

12 Frequently Asked Questions (FAQ)

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1. Why use a property manager?

Saves you time, money, and helps eliminate the hassle of managing the property yourself. Our job is to make your investment property financially successful and to ensure your investment is protected. The management fee itself is tax deductible (in Colorado) and in many cases a management company is able to get more rent for the unit than individual owners. In addition, our team of in house and local contractors gives our investors a lower labor rate than most companies in the area while offering dependable high quality work. The biggest benefit to our investors is our veil of protection and our ability to manage down the risk on your investment. Knowing what to do when the tenant calls and can't pay the rent can save you thousands.

2. Do you have a set up fee?

Yes, our set up fee is one time and non refundable at \$175.00. This fee covers the cost of an initial condition report, data entry into our database, creation of an owner portal on our database, local utility company coordination, contract administration and initial marketing.

3. How much do you charge for Management?

The management fee is 10% of the total income per month. The fee will be automatically deducted from the income when received. We charge no vacancy fee. This service encompasses tenant management, full charge accounting services and statement distribution monthly, as well as access to our reduced cost labor pool. The fee gives our investors additional protection through the use of our iron clad Company Lease and addendum's. Our trained team of property managers have dealt with and resolved the ugliest of problems and help take the emotion out of management so our investors can make good sound decisions. After over 25 years of successful property management in the area, we like to say that the fee pays for a good night sleep for our investors. Let us do the worrying for you.

4. How much do you charge for Leasing?

The leasing fee is charged at the time of lease signing and is \$50.00. The fee will be automatically deducted from the income when received. This service gives our investors access to our well trained leasing agents who are measured on call volume generation, showing conversions, closing ratios, and marketing knowledge. In addition to the front end responsibilities on your property, the services include the administration of a comprehensive move out process with the tenant including a close out walk of the unit, a close out summary sheet for the tenant, and any negotiation needed to resolve a move out dispute.

5. How much will my property rent for and how long will it take you to get it rented?

We are happy to provide owners with a *free estimate* at any time. Please call into the office to set a free appointment with a property manager. Most of our units rent within 10-15 days depending on market conditions, pricing, location, property condition, and marketing efforts. If a unit is not rented in 30 days, it is placed on a hit list and giving special focus. We measure call volume, number of showings, and number of closes on a monthly basis and utilize all mediums available in order to get your property rented.

Rental rates are based on current market conditions, location, property condition and age, and marketing efforts. In many cases we are able to get higher rents than competitors because of the condition and benefits we offer to our tenants.

6. Who pays for the advertising?

Your initial setup fee and leasing fee includes marketing efforts in order to drive the right amount of demand on your property. You pay for no advertising! Marketing efforts usually include a professional sign on the property as well as focused on line advertising. Properties are usually marketed over many different online sites generating several *million* site visits monthly.

7. When does the owner get their rental proceeds?

Our statements are published by the 25th of each month. Funds are electronically deposited into the bank account you specify by the 25th of each month.

8. What do your statements look like?

Our database provider enables our owner to access all information, statements, bills, work orders, conversations and newsletters. Please ask a manager for a sample report.

9. How do you screen tenants?

This initial step is critical to the success of your rental. All tenants must go through an extensive screening process evaluating income, employment, credit, criminal history, eviction history, current and past landlord check, and sexual predator history check. A property management company's delinquency rate can give owners some insight into the quality of tenants in their portfolio. Our delinquency rate is usually below 2% monthly, which is considered excellent.

10. Who is responsible for enforcing the terms and conditions of the lease agreement?

We use our iron clad company lease with all tenants and take the responsibility to manage the tenant to the terms and conditions as outlined in that agreement. We collect a security deposit on all units which is usually the same as one month of rent. Security deposits are held in an Escrow Checking account and accounted for per Colorado Real Estate Commission requirements. We require all residents to comply with all governmental laws, ordinances and regulations.

11. How are maintenance issues handled on my property?

Tenants contact Henderson Management through an online tenant portal for all corrective and preventative maintenance concerns. All emergencies are handled through a 24/7 local live person cell phone. Our team of maintenance technicians are trained to determine the difference between normal wear and tear and tenant negligence. Tenant negligence will be paid for by the tenant when the repair has been completed. If the repair is considered normal wear and tear, the cost of the repair will be billed to the owner of the property. All vendors and in house employees operate under a signed Service Level Agreement and are considered professionals in their respective fields offering exceptional value.

12. Do you inspect my property annually and is that service included in your fee?

The property is walked annually by a qualified maintenance technician for preventative maintenance, corrective maintenance, and an overall condition assessment.