

The Many Benefits of Hiring a Professional Property Management Company

There are so many things to think about when renting out your home. How am I going to advertise my home for rent? How am I going to show my home? How am I going to qualify the tenants? What notices am I legally required to give my tenants? How will I arrange for repairs? Who will handle emergency repair calls? What if my tenant stops paying rent?

As a professional property management company, Itosca Properties is your answer to these questions and more. At Itosca Properties we:

- ⇒ Market your home on the internet, in print ads, on flyers, on the MLS, through 800 numbers, and to our huge database of pre-qualified tenants.
- ⇒ Show your property to prospective, pre-qualified, tenants.
- ⇒ Screen applicants for credit, income, employment verification, and criminal history.
- ⇒ Prepare lease agreement and provide legally required notices.
- ⇒ Collect and hold security deposits in our trust account.
- ⇒ Conduct move-in/move-out inspections.
- ⇒ Collect rent and distribute to owner.
- ⇒ Distribute legal notices such as 3-day and rules violation notices.
- ⇒ Hire and supervise maintenance people and contractors.
- ⇒ And, when your tenant does eventually decide to leave, we can start the whole process over again for you.

Property Management Fees

For our full property management clients we will provide all of the following services:

- ⇒ Market your home.
- ⇒ Show your property to prospective tenants.
- ⇒ Screen applicants.
- ⇒ Prepare lease agreement and provide legally required notices.
- ⇒ Collect and hold security deposits in our trust account.
- ⇒ Conduct move-in/move-out inspections.
- ⇒ Collect rent and distribute to owner.
- ⇒ Distribute legal notices such as 3-day and rules violation notices.
- ⇒ Hire and supervise maintenance people and contractors.

Fees charged for these services are: a non-refundable, up-front, marketing fee of \$499 and a management fee of 7% of the rent collected each month.

Lease Only Clients

There are some people that, despite all the many benefits of hiring a professional property manager, still desire to manage their own property. If you are one of those people, we can still help by finding you a qualified tenant. Our professional service can include:

- ⇒ Marketing your home.
- ⇒ Showing your property to prospective tenants.
- ⇒ Screening applicants.
- ⇒ Preparing the lease agreement and providing legally required notices.
- ⇒ Collecting security deposit and initial rent.

After all that, we will turn over our file, the security deposit, and the initial rent to you. Your home will be yours to manage from there. And, when your tenant does eventually decide to leave, we can start the whole process over again for you.

Fees charged for this service are: a non-refundable, up-front, \$499 marketing fee; plus, ½ of a full month's rent (minimum of \$1,000) upon tenant moving in. Because we are not performing the full management service, we cannot extend our 45-day guarantee to lease only clients.

Importance of the Multiple Listing Service

At Itosca Properties we have found the Multiple List Service (MLS) to be an unparalleled tool to quickly renting out your property. The MLS you used when purchasing your home, is the same MLS we use when leasing your home.

There are real estate agents who are currently working with buyers and sellers. Sometimes these buyers and sellers decide that the current market condition is wrong for them to buy/sell. So, in order to maintain their agent/client relationship, the agent will help their clients to find rental homes via the MLS.

Your entry into the MLS will open up the ability for those realtors to find and recommend your property. In addition, the largest real estate websites pull their inventory from the MLS. Your inclusion in the MLS will allow prospective tenants to find your property.

We are not only professional property managers, but we are also rental property owners. Our experience has shown that the number one obstacle to profitability is the vacancy rate. We always use the MLS when marketing our own properties to get them rented faster and reduce our vacancy rates.

Fees charged for this service are 2.5% of the total year's lease amount. So, for example, if your home rented for \$2,000/month, upon rental by another agent, your MLS fee would be \$600. That's only about $\frac{1}{3}$ of one month's rent. If the MLS can get your home rented out just 2-weeks quicker, the service pays for itself and puts money in your pocket.

And, most importantly, this fee is only payable if another agent rents out your property. If Itosca Properties rents out your property, you do not have to pay the MLS fee.

Marketing

Effective marketing gets your property rented faster. Our marketing program far surpasses anything our competition is doing. We will market your home on the internet, in print ads, on flyers, on the MLS, through 800 numbers, through virtual tours, and to our huge database of pre-qualified tenants.

Flyers

Each of our properties will have a flyer box. The front of the flyer is all about your home, and the back contains information about our other current rentals. Since your home will be at all of our other rentals, your property will be seen at dozens of other locations around the valley.

Virtual Tour

All properties for rent will have a virtual tour on our website. This allows prospective tenants to "tour" your home 24-hours a day.

800 Numbers

All properties for rent will have a recorded "tour" on our 800 number. This allows prospective tenants to listen to a "tour" of your homes many features 24-hours a day.

Marketing (cont.)

Internet

We have created a very powerful website –www.ItoscaProperties.com - upon which to market your property. In addition to our own website, we can post your home for rent on many other websites including:

- CityLeases.com
- Craig's List
- GetARent.com
- PennySaverUSA.com
- San Mateo Daily Journal
- WestsideRentals.com
- HomeDebut.com
- Homes.com
- Trulia.com
- Move.com
- Yahoo – Real Estate Classifieds
- Tour Factory
- Blinkx Video Network
- CLRSearch.com
- Google Base
- LiveDeal.com
- Yahoo Video
- YouTube.com
- Zillow.com
- Zipvo Video Tours
- BeatYouThere.com
- Clickable City Directory
- Hot Pads
- Oodle.com
- PropSmart.com
- Realtor.com

Referrals

At Itosca Properties, we have a very structured way of maintaining a list of qualified tenants who have inquired about renting one of our properties. When we have a new listing, we contact our list of prospective tenants whose criteria meets the guidelines for that property. Remember, these are tenants that are either looking to move up or down in the marketplace, and your property could be just right for them.

In addition, our broker has relationships with most of the agents in Redwood City. These agents know our profession and they recommend us to their clients. As a result we consistently receive inquiries from agents saying that they have a client who is looking for a place, and they come to us first to fill that need.

Applicant Screening

Attracting good qualified tenants is the name of the game! It is our goal to create a good tenant/landlord relationship. This will help you to both receive rent on-time and encourages the tenant to keep the property in a well maintained condition. Moreover, if we find a good tenant, and they like living in the home, they become a long term tenant. Long term tenancy reduces the vacancy rate, which in turn increases your profit.

There are two types of tenants out there. We call them Type A and Type B tenants. Type A tenants are similar to a real estate buyer: they are highly motivated tenant; they are educated on the market; and, they know that a property management company will have many more options to choose from. These tenants expect to pay for a property management company.

Type B tenants have less than perfect credit; they rarely have enough money for their 1st month's rent plus security deposits; they may want to negotiate shorter leases; and, sometimes they don't take good care of the property. These types of tenants will often move other tenants in; they may have criminal backgrounds; and, past evictions.

Type B tenants won't normally call a property management company because they know how hard we will scrutinize their file, their credit, and their background. At Itosca Properties we only present you Type A clients.

When a prospective tenant is interested in your property, we require an application from each adult over 18-years of age that will be living at the property. We then screen each application for:

- Credit history from Experian and Equifax
- Credit summary
- Risk score model
- FICO score
- Fraud search
- Eviction search
- Bad check search
- Bankruptcies
- Megan's Law
- Driver's license verification
- Employment verification
- Income verification

Security Deposits

We always require a security deposit from your tenant. The security deposit is used to make repairs to the property, if any are required, at the time the tenant moves out. The minimum security deposit we will collect is equal to one month's rent, and the maximum we can legally collect is equal to two month's rent. In addition, if you allow pets in your rental, we will collect an additional security deposit equal to \$300 per pet. The security deposit received from the tenant will be held in our Security Deposit Trust Account until your tenant moves out.

Preparing Your Home To Lease

Renting out a home is no different than selling a home. Prospective tenants are going to look at several homes before choosing one. You owe it to yourself to make your home show the best that it can. Proper staging is crucial when showing a home.

We can help. Upon listing your home, we can conduct an inspection of your property and highlight the features that will help assure that it is rented out quickly and for maximum dollars.

Common Pitfalls of the Self-Managed Property

If you have reached this point, and you are still not convinced that Itosca Properties is your best professional property management solution, please take with you the following list of pitfalls that many self-managed landlords fall into. If you need advice on any of them, please call us. We will always be glad to consult with you at no cost.

1. Not running their rentals like a business.
2. Not fully screening applicants.
3. Not reviewing State landlord/tenant laws.
4. Failing to have a written agreement.
5. Hiring the wrong contractors and repair people.
6. Not enforcing late rent policies.
7. Not inspecting your property on an annual basis and automatically replacing smoke alarm batteries and filters.
8. Entering a property without proper reason or notice.
9. Not using the advice of an eviction attorney when dealing with a non-paying tenant.
10. Not setting rents to reflect current market rates.
11. Poor record keeping.
12. Not maintaining the property.
13. Not properly handling deposit refunds.

Guarantee

At Itosca Properties
we can guarantee
to lease your home
in 45-days or less,
or you pay us nothing!
Ask us how.*

*A few terms and conditions apply. Give us a call to discuss them.