



Florida Property Managers, Inc.

***4649 Ponce De Leon #400
Coral Gables, FL 33146***

305-831-2100 (Office)

"Because forming the right type of alliance in real estate means everything."

***SERVING MIAMI-DADE AND BROWARD AND
THE PALM BEACHES***

The Rental Owner's Hand Book

Powered by: *(Florida Property Managers, Inc.)*



Introduction

“Money clings to the protection of the cautious owner who invests it under the advice of individuals wise in its handling. The person who seeks the advice of wise individuals skilled in handling money soon learns not to jeopardize their money but to preserve in safety and to enjoy in contentment its constant increase.”

Our purpose for the “Property Owner’s Handbook” is to first help you, the property owner, better understand the administrative and management systems of ***Florida Property Managers, Inc.*** Second, it is to help provide valuable industry knowledge and insight. It is our pleasure to introduce you to our company and answer questions that involve our company or the industry as a whole. When property owners are provided with industry knowledge and tools, we have found it provides you with a greater understanding of the day-to-day operations of property management. This enables you to hold a property management company accountable for its performance, putting both parties on the same page and allowing for a greater working relationship.

Our business relationship is formed in writing between you, the property owner, and ***Florida Property Managers, Inc.*** through a document called the “Management Agreement”. All procedures, terms, services, and conditions are spelled therein. You should look solely to your individual “Management Agreement” for actual services rendered.

Our team in advance thanks you for taking the time to understand our business. We look forward to serving you and your business.



Florida Property Managers, Inc. IS AN EQUAL HOUSING PROVIDER.

Florida Property Managers, Inc., does business in accordance with the Fair Housing Act and does not discriminate on the basis of race, creed, religion, age sex, familial status, marital status, disability, color, national origin, sexual orientation or any other protected classes.

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Florida Property Managers, Inc. Makes Investing & Owning Rental Property Easy

How?

A big part of success in real estate, and in business in general, means forming the right types of alliances. Alliances increase strategic positioning and are used as a method to increase strengths, helping those parties involved reach their goals more efficiently and at a much quicker pace. At ***Florida Property Managers, Inc.***, we are committed to this philosophy. In fact we built our name on it.

1. Comprehensive tenant screening & qualification.

One of the most powerful ways to reduce late rent, problem tenants, and evictions is through proactive tenant screening. All prospective tenants will be screened using our industry leading tenant screening program. Our screening is one of the most comprehensive in the nation, including credit, criminal, National Sex Offender, Terrorist Watch, Bankruptcy, and more.

2. Efficiency through property management software.

Property management software is a cost saving tool for a rental investor owner. It provides accurate, efficient tracking of rents collected, late rents, vacancies, maintenance costs, and more. AppFolio is the software of choice for our company. AppFolio separates itself from other Customer Relationship Software programs because it is designed around rental properties. While off-the-shelf accounting management programs may provide a balance sheet, profit and loss statement, aged receivables and other financial reports, they do not include property-related reports such as a rent roll, vacancy listings or lease expiration reports. AppFolio combines modern accounting and property management features to provide our team, and you, with an all-inclusive solution. This enables us to provide you with a wide range of detailed reports that will better enable you to track the performance of your investment.

3. Easy communication.

Available by telephone, fax, mail, email, or personal appointments our team is always ready to assist you.

4. Experienced service personnel.

Maintenance, repairs and other services are always performed by licensed and insured vendors. As part of our team's training, we can better monitor the work of vendors and also to implement our preventative maintenance program.

5. Detailed property inspections.

We can provide, as a special service, written comprehensive inspection reports including photos or video of your property during tenancies and after.

6. Free Consultation and training.

We provide you with advice about how to evaluate potential rental areas, how to invest in rental properties, and how to prepare your property for rent.

7. Owner friendly management agreement.

No restrictive clauses, no hidden fees for services, no difficult termination clauses. We provide an easy to read and understandable Management Agreement.



Why Hire *Florida Property Managers, Inc.*

► **What makes *Florida Property Managers, Inc.* different than any other?**

This is a very common question and we provide a very easy answer. Our team is the most well trained staff in the business.

Brian Meyerowitz, owner of *Florida Property Managers, Inc.*, trained at the exclusive Landlord Academy™. His training coursework includes:

Professional Property Management Certification (PPMC) and Professional Property Management Executive (PPME)

► **Do you need a Check Up?**

As an investor, you may also take part in our Rental Portfolio Checkup, an analysis designed to specifically evaluate your rental portfolio. We then strategically plan out your investment strategy according to the current real estate market conditions.

You may also choose to have your investment portfolio looked at from a legal standpoint. We can refer our owners to one of the leading law firms that specialize in asset protection. They can evaluate and/or create corporate entities that may be used to protect your real estate portfolio.

► **What types of properties does *Florida Property Managers, Inc.* manage?**

We primarily focus our services in the residential single family, duplex and small-midsize multi-family properties. This does not exclude our services for providing management to select commercial properties.

► **What are the office hours of *Florida Property Managers, Inc.*?**

We are open for business from 9:00am to 5:00pm weekdays. We always have emergency services available on nights and weekends.

► **How does *Florida Property Managers, Inc.* handle emergencies?**

A big part of good landlord-tenant relations is availability and a timely response. We have a preferred list of service vendors who will respond promptly to all emergencies.

► **How does *Florida Property Managers, Inc.* perform our bookkeeping and reporting to property owners?**

With our specially designed property management software we are promptly able to send you detailed property reports periodically. Such reports are:

- Detailed profit and loss statement and comparison
- Fiscal year budget reports
- Detailed rent roll reports
- Late rent report
- Unit availability reports

► **Will *Florida Property Managers, Inc.* deposit an owner's checks directly into the bank?**

We will deposit your distribution check directly into your bank via electronic deposit, or mail your check directly to you.

► **How much does *Florida Property Managers, Inc.* charge for management services?**

We have several services available to fit the needs of any rental owner. You can pick and choose which services you need us to handle for you. Our fees are competitive in the market place; we charge a small percentage of the monthly rent as a management fee.

There are a lot of property management companies that will advertise lower fees, but offer inferior services and often have hidden costs. Keep in mind, "*there are some who know the price of everything but the value of nothing.*"



Frequently Asked Questions About Qualifying Tenants

► How does *Florida Property Managers, Inc.* qualify prospective tenants?

Florida Property Managers, Inc. uses one of the most comprehensive tenant screening services in the nation. Powered by TransUnion SmartMove (TM), this screening program will evaluate the following areas of a prospect tenant's background:

- Full Credit Report with credit score
- Complete Background check
- Identity Verification
- Criminal background check
- Sex Offender Database check
- Income to rent ration analysis

How long will it take to qualify an applicant?

Depending on the level of screening, the process could take as little as 15-20 minutes or it could take as long as one business day. For commercial tenants a bit longer. Our team is trained in techniques to close a deal quickly, even if approval is still pending.

What if additional persons move into the rental property?

This is a common and costly problem rental owners face. If an unauthorized person moves in, a property "notice to cure" will be served requiring this person move out or be added to the lease. (After completing an application and being approved through our tenant screening process.) Failure to comply can result in the termination of the Lease Agreement.

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

This is the most frequently asked questions by owners and the subject of greatest concern. The answer is that when a tenant fails to pay the rent and remains in the rental unit, we begin the process to quickly have the tenant removed. Our trained team knows how to file the Florida required legal notices to prepare for an eviction process. We work closely with premier and experienced eviction attorneys to not only make sure you receive fast, excellent service but competitive fees.

How likely is it that an eviction will occur?

Although we can never be 100% certain, the superior property management training our staff receives, coupled with our experience, industry leading management systems and tenant

screening programs, has actually shown that evictions will be experienced significantly less often than by owners self-managing their property or using other management services who do not provide the services we offer, by the trained team we have.



Operational Questions and Answers

What does *Florida Property Managers, Inc.* do when the rental becomes vacant?

To reduce out of pocket costs to the owner, we promptly conduct a move-out inspection of the rental premises. This allows us to make any appropriate claims against the security deposit for damages made by the tenant and then disburse the deposit accordingly. We immediately prepare the property for re-rent. This process is referred to as the “Punch Out”. This can include cleaning the carpet, painting the walls, etc. As soon as we are notified the unit will become vacant, we begin advertising for a new tenant. This is often the best time to address major repairs, improvements or upgrades to the rental unit if needed.

What kind of liability insurance should a property owner have?

If you are converting your personal residence to a rental property, you should discuss you’re your insurance broker the need to change your policy from a homeowner’s policy to a landlord’s policy (sometimes called a rental dwelling or dwelling fire policy). If your property is already a rental unit, you might have the right policy, but please check just to be sure.

If your rental property is in a condominium or duplex, please do not assume that the condo association policy for the community will adequately cover you or your property. It will not! You should have your own liability policy (separate from the association’s policy) to make sure that both you and your rental property are adequately protected.

If you do not know an insurance agent we can recommend local independent insurance agents who will be glad to recommend the appropriate policy for you.

It is the policy of *Florida Property Managers, Inc.* that you, the owner, request your insurance company add *Florida Property Managers, Inc.* as an “additional insured” to your policy. Most companies make this addition at no additional charge. Some companies have a policy against adding coverage for management agents to your policy. In these cases *Florida Property Managers, Inc.* reserves the right to charge the owner’s account once each year a nominal

insurance charge (\$50 for each unit) when we are not covered under the owner's policy as an "additional insured."

What is *Florida Property Managers, Inc.*'s Rental Inspection Program?

In addition to overseeing maintenance, repairs and handling tenant relations as part of our regular management responsibilities, we can conduct an annual inspection of the visual interior and exterior of a rental property's property, complete an inspection report and provide a copy of the report to you the owner. Due to the complexity of the inspection the annual inspection is not a part of our normal management services. For a reasonable investment, we gladly perform these very important services. Commercial fees are based on a per project basis.

What if a tenant does not comply with the Lease Agreement or Rules and Regulations? As an Investor/Owner you can expect our normal Property Management procedures to include:

- Our team (through guidance of counsel) will serve any applicable legal notice under Florida Landlord Tenant Law to ensure compliance with the Lease Agreement.
- Our team will make a follow-up visit to the rental property to determine whether or not the tenant has complied in a timely manner to any and all notice or letters, delivered by us.
- Our team personally delivers all notices and letters including the 3-day notice (Florida's legal notice required before an eviction for a non-payment of rent can be filed.)
- Our team also works with the top landlord tenant eviction attorney's in Florida. They will assist in any eviction action taken against a delinquent or non-complying tenant. This procedure will always be done in a timely fashion, unless directed by the owner to allow a delay.

Reporting to owners.

As an Investor/Owner you can expect our normal Property Management procedures to include:

- Our team will timely prepare and email a copy of any and all comprehensive statements along with the owner's distribution check.
- Our state of the art property management software allows for many useful, detailed reports. Our team will email the owner key reports they request once a month.
- We will deposit your distribution check directly into your bank account if we have mutually agreed in writing to do so.

- Our team will also send 1099 income Form and Profit & Loss statement at the end of each calendar year to assist you in your tax preparation.

What about maintenance and upgrades?

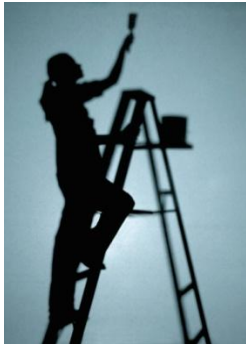
As an Investor/Owner you can expect our normal Property Management procedures to include:

- Our team will consult with you, the property owner, in advance regarding any expenditure above the contractual threshold, **unless it is an emergency affecting the safety health of the tenant, or the integrity of the property.**
- Arranging and authorizing services, necessary to maximize the property's appeal to prospective tenants, thus expediting leasing and minimizing vacancy time. Examples would include: utilities, maid service, carpet cleaning, lawn service, pool services, painting and minor repairs.
- We also will only use properly licensed and insured vendors who are highly qualified and have experience dealing with the rental industry to perform the work on your property.

We comply with local state and governmental regulations.

As an Investor/Owner you can expect our normal Property Management procedures to include:

- We comply with local, state and federal FAIR HOUSING laws and ordinances.
- We comply with FLORIDA STATUTES LANDLORD TENANT LAW.
- We also comply with U.S. EPA requirements regarding lead-based paint disclosure.
- We also comply with all other applicable laws and ordinances, whether local, state or federal, that may affect the management of residential rental property.



How to Prepare Your Rental Investment Property for Rent

- Carpet should be professionally cleaned and in good condition with no pet odor.
- Premises, interior and exterior, should be in “move-in clean” condition.
- All windows and sliding glass doors should operate and lock properly with screens in good condition on all windows and sliding glass doors.
- All appliances and other systems related to the premises should be clean and in good condition and repair: stove, refrigerator, stove, dishwasher, microwave, garbage disposal, air condition(s), heater(s) central heat/air system, automatic garage door opener, etc.
- All plumbing and plumbing fixtures should be in good repair and working properly.
- All bathroom tiles should be in good condition with no loose tile and all cracks, corners, etc. properly caulked or grouted.
- Kitchen and bath counter tops and back-splash boards should be in good condition and seams properly caulked.
- Window treatments drape, horizontal blinds, vertical blind, shades should be clean and in good working condition.
- All electrical outlets, switches should be in good condition and have cover plates.
- Interior paint should be newly applied.
- Smoke alarms properly installed in bedroom areas and in proper working order.
- Household rated fire extinguisher on the premises and properly serviced.
- All light fixtures should have light bulbs and be in proper working order. Ceiling fans, if any, should be clean and in proper working order.

- Lawn should be clean, grass cut, edged & trimmed, shrubs trimmed, and irrigation system (if applicable) in good working order. *(This is essential to the 'Curb Appeal' of the property which directly impacts the speed of leasing.)*
- Well water system and any water softener system, if applicable, should be in good working order with appropriate chemicals added at proper levels.
- House numbers three inches high should be properly displayed on the front of the house or apartment unit as well as any street side mailbox
- Roof should be in good condition with no leaks.
- All debris, trash and/or discards should be removed from the rental unit premises, including from the attic.
- All exterior door locks should be changed after last occupant. Each exterior door should have an entrance lock and a single cylinder deadbolt lock.
- Exterior paint should have good appearance with no significant fading, chalking, weathering or peeling.
- Copies of all warranties, services contracts, and termite and/or pest control contracts should be provided to ***Florida Property Managers, Inc.***



Get Started Checklist!

The following is a list of items we will need to begin management of your rental property:

- A signed Management Agreement by all owners of the property.
- If applicable a completed Lead-Based Paint Hazard Disclosure form. This form only applies to homes built before 1978. Disregard this form if your property was built after 1978.
- All Keys pertaining to the rental property, i.e. house keys, pool keys, garage door opener remotes, and gate entry cards and /or remotes to the community. Four (4) sets of keys are ideal. If you don't have that many keys available we can make duplicates. For liability and security reasons, if the rental property has been occupied either by the owner or a tenant all locks should be re-keyed before a new prospect tenant moves in. Please do not duplicate keys unnecessarily.
- A copy of the Home Owner Association or Condo Association Rules and Regulations where your property is located, along with the name and address of the governing association will be needed. (Disregard if your property is an apartment complex.)
- A copy of your insurance policy naming our company as an additional insured. The "Insurance: Owner's Liability" form letter at the back of this packet is provided to help you in making this request to your insurer. Please complete the form and send it to your insurance agent at your earliest convenience. Please return written confirmation that our company has been added as an additional insured to us.
- If applicable, a copy of any current Lease Agreement and Assignment from previous landlord to our company. Please provide tenant names, and contact information.
- If applicable, security deposits for any existing tenants or written information on where this deposit is being held.
- A completed and signed W-9 form providing your Social Security Number or Taxpayer Identification Number, or other applicable taxpayer form (i.e. W-8, 4224) for non-U.S. citizens.
- A check to fund the rental trust account. The amount will depend on the type of unit. Please make check payable to **Florida Property Managers, Inc.**
- A completed "Authorization for Automatic Deposits" form with voided check attached, if you wish to have your funds electronically deposited into your bank account each month.

Thank you, we look forward to developing a successful strategic alliance with you!

Brief Closing

Thank you for allowing us this time to introduce our revolutionary new property management company to you. We hope this Rental Owner Hand Book has helped you better understand how to evaluate a property management company, as well as provide you very important industry knowledge. At **Florida Property Managers, Inc.** our main focus is to maximize your income and minimize your expenses through a strategic alliance between you and our team.

We would consider it a privilege to help you continue to grow your real estate portfolio.

Let's get started!

To move forward:

1. Please contact us at: 305-831-2100
2. Begin completing the Get Started Checklist on the next page.

And remember,

“Money clings to the protection of the cautious owner who invests it under the advice of individuals wise in its handling. The person who seeks the advice of wise individuals skilled in handling money soon learns not to jeopardize their money but to preserve in safety and to enjoy in contentment its constant increase.”