

AT HOME PROPERTIES

POLICIES

This section explains the policies and procedures we have implemented to protect your property investment and to provide you with the best possible service.

INSURANCE

In addition to your normal homeowner's Fire and Extended Coverage Insurance policy, we require that you maintain an "Owner, Landlord and Tenant" (OL&T) liability policy as well. This coverage protects the tenant, you and **AT HOME PROPERTIES** against a wide range of losses caused by unintentional hazards or unsafe conditions of your property.

We will need to have proof of insurance coverage while managing your property.

ACCOUNTING SERVICES

We pride ourselves in having the most up to date accounting system available. Our computer system allows us to provide services that would be difficult, if not impossible with a manual accounting system.

KEY POINTS

- Every transaction affecting your account balance is recorded and explained in detail. Accounting is done on a single-entry cash basis with a separate income and expense account for each property. If we manage more than one property for you, we will open another income and expense ledger in your name (in addition to the property ledger). This enables us to transfer funds among your properties. Each property always has its own separate and complete accounting records.
- Copies of all work orders and receipts are kept on file throughout the year. We will provide a duplicate copy of them with each monthly statement.
- As required by Internal Revenue Service regulations, we prepare and submit a 1099 MISC. form showing the total gross rent income that we collected on your behalf during the year. A copy of this form will be sent with your year-end statement.

RENT COLLECTION

All rent is due on the 1st of each month and is considered late if received after the 3rd of the month. Late notices are sent on the 4th and removal proceedings are initiated if the tenant does not make immediate arrangement. Late rents are subject to late fees and penalties.

MANAGEMENT FEES

Our monthly management fee is payable when rent is received. Fees are automatically deducted from your account at the time rent payment is posted. One of our jobs is keeping your property occupied. Management fees will not be charged while your properties are vacant.

VACANCIES

Vacancies are expensive for both of us. We make every effort to keep our vacancies to a minimum. We maintain an extensive computer database of the features that make your property special. This enables us to quickly produce an attractive listing of your property to be given to prospective tenants.

KEY POINTS

- Our computer system enables us to monitor our lease expiration dates carefully. We will not allow our leases to continue on a month-to-month extension without your approval. We will renegotiate the rent on a monthly renewal lease, if the market allows.
- Approximately 90 days before a tenant's Lease Agreement is due to expire, we will send a Lease Renewal Notice or a Move-out notice to the tenant. The Lease Renewal Notice explains our renewal procedures and any necessary rent increases. If the new lease is declined, the tenant is required to give a 60-day written Move-out notice. This prevents unexpected vacancies and gives us adequate time to prepare, advertise, and show the property. This will prevent needless loss of revenue.
- If a tenant chooses to vacate, the property must pass through checkout inspection. Only then will a tenant be released from the Lease Agreement and the security deposit returned. This minimizes the preparation and turn-around time. The inspection will not be made until the tenant has removed all furnishings and other personal belongings. The tenant is not allowed to re-enter the property once the inspection is complete.

- Approximately 90 days before lease expiration, we will notify you, either by mail or phone. This insures you have plenty of opportunity to plan for the upcoming lease.
- Vacancies are advertised until rented. We use the various forms of media that have been shown to be both effective and efficient in getting your property noticed. At times other promotional advertising may be needed; however, you, the owner, will approve any additional costs.
- We maintain careful control of your property while it is vacant. Agents must present a business card to sign out keys. We will not issue keys to properties that are still occupied except to authorized vendors for repair work.

LEASING

We want excellent tenants just as much as you do. We pride ourselves in our ability to attract quality tenants. Our extensive tenant screening and lease procedures help ensure this.

KEY POINTS

- Applicants are required to complete a Rental Application and provide credit information and references. We explain to all applicants that prompt rent payment will help maintain their good credit rating.
- Once a tenant's Rental Application has been approved, the property manager reviews and signs the actual Lease Agreement. We have found that personal attention greatly reduces misunderstandings and many potential problems. Also, this gives us a chance to answer questions, explain the tenant's responsibilities, and company's policies.
- Within ten days after a property is released to the tenant, the tenant must perform a move-in inspection, using the Inventory and Condition form. We find that this helps develop a good working relationship with the new tenant. At the same time, it gives us one more chance to encourage our tenants to take pride in their leased home. We do all checkout inspections ourselves.

PROPERTY INSPECTIONS

Protecting your investment property is paramount with **AT HOME PROPERTIES**. We do this in two ways. Our property management team frequently drives by properties we manage. Exterior inspections are very important because a property that is well maintained on the outside is normally being taken care of on the inside as well. In addition, we make thorough inspections of the property.

SECURITY DEPOSITS

As an additional protection, appropriate security deposits are always collected from a tenant. The amount of deposit is based on the monthly rental rate and the current market. Applicants with pets are required to pay an additional pet deposit plus a non-refundable pet fee.

All security deposits are kept in a special escrow account, as required by state Real Estate regulations.

REPAIR AND MAINTENANCE SERVICE

Timely, competent maintenance is important to protecting your investment. Our goal is to provide you with this important service, at a reasonable price, using only the most qualified vendors.

In addition, it is our aim to prevent major repair bills. We accomplish this through constant supervision, routine inspection, and regularly scheduled maintenance. We also educate tenants in proper home maintenance procedures.

KEY POINTS

- The Property Management Contract defines our maintenance responsibilities in detail.
- You may reserve the right to schedule and control all or a particular part of the repair and maintenance responsibilities.
- Before any repair or maintenance work is performed, the job requested is put in writing for review. The job is assigned and a work order is completed only after the Property Manager has approved the request. Our maintenance personnel will not perform unauthorized jobs requested by a tenant. Requests for maintenance work that is the tenant's responsibility, or for repairs caused by the tenant's negligence, will be charged to the tenant.

- We ensure the quality of the work performed by making spot checks and follow up inspections. Each job is fully documented in writing and backed with receipts by our comprehensive work order accounting system.
- Routine repairs and maintenance will be performed when we feel it is necessary, based on urgency and importance. For all major jobs, we will obtain written estimates from more than one company and notify you before we proceed. In emergencies when we cannot reach you, we will notify our insurance company (if needed), take pictures, and act on your best behalf.

ADDITIONAL NOTICES

Fair housing laws require the Property to be shown and made available for lease to all persons without regard to race, color, religion, national origin, sex, disability, or familial status.

We hope this information helps you to understand that property management is a highly specialized, multi-faceted sector of the real estate profession. The primary function of a property manager is to achieve the objective of the property owner while preserving or increasing the value of an investment property. Achieving the greatest net income for you over the life of your property is very important to us. Through our excellent management program and our ability to generate timely and comprehensive reports, we know that our skills will take the work off of your shoulders, leaving you time to enjoy the rewards of your investment. This is our commitment to you as our client. Please contact Lynn Powell at our office with any further questions.