



PROPERTY MANAGEMENT **CONNECTION**

Owner Quick Reference Sheet

Quick Reference

PMC Office: 615-840-2845
9 AM to 4:30 PM Central Time
Monday to Friday

E-mail:

Questions: owners@pmcnashville.com

Notices: notices@pmcnashville.com

We respond to e-mails and phone calls based on level of urgency. Normally we respond to all inquiries within one business day but in high volume times, a slight delay may be experienced. We appreciate your patience, especially on Mondays and the first few days of the month.

List of topics are in alphabetical order. This information only applies to properties on our Investor and Full-Service management plans.

Annual Property Survey

As part of our management fee, we perform an annual property survey on your home. The survey is a visual inspection for safety issues and water leaks. There is not a charge for the survey. However, if repairs are necessary, a charge would apply for the repairs. This visit is not an inspection – for more information see “Inspections” below.

Blinds

All windows in a property should have appropriate window coverings. Normally, we install 2-inch faux wood on all properties with monthly rent of more than \$1,200 per month and aluminum mini-blinds on properties less

than \$1,200 per month. For extra-large windows, we'll often install a curtain rod and the tenant is responsible for providing curtains.

Cleaning - Regular

Prior to each tenant move-in (including the first tenant), PMC utilizes a cleaning company to perform a regular house cleaning. The price varies on house size and property condition, but most cleanings are between \$125 and \$150. Under our Pet Policy, if the prior tenant had a pet the cost of this cleaning is deducted from the tenant's security deposit. Even if the house was cleaned prior to PMC placing the first tenant, we still have the house cleaned as homes tend to dirty during showings to prospective tenants and the make-ready process.

Cleaning - Carpet

Prior to each tenant move-in (including the first tenant), PMC utilizes a cleaning company to perform a carpet cleaning. The price varies on the amount of carpet in the house, but most cleanings are between \$125 and \$150. Under our Pet Policy, if the prior tenant had a pet the cost of this cleaning is deducted from the tenant's security deposit. Under the lease terms, the prior tenant may be partially or fully responsible for this cost if they rented the home for less than two years. If the carpets were cleaned prior to PMC placing the first tenant, we will waive the carpet cleaning upon the owner's submission of a receipt for carpet cleaning that we can provide to the new tenants.

Eviction

(see also, "Late Rent")

Eviction is rarely necessary based on the success of our tenant screening policies. We anticipate filing eviction on less than 1% of tenants we place in properties that rent for more than \$1,200 per month. Eviction can be costly for owners and we offer the optional Eviction Protection Program for owners. For more details about when we file for eviction, ask our office for our "Late Fees & Eviction Policy."

Handyman

PMC employs a full-time staff handyman. This professional performs most work that doesn't require a specialized license (plumbing, electrical, HVAC). We charge \$60 per hour for clients on our Investor plan and \$75 per hour for clients on our Full-Service plan. There is a minimum charge of 1.5 hours per service call.

We pass along the cost of supplies at actual cost (no markups). PMC is a licensed home improvement contractor by the State of Tennessee licensed to do work up to \$25,000 in value. We are also fully insured for our work.

HOA Notices & Fines

If you receive any HOA notices, warnings, or fines, please promptly e-mail it to notices@pmcnashville.com so we can notify the tenant and, if necessary, collect the fine from the tenant. If you do not forward us a warning notice and subsequently a fine is issued to the tenant, we cannot collect the fine from the tenant.

Home Warranties

We do not manage properties that are covered by a home warranty, unless that warranty is a Builder's Warranty on a new construction home.

HVAC - Air Filters

Tenants are required to change their HVAC air filters every 30 days. If the tenants do not change the filters, they will be financially responsible for HVAC damages caused by dirty filters.

HVAC – Tuneups

Our HVAC vendor performs spring and fall tuneups at all of our properties on the Investor plan. Owners with properties on the Full Service plan will be contacted bi-annually for the opportunity to opt-in to the HVAC tuneups. The current cost of each tuneup is \$59.95 per HVAC unit. We've experienced significantly lower HVAC maintenance and longer HVAC system lives since beginning these tuneups, thus saving our owners thousands of dollars.

Inspections

In Tennessee home inspections are regulated and must be performed by a licensed inspector. PMC is not licensed to perform a home inspection. If you would like a home inspection performed, we can provide recommendations for licensed inspectors and coordinate scheduling. The cost is generally between \$300 and \$500 depending on home size and choice of inspector.

Insurance

We require all tenants to purchase \$100,000 of liability insurance through our office. The policy covers accidental tenant-caused damages (such as kitchen fires or water damage). For more details about tenant, vendor and PMC insurance, ask our office for our "Insurance Information Sheet"

Keys

Each property is rekeyed before the first tenant moves in and between each tenant. We do not provide copies of the keys to the owner.

Late Rent

Do not panic if your tenant pays late. Five to 8 percent of tenants will be late on their rent in any given month. Remember, that tenants are generally not in the same fiscal position that you are as the property owner. We use industry best practices to ensure that we quickly collect late rent from tenants and avoid eviction. For more details about our policies, ask our office for our "Late Fees & Eviction Policy."

Lease Renewals

We begin the renewal process approximately 100 days prior to the lease expiration. We offer tenants renewal options varied in length from three months to 15 months. We use a standardized increase rate across all properties then add adjustments for short renewal durations and leases that would end in more difficult times of the year.

For properties on the Investor plan, we will automatically attempt to renew the lease. Therefore, if you wish not to renew the lease, please contact our office no later than 4 months prior to the lease expiration. There is no cost for lease renewals.

For properties on the Full Service plan, we will contact you to confirm you wish for us to renew the lease prior to us starting renewal efforts. There is a \$250 lease renewal fee for lease extensions of at least six months.

Maintenance

PMC maintains a strong group of maintenance professionals. All maintenance will be performed by one of our vendors. Due to liability purposes, we cannot allow a vendor on the property unless they have gone through our approval process. This also means that you or your friend who is a contractor cannot perform

maintenance on your property while PMC is contracted to manage that property.

Owner Statements

Each month we publish an owner statement which includes a statement of cash inflows and outflows along with copies of any invoices and work orders for the previous months. This is sent out 1 to 3 days after you receive your rent distribution. This statement should be considered an "interim" statement as this is sent out prior to reconciling bank accounts and deeper review of financials. We also ask that you do not try to generate financial statements off your owner statements as the owner statement does not provide enough details to generate accurate financials. For example, the owner statement does not break down how we refund a tenant's security deposit. We have robust accounting features and can send you detailed financials in Excel upon request that will save you significant time.

Pets

Contrary to popular belief, tenants with pets are a positive for a property owner. Pets are a profit center for an owner and tenants with pets have higher renewal rates and better rent payment rates.

PMC requires pets to be screened through a third party screening service, PetScreening.com

PMC's pet policy allows tenants to keep up to two pets with a total combined weight of less than 100 pounds. Properties on the Investor plan must conform to this policy. Properties on the Full Service plan may have further pet restrictions. Monthly pet rent varies between \$25 and \$75 per pet per month based on the screening results.

If the tenant has more than two pets or a combined weight of over 100 pounds, we will contact you for approval. If you approve, we

charge an additional \$500 security deposit. If a tenant has a pet, we take the cost of regular cleaning and carpet cleaning out of the tenant's security deposit at move-out. We also offer a Pet Protection Plan for owners that wish to transfer the risk of damage to PMC. For more details about pets, ask our office for our "Pet Policy."

Pools & Hot Tubs

Due to liability purposes we cannot manage a property with a pool or hot tub, unless the pool or hot tub is a community pool maintained by a HOA or similar organization.

Rent Distributions

Tenants must pay their rent by the 5th of each month to avoid late fees but depending on how weekends or holidays fall on the calendar, they may have until the 7th or 8th to pay. We wait 3 business days after the due date to allow funds to settle in our bank account. Then we'll send out a rent distribution to owners. Generally, you'll receive a deposit in your bank account the day after we send out the distribution. This is normally between the 9th and 12th of the month, but there have been situations where the distribution is later due to how the calendar falls.

Rent Ready

As part of ensuring a home is ready for a tenant to move-in, we send our handyman to the home to perform a "rent ready" maintenance visit. Depending on the size, condition and age of the home, a normal "rent ready" visit takes between 3 and 5 hours. When we take over a property for the first time, that inspection can take additional hours, depending on the property condition.

Refrigerators & Ice Maker

All properties should have a functioning refrigerator. Properties priced at more than \$1,200 per month should also have a functioning ice maker. The lack of a functioning ice maker will decrease the likelihood of renting the property.

Security Deposits

We collect an amount equal to one month's rent as a security deposit which is held in our trust account. Sometimes, we require a higher security deposit as part of our screening process.

Security Deposit – Disposition

At the end of the tenant's lease, a member of our staff will do a detailed walk-through of the home with the tenant to identify any damages. We use the information gathered in the walk-through plus the cost from performing repairs and "rent ready" to determine how much to withhold from a tenant's security deposit. State Law requires that we send tenants a disposition within 30 days of the end of their lease. Owners should be prepared to front the costs of repair damages as we cannot use funds from the security deposit until all the damages have been determined.

Smoke & Carbon Detectors

All properties managed by PMC must meet 2006 code for smoke and carbon detectors. If your property is older than 10 years old and an electrician has not updated your smoke and carbon detectors, it is likely that an electrician will have to update them. The cost depends on house size and layout. The average cost is about \$550 for a 3-bedroom home. Please note, most detectors that meet code cost around \$55 each. Therefore, while Lowe's/Home Depot sell detectors as cheap at

\$8 each, these detectors do not meet code and thus are not acceptable.

Utilities

Unless there's a special situation, tenants are responsible for the cost of utilities during the duration of their lease. PMC will transfer utilities into our corporate accounts with the utility companies between tenants. The owner is responsible for the cost of utilities during vacancy. Most utilities charge a small fee (i.e., \$15 to \$25) for a transfer. Some companies do charge a large fee and/or deposit though (up to \$350 for houses served by Middle Tennessee Electric).

Visits to Property by Owner

Owners should not attempt to visit the property while the tenant is in place. The tenant has a legal right to a "peaceful" enjoyment of their property. Even though you own the property, under Tennessee state law, you've given up certain property rights by leasing it out. If you wish to visit the property while it's vacant, please contact our office for a lockbox code.

Washer & Dryer

Generally, we recommend that townhomes and condos have a washer & dryer provided by the owner for tenant's usage. Also, we generally recommend that tenants provide their own washer & dryer for single family homes.

1099

A 1099 will be issued in January covering the prior calendar year. The 1099 is issued on a "cash basis" and will include any rent paid by the tenant during the calendar year. For example, if the tenant pays January rent on December 31, the 1099 will reflect the January rent. Please contact your tax professional on how to properly reflect rent on your tax return.