in management fees.** The unexpected government interference with rent payment (prohibiting evictions in some circumstances) has caused some companies to add a provision that management fees will be due if rent is not paid due to third party interference. Actually reasonable, because we certainly do all of the regular work and could reasonably expect to be paid. It has worked so far, and we have always prided ourselves in the fact that we get paid when our clients get paid.

Annual administration fee: \$100 per property, same as before. As you know, we do not charge for long distance calls, faxes, priority mail, extra copies of statements or bills, preparations of IRS forms, end of year statements, copies of 1099s, multiple emails, customized statements, mailed statements, etc. We also do not charge leasing fees (except for commercial properties) or maintenance cost overrides.

Bi-annual yard fertilizing, inspections: We are continuing the regular weed and feed on most of the properties we manage. At that time, pictures are taken of the yard for reference and recommendations are made for any trimming needed. About half of the time we are sending letters to the tenants because the pictures show mowing, watering or weeding is necessary. On single family homes, the shrubs and trees should be trimmed at least once a year. Gutters are cleaned on most of the properties every fall, unless you notify us otherwise. If you are not currently on this program, we highly recommend it as clean gutters are the least expensive way to maintain the roof and soffits. Please call your property manager if you'd like to include your property in the Weed and Feed or gutter cleaning programs.

Software: Are you using your "Owner Portal" to review your monthly statements? If you have questions regarding this or would like to switch to online statements, contact your Property Manager.

Report Card: We are still the largest management company in Monterey County for single family homes. One of the reasons for that success is that we collected well over 99.5% of rent owed this last year. We had one eviction last year.

Continuing Education: Bill, Sally, Michele, Cindy and Jana are active members of the National Association of Residential Property Managers (NARPM.) We attend local, regional and national conferences to be on top of any law changes, improve our management skills and learn about new techniques and software that can improve our performance. Sally is once again a certified National Instructor for NARPM and has useful contacts all over the United States, should you need a referral in another area.

Office Location: Our physical address is 19000 Portola Drive, Suite 107, off Highway 68. Our office in Monterey at 887 Abrego St. is open by appointment. We do not get mail at either physical location due to security reasons. Our mailing address is PO Box 1089, Salinas, CA. 93902.

Holiday Hours: As usual we will officially be closing the office on December 19th to January 2nd to do the necessary end of year reports, auditing, 1099s, etc. We are actually here in the office and return calls quickly.

Sales: As you know, we can handle selling your property or help you purchase a new one. Bill supervises and handles that part of the business. A number of our owners have elected to sell their properties this past year and Bill has almost a 100% success rate. That success rate resulted in 36 sales last year!

Why is Backus Properties your best choice for selling your property?

1. We know the property. The description and disclosures will be thorough and accurate.
2. Transition will be smooth because we have a relationship with the tenant.
3. Backus Properties has a top reputation in the community for working with other agents. We are accessible, fair and easy to work with.
4. The relationship and trust already established with our clients assures that the transaction will be smooth and quick.

This last year we have sold 36 properties in Monterey, Salinas, Highway 68, and throughout Monterey County including single homes, multifamily, commercial and industrial.

We can also easily give you an idea of current value if you are considering the possibility, but need more information to make a decision.

Have you considered doing a 1031 exchange to sell a property in another area and buy a property here? Sally is particularly experienced in exchanges and would be happy to work you through the process.

The advantage of an exchange is that you delay the capital gains on the appreciation and can have your investment property in this area, managed by a great manager!

Please indicate on the questionnaire on page 4 if you are interested in any of these services. Thank you again for your business, and we look forward to serving you again in 2023.

Best regards,

Sally Backus, MPM® Broker

Bill Backus, Associate Broker, Licensed Real Estate Agent, Sales Specialist

Michele Backus, Licensed Real Estate Agent, Property Manager

Cindy Vargas, Licensed Real Estate Agent, Property Manager

Jana Whitlock, Licensed Real Estate Agent, Property Manager

Backus Properties Staff

Please complete the following questionnaire if you have any changes or interest in any of the new services.

Name:

Mailing address

Home phone:

Cell phone:

Email address:

Are you interested in on-line statements?

Are you interested in the automatic deposit of your funds?

Are you interested in possibly selling your property?

Are you interested in doing a 1031 exchange?

Do you have any suggestions for improvement in our services?