

Property Owner's Handbook



Our mission is to ensure that property owners have a competent and honest professional to manage their most valuable asset.



The purpose of this “Property Owner’s Handbook” is to assist you in understanding the basic services that Seven Hills Rentals, Inc. 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 “Management Agreement.” It is between the owner of the property and Seven Hills Rentals, Inc. All services, procedures, terms and conditions are established through this document. Seven Hills Rentals, Inc. is licensed and insured and conducts all business in accordance with federal and state laws and the Fair Housing Act. Seven Hills Rentals, Inc. does not discriminate on the basis of race, creed, religion, age, sex, familial status, disability, national origin or any other protected basis.

SEVEN HILLS RENTALS, INC IS AN EQUAL HOUSING PROVIDER.

“TAKES THE HASSLE OUT OF PROPERTY MANAGEMENT”

❖ Friendly Expert Staff

We have assembled a great team with over three decades of experience. Someone is always available to answer your questions. Our manager is 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.

❖ Comprehensive Tenant Qualification

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

❖ Computerized Accounting

We invest in advanced technology so that we can provide you with 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

Due to our large inventory, we are able to get you excellent prices and service for any maintenance and repairs.

❖ Owner Friendly Management Agreement

No restrictive clauses, hidden fees or costly termination clauses.

❖ Inspections

During vacancies we do weekly inspections. We also offer a detailed interior/exterior inspection with photos and a comprehensive report during tenancy. There is an additional fee for this service.

FREQUENTLY ASKED QUESTIONS

Do I need a property manager?

Yes

Real estate investors often underestimate the responsibilities of rental property ownership. Seven Hills Rentals, Inc. has been managing property for over two decades, and we know that successful property ownership requires maintenance, marketing, legal expertise, tenant screening, real estate acumen 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 Seven Hills Rentals, Inc. the answer?

Yes

It's true; whether you own residential or commercial property we'll handle it all. 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 checks
- ❖ Criminal and background checks available
- ❖ Tenant history verification
- ❖ Coordination of property maintenance
- ❖ Lease negotiation and execution
- ❖ Lease modifications and updates
- ❖ Lease termination and eviction
- ❖ Rent collection and distribution

How long have you been in business?

Seven Hills Rentals, Inc. has been in business since 1989, specializing in unfurnished residential property management.

Are you licensed and insured?

We are a Real Estate Brokerage Firm, licensed in the state of Georgia. We carry errors and omission insurance, as well as liability insurance.

What are your office hours?

We are open Monday through Friday from 8:00 am to 5:00 pm. We are closed for lunch 12:00 pm – 1:00 pm.

What about emergencies?

Someone on our staff is always on call seven days a week, twenty-four hours a day, in the event of an emergency.

Do you charge extra for coordinating maintenance or getting a unit 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 maintenance requests?

Non-emergency maintenance request must be made in writing to prevent frivolous requests. These can be made on our web site, mailed, faxed, emailed or dropped by the office.

Can we use our own handyman?

Yes, however he must be insured and have on file a complete W-9 in order for us to pay him.

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 insuring 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 owner's by the tenth of the month. We offer ACH deposit directly into the owner's checking account. We do not wait for tenant's checks to clear before issuing owner's checks. We have comprehensive easy to understand monthly and year to date reporting. At the end of the year each owner receives a 1099 and yearend statement which makes tax preparation easy for our owners.

What area do you service?

We manage properties in Rome, Lindale, Silver Creek, Armuchee, Cave Spring, and Cedartown.

Will you handle my short term or vacation rental?

No, our standard rental agreement is typically for one year, as this is our area of expertise. Our sister company, JFR Beach Rentals, manages vacation rentals in Panama City Beach, FL.

What do you charge?

Due to our success over the years, we have been able to keep our fees low. We charge 8% on the rents collected.

What types of properties will you manage?

We will manage single-family homes, duplexes, triplexes, townhouses, condos, storage warehouses, commercial space, and small apartment communities.

Can you deposit my checks directly?

We will be happy to deposit your payments directly and email the monthly statement to you.

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. They are price, location and condition. One of two factors without the third will cause a property to sit on the market longer. Our average marketing time is about 3 weeks to produce a qualified tenant and accept a deposit. Typically after accepting the deposit a tenant will move in within one week.

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:

- ❖ Numerous Internet Sites
- ❖ Our Rental List
- ❖ Yard Signs
- ❖ Tenant Referral Program

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
- ❖ FDLE sexual predators search
- ❖ Social Security number verification
- ❖ Credit check to determine how individuals handle their obligations
- ❖ Employment verification
- ❖ Rental check for previous 2 years
- ❖ Cross reference addresses from application against credit report

What happens after you accept a tenant?

Upon acceptance of the tenant we require that they give us the non-refundable security deposit to take the property off the market. They have exactly one week to sign their lease. Our leases are 12-month leases and have been provided to us by the Georgia Real Estate Commission. Leases are continuously updated to stay current with the changes in

local and state laws. Tenant responsibilities are clearly defined, giving us the ability to enforce lease requirements.

What happens if the tenant does not pay his/her rent?

A tenant's rent is due on the 1st and considered late after the 5th. We issue late notices (the required state collection tool for unpaid rent) by the 6th of the month. This notice requires them to pay their rent with a specific number of days after the date it was sent. In the event rent is not received by the expiration of the late notice, we file eviction against the tenant. This normally takes about seven days and costs the owner \$95.00 in court fees.

Are there any guarantees?

Just like the stock market, there are no guarantees. However, if you do your background checks you can minimize the risk substantially.

What repairs are the tenants responsible for?

Tenants are responsible for keeping their unit in good repair. AC filters are to be changed on a monthly basis. They must check their smoke detectors and change batteries regularly. Any clogged toilets, drains, jammed garbage disposals, abuse, misuse or neglect of the property are the tenant's responsibility. Owners are responsible if plumbing issues are a result of a crusted pipe or roots in the line. Pest control is a tenant's responsibility in single-family homes. Tenants are responsible for lawn care in single-family homes.

What is your policy on animals?

Whether or not to accept animals is always the owner's decision. However, we always encourage owners to attract the largest pool of potential tenants, so we recommend always saying pets possible. From there we can determine if the prospects are credit worthy and if the pet is something we would accept with an additional non-refundable pet deposit. Only small to medium sized, not-violent, common domesticated animals would be considered. Certain breeds of dogs are not acceptable because of liability considerations. 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 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 and funds begin making the unit ready for re-rental. This is always a good time to address any major improvements that need to be done.

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 town home 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 is the additional inspection you offer?

Overseeing all the maintenance, repairs, inspections and handling tenant relations as part of our regular management services. However, periodically an owner will request a comprehensive written report that includes photographs, a detailed rating of all components of the property and recommendations of deficiencies or recommended improvements. The cost of this service is an additional \$150.00.

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

- ❖ Carpets should be professionally cleaned and in good condition with no odors.
- ❖ Premises 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, we also suggest carbon monoxide detectors installed.
- ❖ Household rated fire extinguisher, properly serviced, and attached in the kitchen is strongly recommended.
- ❖ All light fixtures should have working light bulbs and globes 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 3 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 to be provided to Seven Hills Rentals, Inc.