



REALTORS®

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Rental House Management

Landlord Information for Lease & Management Services

Requirements to begin managing your property

A thorough walk through of your property will be done to compile a list of all of its assets for marketing purposes to assist us in working with you on the routine maintenance of the property while occupied. The following items are required:

- Name and contact information for the Homeowners Association
- Copy of the covenants & bylaws for your HOA
- Keys to all doors
- Garage Door Remotes
- Keys and access information for any community amenities to be included
- Utility company information for all services to your property
- Property insurance company contact info (if first time leased, then convert to investors policy)

We require a capital contribution of \$300.00 to \$500.00, depending on the size and condition of the property, to establish your account with us. These funds will be used for approved expenses such as the final make ready process including rekeying the locks, a final interior clean and final yard maintenance, as well as utilities while vacant and any other authorized make ready expense. Since we are not allowed by state law to co-mingle owners' funds, we must have this small funding advance in order to remain in compliance. Additionally, beginning in the first month, you will receive a complete written operating

statement that accounts for all funds you have left with us, just as you will receive monthly once the house is leased. In keeping with the times, we will also require that you verify with us that all mortgages, property taxes, and homeowners association fees on your property are current and paid.

Requirements for preparing your property for lease

Ideally, it is necessary to have the wall colors and decorating of the house in a mostly neutral color scheme. If you have customized the property to fit your tastes and you do not neutralize it, then you will be narrowing the market of potential residents only to those with similar decorating tastes as yours. However, you would want to appeal to the largest cross section of the rental marketplace. The following items needs to be address in preparing your property for lease:

- Removing all of your possessions and personal property
- Making sure that all kitchen appliances are present and working properly for their age
- We do recommend that you have a refrigerator, cooking range, dishwasher and if possible a built in microwave
- We don't recommend leaving a washer and dryer except in the case of the need for a stackable unit
- All operating systems in the house are in a normal working condition
- We do recommend garage door openers, gas logs in fireplaces (where applicable), and blinds on all windows for many reasons to do with marketing and risk management
- A complete & thorough interior and exterior cleaning of the property is mandatory
- Curing any odors from pets or other sources is mandatory
- Complete Pest Control for all interior pests such as fleas, roaches, ants, spiders, etc.
- We recommend a termite bond with a minimum of a once a year inspection by a state licensed pest control provider of your choosing.
- All lawn maintenance must be completed and the yard made as simple as possible for residents to maintain
- You should keep all utilities on (except for phone & cable) until the house is leased

Marketing of your property for lease

The internet has changed how we operate in the real estate industry. Gone are the days when we simply place a sign in the yard and place an ad in the classified ad section of the newspaper. In fact, it has been several years since we last placed an ad in any local newspaper. The leads are just not there anymore. While we still place a yard sign, we depend primarily on the internet for sources of potential residents. Premier Real Estate Management: Real Estate Brokerage has adopted the following technology to attract more prospects for viewing of properties leased and managed by the company:

- Company website
- Many other different rental websites including; Rentals.com; RentalHomePros.com; Realtor.com; AHRN (Military listing); RentalHouses.com; CraigList.com, HowmTownRent.com; MyNewPlace.com; HotPads.com; Tenant.com; RentalAds.com; many others!
- Social Media via YouTube, LinkedIn, and Facebook
- Smart Phone Application
- Yard Signage

The screening process of potential tenants

Premier Real Estate Management: Real Estate Brokerage complies with the provisions of all Federal Fair Housing laws and we will not discriminate against any applicant, occupant or resident of any property at any time based on race, creed, color, religion, national origin, handicap or familial status.

Each potential resident will submit to our office a detailed application. This “snapshot” will tell a prospective tenant’s income, how stable his/her job/career may be, and his/her current & previous rental or housing history. Finally, we pull and review the tenant’s credit history, primarily to verify that all the tenants have told us about themselves is true and correct.

We require that persons have monthly income of at least three times the monthly rental amount, that they have honored all current and previous leases, and have paid in full and on time. As for their credit, we do not expect potential tenants to have purchaser quality credit. We love it when they do, but it is just not likely. We therefore expect there to be some issues with their credit, and we have limitations on what sort of credit we can and cannot work with. Sometimes an additional deposit will be required, and in other cases, we may have to deny tenants completely.

Addressing Pets Issues on your property

If you are leasing a single-family home, especially one with a fenced back yard, it is almost a certainty that you will have potential residents with pets. As such, we have found that a “no pets” policy is extremely detrimental to finding a quality resident. You may lose as much as 50% or more of the potential target market for your home by not being willing to accept pets.

We will require an additional refundable pet deposit and require that the pets be within the limits of our policy.

Handling of Security Deposits for your property

State law dictates to the industry how to handle security deposits. The deposit belongs to the resident and is legally their property throughout the term of the tenancy. The only opportunity we have to capture any of the deposit is in the thirty-days immediately after the tenancy has ended and then only for any unpaid sums or damages that are as state law describes "above and beyond normal wear and tear".

State law does not allow any property owner to charge any residents any sum for anything that is considered just simple normal wear and tear. For example, that may mean that we cannot charge a former resident for any of the cost of painting the house to make it ready for the next resident. Normal Wear and Tear is best defined as "The inevitable physical decline of the condition of a property from time and usage. Normal wear-and-tear increases over the useful life of any property or asset. It results from normal usage by its occupants as well as from weather and other natural forces that surround it."

We are committed to ensure that all residents honor all parts of the lease and that they return the property with no damages that would be "above and beyond normal wear and tear". If there are any maintenance issues or damages that are chargeable to the resident, we will deduct those sums from the deposit before returning any balance to them.

Final requirements to your property prior to lease signing

Once the applicants are approved, and before any lease is signed, there still are a few final tasks that must be completed in the make ready process.

These include but are not limited to the final yard maintenance, lock rekeying, touch up clean, checking smoke detectors for proper operation, and making sure all owner possessions are removed from the property.

Required Forms at Lease Closing for your property

We have a system for finalizing the leasing process that is unique to our area. We set an appointment with residents to come into our office, and we conduct a "lease closing" with them. It is very similar to the process you went through when you purchased the house.

We utilize this time not only to just go over the lease, but we also use it as an orientation time to review all of the policies and procedures that they must abide to during their time with us. All monies due to begin leasing any property with Premier Real Estate Management: Real Estate Brokerage must be paid in certified funds by cashier's checks or money orders. Our insurance does not allow us to accept cash.

Along with the lease, we will be taking care of the lead based paint disclosure, a smoke detector addendum, the payment policy, the procedures for maintenance of your property, a form to use when it is time to give their thirty-day notice, and the move-in inspection form. After the closing, we will be scanning and e-mailing you a copy of the signed lease.

Rent Collection Policy for your property

All rents are due on or before the first of the month, without exception. Further, regardless of holidays, weekends or acts of God, any rent received after 9 AM on the sixth of the month will incur a late fee. Otherwise, when mailing the payment we will use the certified U.S. postal mark date to constitute payment has been paid. Further, for any rent not received before the first business day after the ninth of the month, there will be an additional late fee incurred by the resident as well as the initiation of the eviction process, referred in the state of Alabama as a Dispossessory Procedures. This is a civil action in the State Court and Magistrate Courts in our area.

All costs of this process are charged to the resident. State law does not allow for any property manager to directly file the Dispossessory with any court. An attorney must be used to file and prosecute the warrant. Using our considerable joint buying power, we have negotiated some of the industry's lowest fees for an attorney who specializes in nothing but evictions! The court costs and attorney fees must be paid in advanced by the owner and are to be reimbursed by the resident when they pay the past due rent. The late fees are paid to the management agent as additional compensation for collecting past due rent. Our management fee is priced for you based upon the resident paying the rent to us at our office and on time.

If after move out, any past due rent or damages result in funds owed from the tenant to the property owner after accounting for all deposits, then Premier Real Estate Management: Real Estate Brokerage will place an open rental collection account on the credit files of all responsible parties to the lease. Doing so will make it more difficult for them to lease property from another professional management firm or to obtain a mortgage for buying a house.

Premier Real Estate Management: Real Estate Brokerage is not a post-occupancy collection agency. As such, we utilize the services of National Credit Services to post the collection account and pursue the amounts due the property owners. NCS works exclusively with the residential housing industry, primarily in apartments. They charge a very reasonable fee only on any amounts they collect.

Increased Tenant Renewal of Lease for your property

Another lesson learned from decades of being in this business is that for us, resident retention begins with our very first contact with them. We reinforce this regularly with our staff.

While you are legally our client and we do what is in your best interests, we must have excellent customer service to our joint customer, the tenant. For without that tenant, neither of us could be in this business. Therefore, we make sure we respond quickly to residents' questions, concerns and requests for maintenance. Our swift actions with maintenance during the tenancy benefit you two-fold ... not only to maintain the property at a reasonable level, but also to keep the residents satisfied during their tenancy.

Increased Tenant Renewal of Lease for your property

The management agreement sets the parameters in which we can operate on your behalf. Since you are the owner of the property, you have a legal responsibility under state law to maintain the house in good condition at your expense. You cannot expect the resident to pay for repairs that are not their fault.

Owners preauthorize us to perform up to \$175.00 of maintenance on the property without express consent. Anytime the cost per repair or sequence of repairs exceeds that amount, we must secure your permission. That is why we need to maintain your most current contact information. In the case of an emergency, we will use every means available to us to contact you. If we are unable to, for whatever reason, then we will only perform maintenance to the extent that is required to protect life and/or the property.

If the tenant does damage the property or in some way incurs costs for service at the property that are not your responsibility, then we will charge the resident the full costs possible under state law.

Please view within your Landlord Packet the online maintenance request form and the statement of policies that residents agree to when they sign their lease.

Residents can contact us during office hours and through our after-hours emergency voice mail system that we maintain 24 hours a day/seven days a week.

Routine Inspections of your property after signing of lease

Residents who lease single-family homes are generally looking for an experience that emulates home ownership, without all the responsibilities and long-term financial obligations. Many residents have lived in apartments previously, and are weary of the constant monthly intrusions into their home for inspections, and scheduled routine maintenance.

We recognize the need for vigilance to make sure your property is being properly cared for and, while balancing that with the market concerns for less disruption of the residents' homes. While we guarantee you at minimum, one full interior and exterior inspection by one of our agents per year, we also conduct informal inspections throughout the course of their tenancy. We manage so many properties in our service area that we are able to drive by the exterior multiple times during the year. If we see any issues that cause us concern, we will then schedule an inspection as soon as possible. In addition, the contractors we use to perform maintenance on the house will report back to us any issues that we should check into.

Getting Rent, Statements, and Receipts for maintenance of your property

The resident pays us the rent every month sometime between the first and sixth of the month. Most of these payments are by personal check. Since we deposit this check into an escrow account, we have to insure that the funds are present to reduce the possibility of bad checks. We also understand your need to get your money in a timely manner. Depending on the month, weekends and bank holidays, we will be either cutting a check to you or initiating a direct deposit into your account on or about the 10th of every month. Sometimes it can be as early as the 10th or as late as the 13th. The Federal Reserve rules state that we must allow two days for direct deposits to be credited into your account. If we initiate the direct deposit on the 11th, you should see it in your account two banking days later, on or after the 13th, depending on how the weekends and holidays fall. Paper checks are placed in the USPS mail with first class postage. It should take between 2-4 days for the majority of the continental US to receive first-class mail from our office.

Our firm has used the latest versions of Property Management Software to handle our extensive needs for database and financial management. We will post your monthly statement online in the company website secured Owner Portal, one operating statement per month, showing income minus expenses equaling cash flow. Additionally, we will scan and upload all invoices/receipts for all maintenance coordinated by our firm. Your monthly statements are posted online the same time the direct deposit is initiated.

For those that chose USPS mail, you will also receive a monthly operating statement once a month and it will include the originals of the invoices/statements. Your monthly statements are placed in the mail along with your proceeds check.