



Budgeting Breakthrough: A Must-Have Planning Checklist for Multifamily

Budgeting is an essential part of running a successful multifamily property. Without a well-crafted budget, property managers can find themselves stuck in a financial rut, unable to move forward in terms of growth and development.

This checklist covers all relevant aspects of budgeting and will help property managers ensure they are on track for the upcoming year!



BUDGETING CHECKLIST

Income Sources

- ✓ Assess rental income from residents, including any projected increases or vacancies.
- ✓ Evaluate ancillary income sources, such as pet and parking fees, laundry facilities, and common area rentals.

Expenses

- ✓ Review operating history to list all recurring expenses, including mortgage payments, utilities, maintenance, repairs, insurance, and fees.
- ✓ Identify any anticipated one-time expenses, such as capital improvements or renovations.
- ✓ Identify and invest in technology that improves property and operating performance.

Reserve Funds

- ✓ Determine the appropriate level of reserve funds for emergencies, capital projects, or unforeseen expenses.
- ✓ Establish a savings plan to allocate a percentage of the monthly income to the reserve funds.

Regulatory Compliance

- ✓ Review applicable local, state, and federal regulations related to property management, including any updates that may affect budget planning.
- ✓ Account for any necessary permits, licenses, or certifications and allocate the budget accordingly.
- ✓ Include line items for team training and compliance solutions that reduce your risk.

Resident Experience

- ✓ Consider costs associated with resident acquisition, retention, and turnover, such as marketing, screening, lease renewals, and property improvements.
- ✓ Choose services and amenities that will enhance the resident experience and increase overall satisfaction.
- ✓ Implement [survey solutions](#) that help measure and benchmark resident experience against your competitors.

Contingency Planning

- ✓ Develop strategies to address unexpected events or changes in market conditions, such as rent fluctuations or regulatory adjustments.
- ✓ Allocate a portion of the budget for contingencies to mitigate potential risks.

Capital Expenditures

- ✓ Evaluate the condition of major building components and systems, such as HVAC, plumbing, roofing, and common areas.
- ✓ Determine the need for repairs, replacements, or upgrades, and estimate the associated costs.



By following this checklist, you can create a budget that will help you effectively manage your multifamily property and achieve your financial goals!



Talk to our multifamily experts today to see how [Grace Hill solutions](#) can help improve property and operating performance!