



We specialize in managing:

- Single-family homes
- Condominiums
- Home Owners Associations
- Townhomes
- Multi-Family

OWNER'S MANUAL

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WELCOME

We Specialize in Property Management

Thank you for choosing Empire Realty & Management, Inc. (ERMS) to manage your investment. We are aware that you had many choices and we appreciate that you have selected us as your property management company.

ERMS works to achieve the highest level of professionalism in property management services. Therefore, we have prepared this owner's manual to assist you in a successful business relationship with our company. We urge you to take the time to review the information enclosed. We feel this will further clarify many of the procedures for our Property Management services. Please contact us immediately if you have any questions, using the company contact information provided in the following pages.

Special note: the information provided in the Empire Realty & Management *Owner's Manual* is subject to change. Landlord/ tenant laws, personnel, policies, and procedures change from time to time. ERMS works diligently and continually to improve services and personnel training and remain current with all landlord/ tenant legislation.

Once again, thank you for choosing ERMS as your property management company. We look forward to a successful business relationship.

EMPIRE REALTY & MANAGEMENT SERVICES INC.

Empire Realty & Management Services is a property management company operating in Kissimmee, FL, specializing in full-service property management. The company began operating in 2013 and is actively involved in the Kissimmee community. ERMS is an abbreviation used in lieu of the full company name, Empire Realty & Management Services, and will be used throughout the *Owner's Manual*.

ERMS mission statement

The mission of ERMS is to work with our clients real estate needs by providing professional and personal assistance. We ensure that our customers' best interest is always treated with the utmost importance.

GETTING STARTED

Initial site visit

ERMS property manager must visit your property before we can price it or agree to manage it. The site visit must include interior access.

Proposal

Immediately following the initial site visit, ERMS will prepare a proposal consisting of a market rent survey of rents for comparable properties in the area, a draft management agreement, and various property intake forms. We will deliver these documents to you by email attachment.

The management engagement begins

We must receive two things to begin the management engagement:

- A signed management with intake documents completely filled out.
- 3 sets of keys (two for the new tenants and one for our office).
- Mailbox keys, storage keys and parking space number, garage door openers etc.
- Payment information sheet (Bank information for rent deposit)
- Copy of the Home Owners Documents

Property survey

When we have received the management agreement and all information regarding the property, we will survey the property. ERMS does this to ensure that we can accept the risk of placing a tenant in the property and that the property is ready to market. When we survey the property we will:

- Test all electrical circuits
- Verify that all light fixtures work and have light bulbs
- Verify that all appliances are in functioning condition
- Verify that the air conditioner works
- Verify that all plumbing fixtures are in functioning condition
- Verify that windows are operable
- Verify that all utilities are turned on
- Look for obvious structural defects
- Verify that the property is in white glove showing condition inside and out
- Verify that the property meets ERMS requirements for move-in condition.

Necessary work is completed

After the property survey ERMS will send you a report of our findings. Sometimes, the property is ready to market and needs no work at all. Sometimes extensive work is needed. If work is needed, we will send you a list of repairs along with our bid to complete the work. You may choose to have ERMS complete the work or you may complete the work yourself.

The property is marketed

After the property is both safe for tenant occupancy and ready to market, we will take photographs, place a sign in the yard (if permitted by HOA regulations), and market the property.

OWNER DOCUMENTS

A copy of your management agreement with various intake documents is provided to you along with the EMRS *Owner Manual*. Refer to it as needed and keep it with this information for a handy reference.

It is important that ERMS receive all critical information as we begin management. You may have completed the documents listed below. If not, we need you to fill out and return the following documents.

Management agreement

Under Florida law we cannot manage your property unless authorized by you to do so in a management agreement.

Owner information

This information enables ERMS to set up your account.

Electronic banking authorization

This form enables ERMS to send your funds directly to your bank.

W-9

This form enables ERMS to send you a Form 1099 for preparation of your taxes.

As management continues, information can change. We have included several forms for your convenience. These forms and a copy of this manual may also be downloaded from the Owner page on the company website.

Change of owner information

Notify ERMS of any important change when it happens – address, telephone, fax, email, etc.

Owner work order authorization

For larger projects, this form authorizes us to perform specific work on the property.

Owner vacation notice

Notification to ERMS when you will be unavailable for more than two weeks so that ERMS is prepared in the event of an emergency.

ERMS COMMUNICATION

Communication is a key to success in any relationship and the ERMS/Owner relationship is certainly not an exception. We work constantly to improve communication with all of our clients and prospective clients. This includes everyone – owners, tenants, applicants, vendors, buyers, sellers, and the public.

Company communication

On the next page, you will find all general office information such as addresses, telephone numbers, email address, website, and office hours.

ERMS staff members communicate by:

- Telephone
- Fax
- Email
- Written correspondence

Company website

ERMS stays current with business technology. The ERMS website, www.empirerealtymanagement.com, has proved to be a tremendous asset. Here are a few of the benefits for clients on the ERMS website:

- Prospective tenants can search our site for available rentals

- Prospective tenants may apply online.
- The majority of tenants pay rent online.
- Tenants may make maintenance requests online.
- Tenant forms, such as the tenant handbook and move-out procedures, are available online
- Each owner via email, fax or U.S. mail within 24 hours will have access to the management agreement, current leases, monthly reports, approved work orders, all invoices and receipts for which the owner is billed, and any photographic or written reports delivered to the owner.
- To pay for emergency repairs, owners may send ERMS funds instantly via the website by e-check or credit card.

General office information

Empire Realty & Management, Inc. Address information

Mailing address: 219 N. John Young Parkway
Kissimmee, FL 34741

Communication

Office # **407-438-7987**

FAX # **407-438-7988**

Email Info@empirerealtynmanagement.com

Website www.empirerealtynmanagement.com

Emergencies Call 407-414-9227

OWNER COMMUNICATION

Communication works both ways. It is important that you let us know any significant change that can affect your account. ERMS needs to know when you are moving, if you have a problem with your account, if your social security number has changed to a tax ID, or any questions or other important information. To assist in communicating any changes to us, we have provided the Change of Owner Information form with this manual that is easy to use.

Email

ERMS encourages all owners to use email to contact us. It is fast and effective. Please supply us with your email address on all the ERMS forms. We will enter your email address in our database.

Special note: When using email, we request that you put the property address in the subject line. This helps us identify the importance of your message and avoids oversights or deletions of messages.

Owner vacation notice

ERMS respectfully requests that owners notify ERMS of vacations that are two weeks or more. Another alternative is to inform your emergency contact listed on the Owner Information Form. The purpose in asking for this information is to ensure ERMS is prepared in the event of an emergency repair or major problem concerning the owner's property and/or tenant. A convenient Vacation Notification Form is available to download from the ERMS website on the "Owners" page.

OWNER RESPONSIBILITIES

A successful business relationship must engage both parties. At ERMS, we take our management responsibilities seriously and request that owners do the same.

Owner responsibilities are:

- Maintain property in a condition that is marketable and habitable.
- Notify ERMS of any ownership change or imminent owner change for the managed property. Supply ERMS with accurate information so ERMS can service the management account properly. Review statements monthly and notify ERMS of any discrepancies found as soon as possible. Review statements monthly for accurate or missing deposits and notify ERMS if there are problems immediately.
- Support Fair Housing Laws and guidelines, as well as all necessary legislation.
- Maintain a current insurance policy for the property.
- Review property insurance yearly and update as needed.
- Treat ERMS personnel with courtesy. Notify the ERMS principal if there are problems with ERMS personnel so they can be resolved quickly.

THE SCOPE OF PROPERTY MANAGEMENT

What is included in ERMS property management services

We want you to know what ERMS does for you as your property management company. Therefore, ERMS has outlined our policies and procedures in the pages of this manual. There are so many details to managing property that we can include only the highlights in this manual. If you have more questions, contact us.

What is not included in ERMS property management services

Some tasks go beyond the normal scope of property management and may require additional fees. The property management fee does not include providing on-site management services, property sales, refinancing, preparing property for sale or refinancing, modernization, fire or major damage restoration, rehabilitation, obtaining or giving income tax, accounting, legal advice, and representation before public agencies, advising on proposed new construction, debt collection, counseling, or attending Homeowner Association meetings.

If you have any questions on what is or is not included in property management, please let us know. We have more information on additional services later in this manual.

COMPANY POLICIES

It is very important in that professional property managers follow local, state, and federal legislation and guidelines. Our company takes pride in our industry and we further implement guidelines and policies of several organizations, such as the National Association of Residential Property Managers (NARPM), and the National Association of Realtors (NAR®). Additionally, we train all personnel by requiring them to read and follow the ERMS Employee Manual and the ERMS Property Management Policy and Procedures Manual.

The Florida Real Estate Commission requirements

The Florida Real Estate Commission requires licensing for all principals conducting property management and real estate sales in our state.

Drug-free policy

ERMS has a drug-free policy for all personnel, vendors, and tenants. ERMS incorporates this policy into ERMS rental/lease agreements, tenant, personnel, and vendor documentation.

Legislation

ERMS adheres to the laws and guidelines of federal, state, and local legislation, and incorporates this into all documentation, policies, and procedures. Here are some examples:

Fair Housing (HUD) - ERMS supports and follows Fair Housing laws and guidelines; the ERMS office displays Fair Housing signage.

Equal Opportunity - ERMS is an Equal Opportunity employer; the ERMS office displays Equal Opportunity signage.

SCRA Act – Serviceman’s Civil Relief Act, which has replaced the Soldiers’ and Sailors’ Act of 1940

URLTA - Uniform Residential Landlord Tenant Act

FCRA - Fair Credit Reporting Act

EPA – Environment Protection Agency

Lead-based paint

Lead-based paint became a major issue in the 1990s that prompted mandatory requirements for residential housing and continues today. ERMS follows all mandated federal and state guidelines for lead-based paint. All properties constructed prior to January 1, 1978 require disclosures to all tenants and owners. Tenants sign lead-based paint disclosures prior to renting a property and ERMS provides them with the required EPA Pamphlet, *Protect Your Family from Lead in the Home*.

Property owners and/or property managers must notify tenants, in writing, of any scheduled work necessary for lead-based paint on the property.

ANSWERS REGARDING FUNDS

ERMS recognizes the importance of accurately collecting and disbursing funds. The bookkeeping program used by ERMS is specialized software designed to handle the many facets of property management and accurate record keeping, and complies with the requirements of the Florida Real Estate Commission.

Money flow during the lease cycle

The first money paid out to ERMS is for a tenant procurement fee (per the management agreement). For the remainder of the lease, ERMS receives a % of the rent a month as agreed in the management agreement, as a monthly management fee and the owner receives the remaining balance of the rent, less any expenses ERMS has paid on the owner's behalf, usually for repairs.

Disbursement of monthly funds

ERMS disburses available funds to owners on the 15th of each month. If these dates fall on a weekend or bank holiday, ERMS issues funds on the next business day or the day before. If rent is received too late for owner funds to be disbursed on the 15th, the owner payment will be made on the following reporting period.

ERMS distributes owner funds by Automated Clearing House (ACH) direct deposit. Payments by ACH take two to three business days to post in our owners' bank accounts. Payments made on the 15th will post in the owner's account on the 17th or 18th of the month unless a holiday or weekend intervenes, this depends on the banking institute.

Monthly statements

On the 15th day of each month ERMS will email monthly reports and paid invoices, if any, to each owner. The owner can also log into the owner portal for real time information and will be able to review statement, invoices and any other owner information. If you have difficulty reading your monthly statement, please contact us.

End of year procedures

At the end of each year, ERMS is required to file 1099s for owner clients who receive income over \$600. Please note that this amount is for total income received, and not the yearly total of owner disbursements. The Internal Revenue Service dictates the total income received requirement. Security deposits are not included in this amount.

You will need to supply ERMS with your tax ID number (Social Security Number or EIN) so we can issue you a 1099; we include a W9 form with your management agreement for this purpose. ERMS will send you the 1099 by January 31 for the previous tax year. If there is a change in your tax information such as a changed address or a change in the entity that holds title to the property, please notify us with the Owner Change of Information form.

ERMS also issues 1099s for disbursements to vendors for payments over \$600.00. Therefore, owners do not have to issue 1099s for work completed and paid through the ERMS trust account. Owners are responsible for issuing 1099s to any vendor paid through the owner's personal account.

ERMS prepares a final year-end statement which reflects total amounts for income and expenses that have transpired throughout the year, such as management fees, leasing fees, landscape, utilities, repairs and maintenance, etc. The amounts will not reflect any funds issued through the owners personal account. Owners may submit their ERMS final year-end statement to their tax preparer along with other information for income tax reporting. ERMS does not issue

statements to the owner's tax preparers other than our 1099 and our final year-end statement.

RENTING YOUR PROPERTY

Preparing to rent the property

When prospective tenants view your property, ERMS wants the property to look its best and be able to compete with other rentals in the same area. A property maintenance report and rental market survey is completed. The ERMS management team will contact you to discuss the details of your property and any necessary maintenance.

Requirements for property condition

ERMS markets only homes that are in proper showing condition and are fully repaired. Before ERMS will market a home, the following requirements must be met:

- Carpets, if any, must either be professionally cleaned or appear to have been professionally cleaned.
- All interior paint must either be freshly painted or appear freshly painted.
- The home must be in broom swept condition.
- All major systems must be operating (electrical, plumbing, gas, HVAC).
- All appliances included in advertising must be installed and in operating condition.
- All utilities must be turned on.
- Landscaping must be in good condition.
- All work identified in the property maintenance report must either be completed (if owner completes the work) or fully funded and underway (if ERMS completes the work).

When a tenant moves into a home that is rent-ready, we have an opportunity to begin the landlord-tenant relationship with mutual respect and trust. On the other hand, nothing sets a tenant against the property, the owner, and the manager, more than moving into a home that is not ready. It can be compared to checking into a hotel room that has not been cleaned. The relationship with the tenant can become polarized and adversarial from the very beginning. When this happens, the landlord/tenant relationship frequently never recovers.

Tenants who rent with ERMS expect to take possession of a property that is ready to be lived in. ERMS is committed to delivering to tenants what we promise: a property that is move-in ready.

Why has my property been cleaned more than once?

ERMS often finds it necessary to clean a property more than once prior to tenant move-in, and owners sometimes ask why this is necessary. If the property was completely clean and move-in ready six weeks or six days prior to tenant move-in, how could it possibly need maid service again? Here are some of the reasons:

1. When a property is vacant for an extended period, dust enters and settles and the property simply becomes dirty again.

2. Various kinds of insects become more active at certain times of the year; spiders, for example, are very active in the fall. When a property is vacant, spiders, ants, cockroaches and many other kinds of insects will make inroads and cause the property to need cleaning.
3. Various small creatures tend to enter vacant homes and die. These may include insects of all kinds, lizards, rodents, and birds. Dead creatures in the home can be very upsetting at move-in.
4. Even if the home is shown only by ERMS staff, frequent showings and occasional use of the bathroom may be enough to create the need for cleaning. Imagine if a popular property were shown five times during a week of heavy rain to groups of people, many of whom use the bathroom.
5. If vendors have been in to repair the home, it may need to be cleaned again. In an ideal world, every vendor would leave a pristine home as clean as he found it. In reality, carpenters, plumbers, electricians, appliance delivery services and the like do not bring maid carts with them and are not prepared to do serious cleaning after they have completed the work they were hired to do.
6. In some cases, the owner has cleaned the home, and the owner's standard of cleanliness for move-in is lower than ERMS's standard of cleanliness for move-in. In the event of a disparity, ERMS's standard will prevail and the property will be cleaned again.

It is never acceptable to move a tenant into a dirty property.

Setting the rent

Supply and demand determine rent. If there are multiple rentals available in the area of your property, it is necessary to be very competitive. If very few are for rent in the same area, it will be easier to rent the property. Markets change and ERMS advises owners on the current rental market.

How long will the property be vacant?

This is the most commonly asked question ERMS receives from owners. Unfortunately, there is no way to predict how long a property will remain on the market, even in the best market conditions. However, ERMS works diligently to rent the property as quickly as possible. Bear in mind that the most important objective is to obtain a high-quality tenant. It is hard to overstate the high cost of a low-quality tenant.

MARKETING

Sign-age

ERMS displays 'For Rent' yard signs prominently, unless prohibited by neighborhood covenants, and each sign carries our office phone number and a QRC. Yard signs promote calls and website visits.

Internet marketing

ERMS prides itself on effective internet marketing. Each rental property is on our website, www.empirerealtymanagement.com. The ERMS website has rich information on each property with photos, property description, and instructions about how to request a showing appointment and how to apply.

In addition to our own website, ERMS markets properties on a variety of free websites. Please ask about specific websites on which your property will be advertised.

Print Media

ERMS has found that internet advertising is far more cost-effective than print media advertising. We do not recommend print advertising.

Showings and applications

The ERMS property managers conduct showings for each unit. Tenants contact us by email and telephone. We arrange showing times for your property in advance.

ERMS has a user friendly online rental application.

We are prepared to execute leases with approved tenants very quickly by fax and email. Using the internet, we have leased properties, sight-unseen, to qualified out-of-state tenants many times.

PROCESSING TENANT APPLICATIONS

Tenant screening

Thorough screening is crucial for successful property management. ERMS requires all applicants to fill out a detailed application and submit it for processing and approval.

For each tenant, we examine the following:

- Equifax credit report
- Nationwide criminal background report
- Nationwide report of previous evictions
- Employment
- Income
- Rental history

All applicants must submit verifiable information on their income to show that they can support the rent payment. Rental history or previous home ownership is carefully checked. The credit report, criminal background report, rental history, and proof of income together provide the criteria to qualify or disqualify prospective applicants. If a pet is allowed on the property, the screening includes the pet.

Cosigners

There are sometimes conditions that may warrant taking a cosigner on a property. For example, we have successfully leased homes to students who had well-funded parental cosigners. If this is the case, ERMS will notify the owner, discuss the reasons, and obtain owner authorization.

Pets

If an owner authorizes a pet, ERMS requires an additional non-refundable pet deposit in the amount of \$350.00 per pet.

Many tenants have or want pets. It is legal for property owners to discriminate against pets. You may wish to do so. However, whether you have or have not decided to allow a pet in your property, the ERMS application has a place for prospective tenants to list pets and how many. It is important to encourage full disclosure on pets while evaluating an application. If you do allow pets, ERMS will not place inappropriate pets in a property.

ERMS recommends to owners that when the property is on the market, pets are negotiable. This can solve two problems.

1. First, this encourages prospective applicant to disclose any pets. Then, based on the owner preference on pets, ERMS can automatically notify the applicant that the owner does not allow pets.
2. Second, by listing pets as negotiable, it avoids eliminating an excellent tenant who has an excellent tenant history and owns a pet that is suitable to your property.

Service animals

Service animals for handicapped persons are NOT pets by Federal law, and owners cannot discriminate against handicapped/disabled persons with a service animal. Fair Housing legislation does NOT allow owners or property managers to collect deposits of any kind for service animals.

However, landlords can still process applicants who are handicapped or disabled on the same criteria as other applicants: income, credit, and tenant history. If they fail to qualify in these areas, the landlord/manager can still deny the application, handicapped or not.

THE TENANT MOVE-IN

Rent and security deposits

ERMS requires payment of first month's rent and security deposit in certified funds. Tenants must pay a full month's rent and a security deposit, usually equal to one month's rent, prior to taking possession of the property.

Lease

Once ERMS receives funds, a lease with the applicant is completed. All persons 18 and over, including adult children, are required to read and sign the lease. If the accepted applicants are a foreign nationality and cannot read and understand the documentation, they must supply an interpreter of legal age for signing the rental/lease agreements.

Move-in inspection

A vital part of the rental agreement is a detailed move-in inspection performed with the tenant, documenting the condition of the property when they move in. Unless extenuating circumstances prevail, the ERMS leasing agent completes the move-in inspection with the tenant before the tenant takes possession of the property.

The move-in inspection documents the condition of the property. When the tenant moves out of the property, there is a sound basis for the security deposit refund.

Tenant education and preparation

Taking the time to prepare tenants for their residency is another step toward a successful tenant/landlord relationship. Additional forms that the tenants may need are available on the ERMS website. ERMS wants both owners and tenants to be well informed.

WORKING WITH YOUR TENANTS

Collecting rent

Rent is due on the first day of the month and late if received on or after the fifth day of the month.

When rent is not paid

If ERMS does not receive rent by the due date, ERMS prepares and delivers a demand letter. The demand letter notifies the tenant that their rent is delinquent and asks them to pay in full within three business days.

If ERMS receives the rent prior to issuing owner funds, ERMS does not contact the owner unless the ERMS management team determines there is an ongoing rent issue.

Evictions

If an eviction is necessary, ERMS handles every part of the process. We hire an attorney on your behalf to handle all Legal proceedings. The owner is responsible for the cost associated with the eviction.

Notices of violation

ERMS serves notices as situations warrant, such as a notice to clean up the landscape, a notice to enter the property, a notice to perform survey/inspections, a notice regarding an illegal pet, illegal tenants, etc. These tenant violations may be in the form of a letter or a legal notice form. Often, these notices are simply to correct minor tenant problems and most tenants comply. However, if necessary, ERMS contacts the owner with the information to discuss the situation.

Tenant problems

ERMS has years of experience handling the wide range of tenant difficulties that can occur. The ERMS policy is to obtain good tenants, eliminating many tenant problems. However, even good tenants can have problems. ERMS treats each problem with a common-sense approach, follows Florida landlord/tenant law, and uses the appropriate documentation. If the situation is serious, ERMS contacts the owner and works to find a solution for the problem.

MAINTENANCE

Preventive maintenance

The best approach to maintenance is preventive maintenance, and this is the ERMS policy.

First, ERMS has already started with educating the tenant by:

- Completing a detailed lease which outlines tenant responsibilities regarding

- maintenance as well as owner obligations
- Completing a move-in inspection documenting the condition of the property before the tenant takes possession
- Supplying tenants with the ERMS *Tenant Handbook*, which provides additional instructions on the care of the property and how to request maintenance

We want the tenant to know from the beginning of their tenancy how ERMS expects them to care for the property. This proactive approach can prevent costly maintenance.

Next, we use preventive maintenance techniques when work is required and utilize competent contractors. Often minor expenditures save the most money such as doorstops, new filters, checking appliances, testing smoke alarms, adjusting doors, window latches, deadbolts and more. Many small repair items can prevent maintenance that is more expensive.

It is equally important to keep up with maintenance while the tenant occupies the property. Often people think no news is good news; this can be just the opposite. Instead, delayed news can become very bad news.

ERMS Management will contact owners regarding maintenance above the \$350.00 limit that is listed in the ERMS Management contract unless the situation is an emergency.

Emergencies

When an emergency occurs, ERMS has policies in place for the property and tenants. ERMS notifies the property owner as soon as possible. The nature of the emergency determines the action needed by ERMS.

There are times when a property manager must act in order to prevent great financial risk to the owner. For example, when a property has flooded, action is necessary, particularly if the property owner is not immediately available.

WHEN THE TENANT VACATES

Communication with owners and tenants

Sixty-Days days prior to the expiration of a lease, ERMS notifies the owner in writing. ERMS asks for the owner's instructions: Shall we invite the tenant to renew for another year, or give the tenant notice that the lease will not be renewed? If we do not hear from the owner within two weeks, we assume the owner wishes us to renew the current tenant if possible. Sixty days prior to the expiration of a lease, ERMS invites the tenant to renew if the tenant's account is in good standing.

If neither the tenant nor the landlord gives notice of termination 30 days prior to the expiration of the lease, the lease will automatically renew with an increment of \$25.00 per the Lease agreement.

Notice to vacate

When there is a notice to vacate, the move-out procedures with tenants are as critical as when ERMS moves in a tenant. The preparation for this really began when the tenant moved in with a detailed rental agreement, maintenance exhibit, walk-through, and ERMS *Tenant Handbook*. All of these documents gave instructions to the tenant on how to move out.

Tenant move-out

ERMS conducts a walk-through similar to the one performed when the tenant moved into the property. ERMS records any maintenance required and discloses a list of damages to the vacating tenant. When the tenant moves the initial move-in form is utilized to document the condition of the property and support any deductions from the security deposit.

After assessment of the tenant move-out, ERMS advises owners of any tenant damages or any maintenance required to re-rent the property.

Security deposit refunds

Proper handling of the security deposit refund is crucial. Any tenant deductions are determined in a timely manner, and a security deposit transmittal is prepared in accordance with Florida law. Owners receive a copy of the transmittal with their monthly statement, showing any deductions and monies refunded.

Collections

If collecting damages is required, ERMS will refer the matter to a qualified consumer collection service at the instruction and authorization of the owner. ERMS management does not include recovering tenant damages, but leaves this to companies with expertise in debt collection. ERMS will supply consumer collection companies with the necessary documentation needed.

ADDITIONAL SERVICES

The following are additional services offered by ERMS to each property owner. They are not included in the fees for managing the property.

Annual inspection

ERMS maintains properties as part of their property management services. Prior to Lease renewal ERMS will coordinate an annual inspection with the tenant to determine if the property is being kept up to par by the tenant(s) and if the property is in need of any unreported repairs or if the property conditions such as exterior needs maintenance. This is a FREE service to all home owners.

Extraordinary maintenance

Property management normally includes only routine maintenance. Large repairs and renovations are outside the scope of typical property management. ERMS will bid out repairs when needed.

Real estate sales

ERMS specializes in property management and working with buyers and sellers. If the owner decides to sale the properties ERMS can help assist with the transition.

CANCELLATION OF MANAGEMENT

It is the goal of ERMS to satisfy your management needs and engage in a successful business relationship, but all things do change over time. Owners sell properties; people give notices. When this happens, the ERMS cancellation policy is to resolve your account in a professional, timely, and pleasant manner. Please review the following policies for cancellation.

Written notice

- The ERMS management contract accepts a 60-day written notice by either party.
- Your written notice must include your signature. You may convey this to us by U.S. postal mail, fax, or a scanned document by email attachment.

Notice to current tenants

- ERMS will notify current tenants of the date ERMS will no longer manage the property and that
- ERMS will forward all security deposits to the owner.
- It is the owner's responsibility to advise tenants where to make future rental payments and work requests after the notice period.

Distribution of documents

- ERMS will supply current tenant documentation to the owner.
- If the owner has employed new management, ERMS will forward documents, keys, and any other necessary materials to the new management upon request by the owner.

Final distribution of funds

- ERMS will distribute funds, including security deposits, and final statements to the owner within 30 days of the terminating date of management, as agreed in the management contract.
- ERMS will issue a 1099 for funds collected during the current tax year when the tax year ends.

CONCLUSION

We hope you have found ERMS *Owner Manual* informative and useful. If you feel there is any other information ERMS can provide, let us know so we can include it in the future.

Thank you for your business. We appreciate it very much.



Management Fees

- Tenant Procurement Fee: Per Management Agreement
- Tenant Inheritance Fee: Per Management Agreement (Only charged when Empire Realty inherits a tenant. Procurement Fee will NOT apply)
- Ongoing monthly management fee: the percentage agreed upon in the management agreement
- Renewal fee (when tenant remains longer than 12 months): Per Management Agreement

Tenant Screening

- Credit report
- Criminal background
- Prior evictions
- Rental history
- Income and employment verification

State-of-Art Internet Marketing

- Each property is on our website with photos and a full description of the property
- Rental properties are marketed on a variety of free websites.
- Rental applications are taken online or in person.
- Leases may be executed via email and fax.

Owner Payments and Statements

- Owners are paid by direct deposit.
- Owner funds are disbursed on the 15th business day of each month.
- Invoices, receipts and Owner reports are available via email or online owner portal
- Owners receive a 1099 form at year-end for tax preparation.

Repairs and Maintenance

- Empire Realty & Management utilizes various vendors that can handle most repair issues your property may require.