

Frequently Asked Questions



Thank you for choosing our firm to help you manage your investment. Below is some basic information about our company and our process so that you know what to expect from us.

- **How do I get started?** – Our start up is pretty simple! You will be receiving a few documents to fill out and sign in order for us to manage your home. The first document is the Property Management Agreement. This is the contract that allows our firm to represent you in a Tenant-Landlord relationship. It details our duties to you and the price we will charge. With this agreement, we do have certain rights to make decisions about your property as it relates to a tenant.

The other documents you receive are the Owner Information Sheet and W-9 tax form. The tax form is necessary since your rental income is taxable. We will send you a 1099 at the end of the year for reporting.

Our agreement requires you to keep an Owner's Reserve of \$250 with our firm. We will use this money to pay for your home's utility bills, \$40/month advertising costs (while the home is vacant), mowing bills if applicable and any other repair costs when needed. We will replenish this reserve with the first months rent income so you always have the reserve. You can supply this with a check or upload it to your owner's portal once we have you in our system.

- **Where do you advertise?** – Technology is the best tool in today's real estate market. We advertise on several major websites including MLS, Zillow, Trulia, Rentals.Com and dozens of smaller sites. Our staff does a great job with taking photos of properties so that your home's ad looks professional and inviting.
- **How do you qualify a tenant?** – Our basic criteria for all applicants for any home is the same. The potential tenants must have 3 times the monthly rent as income, no felony convictions in the last 7 years, good rental history and credit scores above 500. Questionable credit scores will require a double security deposit. Since we must treat each applicant the same, you as the owner will not be able to set your own criteria. You will also not be able to preview or approve applications. We will consult you if the potential tenant has a special request, has pets or wants to negotiate the rent amount.

- **Do I sign the lease?** – Shearer Realty agents will sign the lease on your behalf. This is part of our management agreement that we provide the service of handling all the documents between you and the tenant! You will receive a blank copy of the lease we use for your review. There are sections that we can modify to meet specific needs of the property or the owner.
- **How do you handle maintenance?** – Our staff will coordinate repairs for your home when needed. When a tenant calls in or fills out an online request, we create a work order and assign a vendor to handle the request. All of the vendors we use are qualified, licensed and insured. You are welcome to use your own vendors if you would like. In this case if a request comes in for your home, we would contact you with the maintenance request. We then pay the vendors from the rent money that is collected or we may ask you to upload funds to pay for the bill. We do not charge extra for coordinating maintenance nor do we mark up the price from our vendors. What they charge is what you pay.
- **As the owner, how do I get paid?** – We do electronic deposits straight to your bank account. Rent is due on the first of the month with a 5-day grace period. Once the rent is paid, we pay any outstanding bills for the property first. You as the owner will be paid between the 7th and 10th of each month. So as long as your tenant pays on time, you get your rent money quickly. If your tenant pays later than the 10th, we do a second electronic deposit in the 3rd week of the month.
- **What if the tenant doesn't pay?** – We send late letters out on the 6th of the month that has a 3-day demand for payment. If the tenant does not pay by the 9th, we can file for eviction on the 10th. We will appear in court on your behalf and take additional action as needed until the tenant pays or vacates the home. The court fees and court appearance fee are charged back to the tenant.
- **What happens when the tenant moves out?** – Our staff will visually inspect the home when the tenant vacates. We will create a spreadsheet of repairs and will provide you with photos from the inspection. We also coordinate vendors to provide estimates for any work needed and work quickly to get the home repaired to minimize vacancy time. We will then calculate any charges against the tenant's security deposit and send the accounting to them within 30 days of the lease ending date.