



RE/MAX[®] EXPERTS

PROPERTY MANAGEMENT

Property Owner's Handbook

The purpose of this "Property Owner's Handbook" is to assist you in understanding the basic services that RE/MAX Experts Property Management provides. Please remember that this handbook is just a brief overview. We have compiled a list of frequently asked questions, along with our basic services provided. If you have any further questions, please don't hesitate to ask. We are here for all your property management needs. We thank you for the opportunity to work with you and hope you find this information helpful.

The management relationship is established by a written contract called the "Exclusive Rental Management Agreement." It is between the owner of the property and RE/MAX Experts. All services, procedures, terms and conditions are established through this document.

RE/MAX Experts is licensed in the state of Florida and conducts all business in accordance with Florida law and the Fair Housing Act. RE/MAX Experts does not discriminate on the basis of race, creed, religion, age, sex, familial status, disability, national origin or any other protected basis.

EXPERT PROPERTY MANAGEMENT - RE/MAX EXPERTS

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RE/MAX EXPERTS IS AN EQUAL HOUSING PROVIDER



EXPERT Property Management Offers:

Friendly Expert Staff

We have assembled a great team with years of property management experience. Someone is always available to answer your questions. Our managers are licensed, insured, honest and dependable.

Reasonable Rates

There are no hidden costs or transaction fees. Due to our success over the years, we have been able to keep our fees low.

Free Consultation

We will tell you what you need to do to prepare your property for rent, what the current market conditions are and the rental rates of comparable properties.

Detailed Rental Price Analysis

A comprehensive search of comparable properties on the market. So we can effectively price your property

Comprehensive Tenant Qualification

We do a thorough background check on all perspective tenants eighteen years of age and older.

Attorney Prepared Leases

Each lease is individually prepared by an attorney to give you the best possible protection. These attorneys also provide free legal council on issues pertaining to your property.

Computerized Accounting

Accurate, timely and comprehensive monthly and year to date reporting.

Easy Communication

We are available by telephone, email, fax, mail and personal appointments.

Experienced Service Personnel

We have numerous licensed and insured vendors who have proven their dependability, professionalism, and experience. Due to our large inventory we are able to get you excellent prices and service for any maintenance and repairs.

Regular Inspections

We do quarterly drive by inspections and an annual interior. During vacancies we do weekly inspections.

Owner Friendly Management Agreement

No restrictive clauses, hidden fees or costly termination clauses.

Online Payment Options

We offer direct deposit and digital statements sent to your email monthly at no additional charge.

FREQUENTLY ASKED QUESTIONS

Do I need a property manager?

Yes.

Real estate investors often underestimate the responsibilities of rental property ownership. RE/MAX Experts Property Management has been managing property for over 9 years, and we know that successful property ownership requires maintenance, marketing, legal expertise, tenant screening, real estate expertise and more. Our property managers highlight this breadth of knowledge with specific expertise in the following:

- Property evaluation
- Local, state and federal landlord/tenant laws
- Real estate trends and considerations
- Reputable, licensed contractors

Is EXPERT Property Management the answer?

Yes.

Our services include, but are not limited to, the following:

- Property marketing and advertising
- Property showing to prospective tenants
- Personal tenant interviews and screening
- Credit, criminal, eviction and background checks
- Tenant rental history verification
- Coordination of property maintenance
- Regular property inspections
- Lease negotiation and execution
- Lease modifications and updates
- Lease termination and eviction
- Rent collection and distribution

Are you licensed and insured?

We are a licensed Real Estate Brokerage. We carry errors and omission insurance, as well as liability insurance.

What are your office hours?

We are open Monday through Friday from 9:00 am to 5:00 pm. We also work all rental calls on Saturday and Sunday.

What about emergencies?

Someone on our staff is always on call: seven days a week and can respond with in 1 hour, in the event of an emergency. Service requests can also be submitted 24hrs a day on our website.

Do you charge extra for coordinating maintenance or getting a property ready for rental?

No, this is part of the service we provide to you and is included in the management fees. Due to the high volume of properties we handle, we can secure excellent rates from these Vendors, which are passed directly to our Owners.

How do you handle repair requests?

Any repair under \$50 (i.e. light bulbs, air filters, etc) is the responsibility of the tenant. For any major repair under \$200, Expert staff will contact one of our vendors to fix the issue and subtract the repair cost from your next monthly payments. If the repair is estimated to be over \$200, every effort will be made to contact the Owner before ordering the repair (unless it is deemed an emergency).

Can we use our own handyman?

Yes, you may use your own repair person. In the event the owner employs a recommended or outside vendor directly to make repairs or improvements to a property, the owner shall pay the third party directly and verify completion of work.

What happens once you find a qualified tenant?

Even though we have secured a qualified tenant, our job has just begun. Now we take care of the day-to-day operations of ensuring that your investment will perform to your expectations.

How do you handle the accounting and reporting to owners?

Our collection and distribution of rents is a vital part of our service to you. We pride ourselves on getting rent checks out to our owners by the tenth of the month. We do not wait for tenant's checks to clear before issuing owner's checks. We use special property management software that has comprehensive, easy to understand, monthly and yearly reporting. At the end of the year, each owner receives a 1099 and year end statement which makes tax preparation easy for our owners.

Will you handle my short term or vacation rental?

No. Our leases are typically for a one year period, as this is our area of expertise.

What types of properties will you manage?

We specialize in the management of single family homes, duplexes, and townhomes.

What do you charge?

Due to our success over the years, we have been able to keep our fees low. We charge 50% of the first month's rent when we place a new tenant into your property, and 10% of the rents collected thereafter. We do not charge a lease renewal fee and there are no hidden fees.

Can you deposit my checks directly?

Yes, we have partnered with REVO Payments which allows us to directly deposit your funds. Please see the attached form for instructions on setting this up.

Questions about Tenants, Leasing and Rent

How long will it take to get us a tenant?

The rental market is affected by supply and demand, however there are three factors that determine how quickly a property will rent: price, location, and condition. One or two factors without the third will cause a property to sit on the market longer. Our average marketing time is about **21 Days** to procure a qualified tenant and accept a security deposit. Typically after accepting the deposit, a tenant will move in within two weeks but not more than thirty days.

How do you get us a tenant?

We have a strong marketing program to attract prospective tenants. We implement all current available resources to secure qualified tenants for our owners as quickly as possible. Below are some of the following resources we utilize:

- We start with 10-25 HD photos
- Your property goes into the Multiple Listing Service
- Over 20 Websites Including Zillow, Trulia, Homes.com, RE/MAX.com, Realtor.com and more
- Our Rental Website: MyRentalExperts.com and Facebook
- Monthly Ads in the Central Florida Homes and More Magazine
- Yard Signs

How do you screen perspective tenants?

One of the most important things we do is placing the proper tenant into your unit. This is accomplished by a thorough background check. This includes, but is not limited to the following:

- Civil search for any evictions or litigation
- Criminal search for any felonies
- Social Security number verification
- Credit check (we require 600+ score)
- Employment verification
- Rental history verification
- Cross reference addresses from application against credit report

What happens after you screen a tenant?

Once we have screened the perspective tenants, we contact the property Owner and go over our findings with them. The Owner always has final say on whether or not to accept a tenant.

What happens after a tenant is accepted?

Upon acceptance of the tenant, we require that they give us a deposit to take the property off the market. This is usually equal to one month's rent and will be credited at move-in as the Security Deposit. Security deposits are held in a non-interest bearing escrow account. We then order the lease with our attorney who specializes in Landlord/Tenant Law. Leases are continuously updated to stay current with the changes in local and state laws. Tenant responsibilities are clearly defined by the lease, giving us the ability to enforce lease requirements.

What happens if the tenant doesn't pay the rent?

A tenant's rent is due on the 1st and considered late on the 5th. We issue three-day notices (the required state collection tool for unpaid rent) by the 7th of the month. This notice requires them to pay their rent within three days after the date it was delivered (excluding weekends and holidays). In the event that rent is not received by the expiration of the three-day notice, with your approval, we will have the attorney file eviction against the tenant. Once filed with attorney eviction takes about three to four weeks and costs between \$300-\$400 in legal fees. In the hundreds of tenants we have put into properties, only two have had to be evicted.

What repairs are the tenants responsible for?

Tenants are responsible for keeping their unit in good repair. A/C filters, smoke detector batteries, light bulbs, and other such expenses under \$50 are the tenant's responsibility. In addition, any expenses due to abuse, misuse, or neglect of the property are also the tenant's responsibility. Pest control is a tenant's responsibility in single family homes, condos, townhouses and in multifamily units of less than four units. The lawn and pool care are negotiated on a case by case basis when applicable.

What is your policy on animals?

Whether or not to accept animals is always the owner's decision. However, in order to attract the largest pool of potential tenants, we recommend always saying "pets possible" if the community allows pets. From there, we could screen pets on a case by case basis. When a pet is accepted, the tenant is charged a one-time, non-refundable pet fee based on the type, size, and number of pets (usually between \$150 and \$500). This fee is passed directly onto the owner. Only non-violent, common domesticated animals would be considered. Certain breeds of dogs are not acceptable because of liability considerations. Please check your home's insurance policy for pet restrictions and coverage. Farm animals are also not permitted.

What happens when the property becomes vacant?

Tenants are required to give thirty days notice prior to vacating. Once we receive a notice to vacate, we alert you and begin marketing the property immediately. When the unit becomes vacant, we conduct a move-out inspection. We make any appropriate claims against the security deposit. We then would recommend to the owner any necessary repairs and with approval, begin making the unit ready for re-rental. This is always a good time to address any major improvements.

What kind of insurance do I need to have?

If you are taking your personal residence and turning it into a rental property, you need to change your homeowner's policy to a landlord's policy (sometimes referred to as a rental dwelling or dwelling fire policy). If your property is already a rental, you should just verify with your insurance agent that you have the proper liability insurance. The limits should be in an amount of not less than \$100,000 per person and \$300,000 per occurrence. There is usually not a significant change in premiums.

If your investment property is a townhome or condominium unit, do not assume you have the proper insurance. You need to have a separate liability policy (separate from the association) to make sure both you and your rental property are adequately protected.

What about lawn care?

There are 2 options regarding lawn care. With either option tenant accepts responsibility for watering as needed in accordance with county and city restrictions.

1. Lawn care is provided by landlord. We have quality lawn services that we can recommend. This expense is typically a wash for the owner. We would increase the listed rent price by the cost of the monthly lawn care. The benefit is knowing that the lawn is being professionally maintained.

2. Tenant maintains the lawn care. The lease includes a detailed clause outlining the tenant's responsibilities for maintaining the lawn, this includes mowing, edging, weeding, and trimming plants. While some tenants take pride in their lawn others will do the bare minimums resulting in a poor looking yard.

Tenant is **NOT** responsible for pest and fertilizer treatment of the yard and shrubs. While tenants are responsible for reporting problems with the lawn, exterior pest control and fertilization responsibility falls on the owner. We highly recommend having a service treat the yard at least 4 times a year. This nominal fee ranges between \$45 and \$75 a treatment and also helps prevent pest issues inside the home.

What do I need to do to get my property ready for rental?

- Carpet should be professionally cleaned and in good condition with no odors.
- Interior and exterior should be in “move-in clean” condition.
- All appliances and other systems related to the property should be in clean working condition and repair. This includes anything being conveyed with the property.
- All plumbing and plumbing fixtures should be in good repair and working properly. No leaking pipes or running toilets.
- All bathroom tiles should be in good condition with no loose tile and all cracks, corners and seams properly caulked.
- Kitchen and bath counters and back-splashes should be in good condition and seams properly caulked
- Window treatments should be clean and in good working order or removed. It is not the landlord’s responsibility to provide window coverings on single family homes. They can be left for the convenience of the tenant, but have to meet the above requirements.
- All electrical outlets and switches need to be in good repair and have cover plates.
- Interior paint should be fresh and in a neutral color.
- Smoke alarms must be properly installed and in working condition.
- Household rated fire extinguisher, properly serviced, and attached in the kitchen is strongly recommended.
- All light fixtures should have working light bulbs and be in proper working order. Ceiling fans, if any, should also be clean, balanced and in good working condition.
- Lawns should be mowed, free of any debris, edged, trimmed, shrubs trimmed, tree limbs cut away from house and irrigation system (if any) in good working order.
- Well water and soft water systems, if applicable, should be in good condition, functioning and have chemicals added at the appropriate level.
- House numbers-three inches high- should be properly displayed on the front of the property, as well as affixed to the mailbox.
- Roof should be in good condition with no leaks.
- All debris, trash, and/or any discards should be removed from the premises, including the attic and storage sheds.
- All exterior door locks should be in good working order with at least three sets of keys.
- Exterior paint should be in good appearance without any significant fading, chalking, weathering or peeling.
- Copies of all warranties, service contracts, termite and/or pest control contracts need be provided to RE/MAX Experts.

What should I expect from Expert Property Management?

The purpose of this section is to review the services and benefits of having RE/MAX EXPERTS Property Management manage your real estate assets. You'll have the peace of mind knowing that your investments are being managed in a competent, professional and efficient manner. We know what it takes to create successful rental relationships. With over seven years of property management experience, we're confident that our expertise can eliminate the hassles of property management. After signing the management agreement, we will proceed with our normal property management procedures as follows...

Marketing and Leasing

...placing a "For Rent" sign on your property as soon as practical in anticipation of any known vacancy – usually upon receipt of notice to vacate.

...placing a description of your property on our vacancy list, which is available free of charge to all who come into or call our office.

...placing your rental property with a full description and photos our website, as well as realtor.com, RE/MAX.com, and a variety of others.

...placing your property on the Multiple Listing Service (MLS), making it available to all Realtors and offering a referral fee to them in the event they bring us a qualified tenant.

...conducting a comprehensive applicant qualification screening process to assure that we obtain the best possible tenant.

...not renting your property for an amount lower than what you have agreed to without first obtaining your permission.

...obtaining a security deposit to take your property off the market.

...scheduling with the qualified applicant a date and time for the lease signing and executing the lease agreement.

Lease Renewals

...attempting to renew the lease with the current tenant prior to the expiration of the Rental Agreement, **unless you instruct us otherwise in writing not to do so.**

...renewing the lease at a higher rent if possible. We do not agree to a lower rent without your specific permission.

...notifying you by phone, email or in writing when we learn the property is becoming vacant.

...immediately beginning to market the property for a new tenant if the current tenant is not renewing the Rental Agreement, **unless you instruct us in writing not to do so.**

Property Inspections

...inspecting your property at least once a week when it is vacant.

...conducting a “move-out” inspection to document the condition of the property as soon as the property becomes vacant.

...conducting other quarterly drive by inspections and annual interior inspections or when we determine it is necessary.

Tenant Relations

...making every reasonable attempt to collect the rent in a timely manner-rent is due on the 1st day of the month and is considered late on the 5th

...conducting our business relationships fairly and equally with all tenants.

...making every reasonable effort to renew the lease with the current tenants at the same or higher rent amount.

...expecting all tenants to comply with all the terms and conditions of the Rental Agreement.

If A Tenant Defaults

...serving any applicable legal notices necessary to ensure compliance with the Rental Agreement.

...making a follow-up visit to the property to determine that the tenant has complied in a timely manner to any legal notice.

...delivering a 3-Day Notice (Florida’s prerequisite to an eviction for non-payment of rent) on the 7th day of the month.

...directing an eviction attorney to begin the eviction action against a delinquent tenant after the 3-Day Notice expires, **unless you instruct us otherwise in writing to delay for any reason.**

Reporting To Owners

...preparing and mailing a monthly Income/Expense statement and any invoices along with the owner’s check on the 10th of every month.

...paying vendors on the owner’s behalf for work performed on the property.

...depositing your check directly into your bank account if you have provided us with the information to set up an account for you with REVO Payments

...sending you a 1099 Income Form and a Profit and Loss statement at the end of each calendar year to assist you in your tax preparation.

Repairs, Maintenance and Upgrades

...consulting you in advance regarding any expenditure over \$200.00, **unless it is an emergency affecting the safety of the tenant or the integrity of the property.**

...with your authorization, arranging services necessary to maximize the property's appeal to prospective tenants, thus expediting the leasing process and minimizing the vacancy time. Examples would include: utilities, painters, carpet cleaning or replacement, cleaning, pool or yard care and minor repairs.

...drawing from any forfeited security deposit funds to address expenses that were the previous tenant's responsibility.

...using only properly licensed and insured vendors who are qualified to handle the type of work being performed on your property.

Government Regulations

...complying with all local, state and federal fair housing laws and ordinances.

...complying with Florida Statutes governing real estate, landlord-tenant, agency disclosure, security deposits, and radon gas disclosure.

...complying with U.S, EPA requirements regarding lead-based paint disclosure.

...complying with all other applicable laws and ordinances, whether local, state or federal that may affect the management of the rental property.

In Conclusion

We appreciate the opportunity to present EXPERT Property Management services to you. We trust that our "Property Owner's Handbook" has answered the questions you have about property management and the services our company performs. Our entire staff is dedicated to giving you the best, experienced, dedicated and dependable service you expect and deserve. We look forward to working with you.

Thank You!

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THE FOLLOWING IS A LIST OF ITEMS NEEDED TO SET UP YOUR NEW ACCOUNT:

- A Management Agreement signed by **all** owners of the property.
- A completed Solvency Statement.
- A completed and signed W-9 Form providing the Social Security Number or Taxpayer Identification of the person who the checks are to be made payable to.
- If applicable, a completed Lead-Based Paint Disclosure form. **This form only applies to properties built before 1978. Disregard if built after 1978.**
- All keys pertaining to the rental property, i.e. house keys, garage door openers, pool keys, gate remotes, mailbox keys, etc. Three complete sets are ideal, if you don't have that many, we can make duplicates for a nominal charge.
- A complete list of any gate codes, alarm codes and instructions, and garage codes.
- Names and phone numbers for any current vendors used i.e. lawn care companies, pool cleaning services, pest control companies, etc.
- **If applicable**, a copy of the Home Owner's Association or Condo Association Rules and Regulations along with the name, address, and telephone number of the person to contact for the governing association.
- A copy of the Declarations page of your insurance policy.