

OWNER HANDBOOK



Signature
Property Management

Dedicated to Excellence, Integrity, and Trust

Visit us online
www.SPMRental.com
[Facebook.com/spmrental](https://www.facebook.com/spmrental)

9464 Chamberlayne Road
Suite - 200
Mechanicsville, Va 23116
804-746-7466



National Association of Residential Property Managers



Owners Handbook

TABLE OF CONTENTS

INTRODUCTION	1
General Office Information	3
Teams and Contact Information	5
Renting Your Property	10
Advertising and Marketing	10
Processing Tenant Applications	11
Tenants Move-in	12
Working with your Tenants	13
Maintenance	14
When the Tenants Vacates	15
Additional Services	16
Cancellation of Management	16
Conclusion	17

YOUR PROPERTY MANAGER: _____
Goes here when assigned

Owners Handbook

Welcome

Thank you for choosing Signature Property Management 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.

Signature works to achieve the highest professionalism in Real Estate/Property Management Service. Therefore, we have prepared the 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 further clarify many of the procedures for our Property Management services. After reading the material, if you have questions or any concerns, contact your management team immediately, using the company contact information provided in the following pages.

Signature forms have also been included with this manual. There are some to fill out upon receipt unless you have already completed them. There are additional forms to assist you in the future. Completing and using the forms assists Signature in setting up and maintaining an accurate account for you and your investment.

SPECIAL NOTE: the information provided in the Signature Owner Handbook is subject to change. Landlord/Tenant Laws, personnel, Policies and procedures change according to events that take place, Signature works diligently and continually to improve services and personnel training as well as remaining current with all Landlord/Tenant legislation.

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



General Office Information

Owners Documents

A copy of your management agreement is included with the Signature Owner Manual. Please refer to it as needed and keep it with this information for handy reference.

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

Owners Information:

This information enables Signature to set up your account.

Electronic Banking Authorization (ACH Form)

This form enables Signature to send your funds directly to your bank. If you do not wish to start ACH at this time, you can use this form in the future.

Insurance Authorization:

This form request the insurance company issue a copy of your property insurance to Signature and that they name Signature Property Management, LLC as “additional Insured” on your policy. Please send this directly to your insurance company and forward a copy of your request to Signature.

AS your management continues, information can change. We have included several forms for your convenience, along with a self-addressed envelopes.

Change of owner information

Please notify Signature of any important change when it happens Address, telephone, Fax, email, ect..

Owners Handbook

Our Vision Statement

A values-based leader, driven to provide innovative real estate solutions.

Our Mission Statement

...is the successful delivery of innovative real estate solutions for those we serve through prompt, courteous and ethical service. We believe in a supportive, responsive and fulfilling environment, which encourages personal growth and teamwork. We are leaders in our community, dedicated to excellence, integrity, and trust.

Communication

Communication is key to the success in any relationship and the Signature/Owner relationship is certainly not an exception. We work constantly to improve communication with all of our clients or prospective clients. This includes everyone - Owners, Tenants, Applicants, Vendor, buyer, seller, and the public.

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

Signature Property Management personnel communicate by:

- Telephone
- Email (**preferred**)
- Written correspondence
- FAX (**VERY LIMITED**)

Signature stays current with business technology. The Signature website: **SPMRental.com** has proved to be a tremendous asset. Here are a few of the benefits that our clients can enjoy:

- Prospective tenants can search our website for available rentals
- Prospective tenants can file their application on line
- Tenants can access important information on line
- Tenants can enter work order/repair request
- Tenants can pay their rent on line
- Owners can track the history of their property

Owners Handbook

General Office Information

<u>Address Information</u>	
Mailing Address	9464 Chamberlayne Rd Suite - 200 Mechanicsville, Va 23116
<u>Communication</u>	
Business #	804-746-7466
Fax #	804-432-2411
Email Address	Info@SPMRental.com
Website	SPMRental.com
<u>Office Hours</u>	
Monday - Friday	8:30 am to 5:00 pm
Saturday	CLOSED
Sunday	CLOSED
Holidays	CLOSED
<u>Emergencies</u>	
Life or Health Threatening Repair issues	911 804-746-7466
<u>Property Manager</u>	
When assigned	Phone

Teams and Contact Information

Personnel/Staff Information

Signature Property Management has a complete staff to assist you. What we have found effective for servicing tenants is “TEAMWORK”. Together everyone achieves more.

Management Team: Signature has assigned a management team to your account, consisting of a Property Manager, Operations Manager and Principal Broker. They focus on showing your property, processing applications, reviewing background and credit worthiness, renting, managing all the many facets of tenancy, and handling the details when the tenant moves.

Office Team: The office team supports all Signature Property Management personnel and management. They handle the everyday business of telephones, taking messages, accepting and processing applications, office day to day details, preparing documents, and coordinating with your management team.

Sales Team: Signature Property Management is a sister company to RE/MAX Commonwealth. We have a team of professional Realtors that can assist you in purchasing or selling properties. The sales team consist of experienced and licensed Real Estate agents. There is no obligation when asking for a free Market analysis for the value of your current property, or property you are considering investing in.

RE/MAX is the #1 Real Estate company in the world. Nobody sells more real estate than RE/MAX and we are happy to assist you in any way that we can.

NOTE: Signature works with many Real Estate Brokerages. If you were referred to us by another broker, we honor that relationship. Therefore, when you decide to purchase additional properties or sell the one that we are managing for you, we will notify your REALTOR and work with them in getting all of your Real Estate needs taken care of.

Owners Handbook

Owners Communication

Communication works both ways. We need communication from you, the owner of the property. It is important that you let us know of any significant change that can affect your account. Signature need 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 number, or any other important information. To assist in communicating any changes to us, we have provided you with “Change of Owner Information” form with this manual that is easy to use.

Email:

Signature Property Management encourages all owners to use email to contact us. It is fast, it is 24/7, and it is effective. Not only is your email received at our office, but it is also sent directly to you Property Manager. 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 to more quickly identify the property, which in turn allows us to more quickly respond to your request or problem.

Owners Responsibilities

- Notify Signature of any ownership changes or eminent owner changes for the managed property
- Supply Signature with accurate information so we can service the management account properly
- Review your statements monthly and notify us of any discrepancies found as soon as possible
- If using ACH, Check statements monthly for accurate or missing deposits and notify if there is a problem
- Support Fair Housing Laws and guidelines
- Maintain a current dwelling insurance policy yearly
- Exercise responsibility for required maintenance and safety of their Tenants. Virginia has a Habitability Law that requires proper maintenance
- Treat Signature personnel with courtesy and notify Principal Broker if there are problems so that they can be resolved quickly.

Scope of Property Management

We want you to know what Signature does for you as your property management company. Therefore Signature has outlined details on our policies and procedures in the following pages. There are so many details and aspects of managing property, that we can only include the basics in this handbook. If you have more questions, please contact our management.

Company Policy

It is very important in the field of Property Management, that Signature follow Local, State, Federal and local Associations guidelines. Our company takes pride in our industry, and further implements guidelines and policies of several industry organizations, such as National Association of Property Managers (NARPM), National Association of REALTORS (NAR), Virginia Association of REALTORS (VAR), Richmond Association of REALTORS (RAR), Williamsburg Association of REALTORS (WAR), Fredericksburg Area Association of REALTORS (FAAR) and New River Valley Association of REALTORS (NRVA). Additionally, all of our Property Managers are required to maintain continue education thru the associations every 2 years in order to maintain their license.

Code of Ethics

Signature follows the Code of Ethics outlined by NARPM, NAR, RAR, FAAR, RAR, and NRVAR and considers this a top priority in conducting business, and is a requirement of all of Signature Property Management personnel.

Drug-Free Policy

Signature has a drug-free policy for all personnel, vendors, and Tenants. Signature incorporates this policy into Signature Leases Agreements, Tenant, Vendor, and personnel documentation.

Legislative

Signature adheres to the laws and guidelines of Federal, State, and Local governments and incorporates this into all documentation, policies, and procedures. Here are some of the agencies and laws that Signature must follow:

- Fair Housing (HUD)
- Equal Opportunity
- Serviceman's Civil Relief Act
- Virginia Landlord/Tenant Act
- Virginia Residential Landlord/Tenant Act

- Fair Credit Reporting Act
- Environment Protection Agency
- Virginia Habitability Law

Lead-base Paint

Lead-based paint became a major issue in the 1990's that prompted mandatory requirements for tenant housing and continues today. Signature follows all mandated federal and state guidelines for lead-based paint. All properties built prior to January 1 1978 require disclosures to all Tenants and Owners. Tenants sign lead-based paint disclosures prior to renting a property and Signature provides them with the required EPA pamphlet, *Protect Your Family form Lead in the Home*. Signature then will forward the required disclosure to Owners. Signature complies with the EPA and have vendors certified in working on lead base paint homes.

Property Owners and/or Property Managers must also notify Tenants, in writing, of any scheduled work necessary for lead-based paint on property.

Mold Issues

Signature regards mold issues as a top priority in property management. Owners should be aware that mold is another leading issue in the property management industry and failure to act if Tenants report or discover mold can lead to costly lawsuits. There have been several cases regarding mold have awarded damages to Tenants in the millions of dollars.

This is an area of extreme liability and Signature takes action if a tenant reports mold. Signature will notify the owner as soon as possible of any mold issues so that Signature and/or the Owner of the property can take the proper steps.

Your Account

When you entered into a Management Agreement, Signature Property Management established and account for you and your property. Signature recognizes the importance of accurately and timely the collection and disbursing funds. Signature uses specialized software designed and continually updated to handle the many facets of property management and accurate record keeping. Signature complies with the requirements of the Federal Government and the Virginia Real Estate Commission.

Banking

Signature holds your money in an ESCROW trust fund as mandated by the Commonwealth of Virginia and the Virginia Real Estate Commission. Signature accounts for each owners funds separately in the trust account and does not co-mingle funds with Signature's operating funds as required by law.

Monthly Statements

Signature monthly statements are posted to the owners on line account on our website along with any daily activity and documents. If you have difficulty reading your monthly statement, please contact your Property Manager. We are happy to assist you and answer any questions.

Disbursement of monthly funds

Signature disburses available funds to owners around the middle of each month. If this fall on the weekend or holiday day, Signature issues funds on the next business day. Signature does NOT issue owner funds unless the rent has been collected and in the Bank Trust Account the required 5 banking days.

ACH Direct Deposit-Signature can direct deposit into your Bank Account and then post you statement on line for your review. This allows Signature to disburse your funds muck quicker.

End Of Year Procedures

At the end of the year, Signature is required to file 1099's for income received over \$600. Please note that this amount is for "total income received" and not the yearly total of owner disbursements. The IRS dictates the "total income received" requirement. Please not that Security Deposits are not included in this amount.

It is necessary that you supply Signature Property Management with the necessary Social Security/Tax ID information so the 1099 is accurate. Signature will send the 1099 for the rent by January 31 for the previous tax year. If there is a change to your tax information such as a new trust account or address, please notify us with the Owner Change of Information form. If you need another change form, please contact us.

Signature also issues 1099's for disbursements to vendors for work over \$600.00. Therefore, owners do not have to issue 1099s for work completed and paid through the Signature trust Account. Owners are responsible for issuing 1099s to any vendors paid through the owner's personal account. Year-end statements will reflect "total amounts" for income and expenses that have transpired throughout the year, such as management fees, leasing fees, landscaping, utilities, repairs and maintenance, ect.

The amounts will not reflect any funds issued through the owners personal account. Owners can submit their Year-End statement to their tax accountant along with other information for income tax reporting. Signature does not issue statements to the owner's tax preparers.

Renting your Property

Preparing to Rent your Property

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

Setting the Rent

Supply, demand, location and condition of the property determines 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 can make it easier to rent the property. Markets change and Signature advises owners on the "Current Rental Market".

How long will the property be vacant?

This is the most commonly ask question Signature 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, Signature works diligently to rent the property as quickly as possible. What is important to remember is that the most important objective is to have "a quality tenant".

Advertising/Marketing

Internet/Website/facebook

Signature has found that the internet along with Signature's website (SPMRental.com) receives tremendous exposure. There are other websites such as RentalHomesPluss.com, Zillow.com, Hero.com, Ablewise.com, REALTOR.com, ect..

Signage

Signature displays “For Rent” signs prominently. The caller can immediately access property information and showings 24 hours a day.

Showings and applications

The Signature property managers conduct showings for each vacant unit. We arrange showing times for your property in advance through our voice messaging system, and appointments by contacting the Signature office directly. When prospective tenants see the property, the management team answers questions and distributes applications. Applications are available in the Signature office, at the property showings, and on the Signature website (SPMRental.com).

Processing Tenants Applications

Tenant screening

Through screening of Credit, Background and Eviction is crucial to successful Property Management. Signature requires all applicants to fill out a detailed application and submit it for processing and approval. A credit check is not enough! Our company conducts a careful review of their credit, income, and tenant history or ownership, along with a criminal background check.

All applicants must submit verifiable information on their income to show they can support the property. Rental history or previous home ownership is carefully checked. Crossing-referencing all three areas - credit, tenant history, and income - provides the answers to qualify or disqualify prospective applicants. If a pet is allowed on the property, the screening includes the pet.

Cosigners

Signature normally does not accept cosigners. Signature policy is that the applicants should have the ability to rent on their own merits. However, there are sometimes conditions that may warrant taking a cosigner on the property. If this is the case, Signature will notify the owner, discuss the reason, and obtain owner authorization.

Pets/Animals

Animals/Pets are reviewed and if approved by Signature a pet fee is collected. Signature has a policy of no more than 2 animals per property, and Signature can use the amount of the entire security deposit when there is animal/pet damage.

Many tenants have or want pets. It is legal for property owners to discriminate against animals, but not “service animals”. However, whether you have not decided to allow a animal in your property, the Signature application has a place for prospective tenants to list pets/animals and how many. It is important NOT to discourage full disclosure on pets/animals while taking an application. If you do allow a pet/animal, Signature does not place inappropriate pets/animals in the property.

Signature recommends to owners that when the property is on the market, that pets/animals are “negotiable”. This can solve 2 problems.

1. First, this encourages prospective applicants to disclose and pets/animals. Then, based on the owner’s preference on pets, Signature can automatically notify the applicant that the owner does not allow pets.
2. Second, by listing pets/animals as negotiable, it avoids eliminating an excellent tenant that does care for their pets/animals, has an excellent tenant history, and owns a pet/animal that is suitable to your property.

Service Animals

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

Tenant Move-In

Rent and Security Deposits

Signature does not accept cash or personal checks prior to renting the property, and we require all funds be paid in full prior to renting the property. This eliminates prospective tenants who really do NOT have the necessary funds for renting.

Once approved, all applicants must pay in full, the security deposit in certified funds and sign all lease documents. The first month’s rent must be paid in full in certified funds or on Signature website prior to receiving the keys to the property.

Rental/Lease Agreements

Once Signature receives funds, a thorough rental/lease agreement along with all required documents with the applicant is completed.

All persons 18 and over, including adult children, are required to read and sign all documents. If the accepted applicants are foreign nationality and cannot read and

understand the documentation, they must supply an interpreter of legal age for signing the rental/lease agreements and associated addendum.

Walk-through / Move-In

A vital part of the rental agreement is a detailed walk-through addendum performed prior to the tenant taking possession, documenting the condition of the property when they move in. Unless extenuating circumstances prevail, the Signature Property Manager completes the walk-through before the tenant takes possession.

The walk-through documents the condition of the property. When the tenant moves out of the property, there is a sound basis for the security deposit refund. Signature also documents the move in with lots of photos.

Tenant Handbook

Tenants immediately receive the “Signature Tenant Handbook” at time of signing the lease. This detailed booklet gives the tenants additional information on how to care for the property, report repairs, maintain the property, make timely payments, how to give proper notice to vacate, leave the property in good condition and much more.

Tenant education and Preparation

Taking time to prepare tenants for their residency is another step toward a successful tenant/landlord relationship. Property Managers spend time with the tenants reviewing their lease, the Tenant Handbook, how to properly use the website for monthly payments and to report maintenance issues.

Working with your Tenants

Collecting Rent

Rents are due on the 1st day of each month. Virginia law allows tenants 5 days to pay their rent. On the 5th day at 11:59 pm the tenants rent is past due.

Signature recognizes that many things can happen when it concerns rent, rent can be lost in the mail, employers can delay the tenant’s paycheck, there are sometimes real tenant emergencies, and Signature makes a serious effort to determine why the tenant is having a problem. Signature will not contact the owner unless the Property Manager determines there is an ongoing rent issue.

Notice of Default

If Signature does not receive the rent by the due date, Signature has contracted with a Law Firm that prepares and delivers delinquent notices. By doing this we are assured that all proper and legal notices are served. If Signature determines the tenant is not going to pay the rent during the notice period, actions are automatically in place to start the eviction process.

Legal Actions

Although Signature works diligently to avoid the necessity to begin legal action, such as unlawful detainer or eviction proceeding, it can happen. In the event any legal action is required, Signature will contact the owner and discuss the entire process.

Maintenance

Preventative maintenance

The best approach to maintenance is “Preventative Maintenance”, and this is the Signature policy.

Signature has already started with educating the tenant by:

- Completing a detailed Signature Tenant Handbook, that outlines what the tenant’s responsibilities regarding maintenance as well as owner obligations.

- Completing a walk-through documenting the condition of the property before the tenant takes possession.

- Notifying the tenant quarterly of preventive maintenance things that should be performed such as changing filters, trimming shrubbery, changing batteries, ect.....

We want the tenant to know from the beginning of their tenancy that the Signature and Landlord expectations are to “care for the property”. This approach can prevent costly maintenance.

Emergencies/Disaster

When an emergency and/or disaster strikes, Signature has policies in place for the property and tenants. Signature notifies the property owner as soon as practical. The

nature of the emergency and/or disaster determines the action needed by Signature. There are times when Property Managers must “act” in order to prevent great financial risk to the owner. For example, when a property is flooding, action is necessary, particularly if the property owner is not immediately available.

When the Tenant Vacates

Notice to Vacate

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

Communicate with Owners and Tenants

Signature will notify the owner in writing giving details on how we will proceed with the tenant and re-renting the property. Signature immediately places the property on the market to rent unless the owner notifies Signature to take other measures.

Signature also responds to the tenant with a detailed letter detailing the steps to complete a successful move.

Tenant Move-Out

Signature conducts a walk-through similar to the one performed when the tenant moved into the property. Signature records any maintenance required and discloses a list of damages to the vacating tenant. Digital photos are taken when the tenant moved out to document the condition of the property and support any deductions from the security deposit.

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

Security Deposit refund

Proper handling of the security deposit refund is crucial. Any tenant deductions are determined in a timely manner, and a security deposit transmittal letter is prepared in accordance with state laws. Security deposits are returned within 30 days if there are no damages to the property.

Collections

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

Additional Services

The following are “additional services” offered by Signature to each property owner. They are NOT included in the fees for managing and/or leasing the property.

Referrals

Do you know someone who is looking for Property Management services in Virginia? If so, then please notify your Property Manager. Signature values their client business and in rewarding referrals from clients.

Real Estate Services

Signature sister company, RE/MAX Commonwealth is available to assist you in buying more investment property or selling your property when ready, including those requiring 1031 exchanges. However, if you have been referred to us by another Real Estate agent from outside our company, then please notify us and we will contact your agent and inform them of you Real Estate needs.

A free Market Analysis of your property or any other property is available at any time with no obligation. Please contact your Property Manager or one of our staff to provide you with the information or service you need.

Cancellation of Management

It is the goal of Signature Property Management to satisfy your management needs and engage in successful business relationship, but all things do change over time. Owners sell properties, people give notices. If this happens, the Signature Property Management policy is to resolve your account in a professional, timely and pleasant manner.

Please review the following policies for cancellation.

Written Notice

- Signature Property Management contract accepts a 60 day written notice by either party, but this excludes the minimum management period. Please refer to your management contract.
- Signature Property Management policy is to give cancellation of management by US Mail.
- If an owner sends a cancellation of management by US mail, Signature must receive the notice within seven business days of the date of the notice.
- Signature Property Management does not accept cancellation of management by email or text due to lack of signatures.
- Signature does not accept fax cancellation.

Notice to current tenants

Signature will notify the current tenants the date Signature Property Management will no longer manage the property and that Signature will forward all security deposits to the owner's bank account.

It is the owners' responsibility to advise tenants where to make future rental payments and work request after the notice period.

Final distribution of funds

Signature will distribute funds, including security deposits, and final statements to the owner within sixty days of the terminating date of management, as agreed in the management contract.

Signature will issue a 1099 for funds collected during the current tax year when the tax year ends.

Conclusion

We hope you have found Signature Owner's Manual informative and useful. If so, please inform your Property Manager. If you feel there is other information Signature can provide, please let us know so we can include it in the future.

Again, we want to thank you for your business and we look forward to a successful management relationship. We promise to do everything we can to provide you with *Courteous, Prompt, and Professional Service.*