



# 1836 Property Management

## Frequently Asked Questions

Q - What are your fees?

A – Whether you choose our company or another you will save more in the long run with a manager who has insight than you will falling for a gimmicky bargain. It's easy for poor management to cost you considerable money over time in lost rent, vacancy, maintenance problems and deterioration due to lack of oversight. If all you're seeking is the cheapest deal it may cost you more in the long run. Be sure you look at the details beyond the contract. Many companies charge fees that you might not ask about up front. I've seen some charge to pick up the phone.

Keep a look out for more than just the monthly fee when comparing prices. There are the initial leasing fees which are divided among the listing agent and the renter's agent. There is the monthly management fee. Then there are service fees and renewal fees. What you won't see is the value of your property down the road if a company doesn't keep tabs on your home or treat your tenants with common respect.

Q - What are your monthly prices?

A - Currently our prices for monthly management are as follows:

8% [of a full month's rent] (min. monthly fee \$80.00) There are companies that charge as little as 6% per month and as much as 10% in the Austin market. Nationally you'll find 10% is the norm. We feel that we offer an excellent value for the money and our service will end up costing less over the long haul than a cut rate competitor.

Q - I've heard of companies working for 6% a month. Can you do that?

A - There is Wal Mart style service where you stand in line for cheap products that don't last. Then there's Nordstrom's style service where your needs are anticipated and you're notified of discounts and new information without having to inquire. Our goal is to offer a higher level of service that saves you money today while maintaining your investment for years to come. Our prices are going up to 9% in 2011. Each client in place prior will be grandfathered into the 8% pricing as well as no charge during times when the property is vacant.

Q - What if my rental income is less than \$1000.00 a month.

A - We will be happy to serve you. However the min. that we charge per month is \$80.00. We have established this guideline to ensure that our staff can afford to offer exceptional service every day and handle problems when the unexpected arises.

Q - When will I get my money each month?

A - Rent is due on the 1<sup>st</sup> and late on the 3<sup>rd</sup>. It takes the bank up to 5 days to ensure that the funds are there and the check is fully processed. With weekends or holidays that can be extend another 2 days or so. You will get a statement by email from us on from the 7<sup>th</sup> to the 14<sup>th</sup> verifying that your payment has been sent. You will receive the funds not later than the 20<sup>th</sup> of each month. Our target is the 18th.



Q - What exactly do you do for the money?

A - We relieve you of the burden of trying to figure out how to handle every part of the transaction and offer experienced oversight. We also provide a wealth of knowledge, resources, connections and a man on the ground when problems arise and maintenance is needed. During our inspections we even list suggested maintenance items to maintain the value of your property and head off any major problems early if possible. See [“What happens when we manage your property”](#) flyer.

Q - How many properties do we manage?

A - We are not the largest or the smallest company in town. We manage around 50-75 properties at this time. Our business is growing quickly however our goal is not to be the largest in town, just the best. While others will have tricks and ploys to get your business we find maintaining open lines of communication and treating each property like it was our own are the keys to customer satisfaction. We will only grow as fast as we can effectively manage and even pull our advertising from time to time to manage the growth we experience.

Q - Why do you charge 4% if my property is sold to the tenant?

A - The 4% is to represent you as the owner in the event of a sale to the tenant. If the property is marketed on the MLS then there will be another agent representing the buyer and more than likely the total will be 6% divided among the inside and outside agent 3%/3%. The 4% fee includes all that we would normally due as your listing agent

plus ensuring that the paperwork and everything is at min. managed and completed from the seller's side. It's much more work to do a transaction without someone on the other side of the table as we have to hold the hand of the buyer to ensure they get everything they need to get all of us to the closing table. It's not as easy as it sounds.

Q - What are your qualifications for renters?

A - We check backgrounds on all of our renters above 17 years of age, we verify current employment, current and past rental history, we verify the personal information is accurate and depending on the circumstances we have additional criteria that we follow up on. Many clients ask us if we check credit. We do credit checks. We also follow the letter of the law when it comes to discrimination against protected classes.

Q - What happens when there's a problem?

A - First we insure that everyone is safe and the problem is isolated or halted. Next we evaluate our options and determine the best course of action and responsibility. Lastly we coordinate with the owners and tenants if necessary depending on the options and costs anticipated. We handle each issue by applying the golden rule never forgetting that our fiduciary duty is to the owners.



Q - What is your service area?

A - We have properties in San Marcos, Wimberley, Cedar Park, Pflugerville, Kyle, Buda, Lakeway, Bee Caves, Leander, Taylor, Dripping Springs & Round Rock but Austin is our home.

Q - Why are you a property manager?

A - I have rental properties of my own and have been in real estate for a number of years. We got in the business because we saw how the other companies handled business. Our first clients were from the real estate sales side and we wouldn't turn our friends over to anyone but the best. Since we couldn't find anyone that was up to par we started our property management services originally just for those clients. As we grew we found that there are a number of great owners out there that could use our care and consideration. We are here to beat the competition not just compete. You should be surprised with the service and care from our company compared to others.

Q - Do you own rentals of your own?

A – Yes, the number varies from time to time

Q - How do you handle delinquent tenants?

A – First and foremost we handle them with care. While paperwork and notice of evictions are necessary you never want to anger someone living in a home that you own. We collaborate with attorneys from Sneed-Vine to handle the evictions should we not be able to come to an amicable solution. Keep in mind that the purpose is to keep the property rented and the money flowing in so just because someone has a hardship we may be able to work out a win-win situation to get the property re-rented within hours. We have accomplished this many times successfully and it saves the owner from the cost of vacancy as well as keeping the tenant from leaving upset and possibly damaging the property or leaving it a severe mess.

Q - How do you handle damages to the property?

A – Carefully and quickly as possible. If the damage is the tenants' responsibility and it's caught early enough we seek payment and repairs from them. If it's hidden until after their departure we utilize the security deposit first and then may pursue them legally if necessary.



Q - What are your normal hours of operation?

A – Normal office hours are M-F 9-5 and Saturdays by confirmed apt. We do however answer phone calls and emails as necessary to ensure proper service. Feel free to email us if you need an answer that will require time to research.

Q- Do you get a lot of late night calls or emergencies?

A- Prevention is much more important than anything else thus while someone is always available for emergency calls we find that our thorough familiarization walks on move in day prevent many “emergencies” and turn problems into issues that can be resolved without afterhours technicians, saving you money. We walk each client through on move in day. Others hand keys out at the office.

Q - How often do you view the properties?

A - While we drive by the properties consistently as we're out and about the city. We view the properties a minimum of a few times a year but

usually more often than that. This happens usually at the renewal time and 2 scheduled times for detailed inspections. Anytime we do repairs throughout the year we also make notes of anything unusual.

Q - I have special needs on my property can you work with those?

A - Let us know your needs and we'll do our best to meet them. There are some special requests that we've had to charge extra for and some that clients are surprised to find out we already do.

Q - Do you work with home warranty companies if repairs are necessary?

A - Absolutely. Just be aware that the repair time may be extensive in some cases or done as a band aid vs. a replacement. There are also caps on coverage.

Q - Who does your maintenance?

A - It depends on what needs to be done. If the item is small and we're on site we'll probably handle it then. We also have 1836 Total Home Care services for most nontechnical issues. We have relationships with specialists for anything such as air conditioning or significant electrical or plumbing work which isn't forgiving on errors.

Q - Do we have to use your maintenance person?

A - You do not have to use our maintenance person. Some of our owners live in town and may prefer to do minor maintenance themselves. We try to apply the golden rule to each situation and simply keep the owners in the loop and provide options to save you time and money. Beware though that maintenance must be done to safety and code standards and it's sometimes easier to pay \$40 to have it done right than to waste 6 hours trying to figure it out.

Q - How much will that maintenance cost me?

A - This is handled on a case by case basis but we not create work to make more money off of repairs. We do not do major renovations but have people that do. If we have to go out and do maintenance ourselves or oversee major repairs then we charge by the hour just as a contractor, handyman or technician would.

Q - I have a friend that is a tradesman, can they do the work?

A - If they are licensed and can get the work done professionally we're happy to coordinate with them.



Q - What separates you from the rest of the companies out there?

A - Education - Matt Leschber is not only our real estate broker of record but also a professional real estate inspector and a loan officer.

Experience - We own rentals and have managed them for years in person with our own hands.

Ease - We are here to exceed your expectations so that you utilize all of our real estate services and refer your friends. We represent buyers, sellers and handle lending and refinances among other services. We aim to earn all of your real estate business through superior service.

Q - What if I have my property listed for sale already?

A - You will now have two ways to move forward with your life vs. one. No one should be forced to sell their home in a down market however many agencies don't offer or mention property management as an option because they don't offer the service. You need options so you can choose the best solution for your specific situation. We offer solutions and we're happy to run the numbers for you for free.

Q - What if I have my property managed by another company at this time but am not happy with their service?

A - We'll be happy to coordinate the transition with the other company once we have a signed agreement in place. Many of our best customers started out with other companies managing their properties. Now they know the difference and are some of our best clients.



Q - What if I don't want to rent to a certain type of person?

A - There are protected classes under federal law. We will not break the law. While we all want someone just like ourselves to live in our properties it doesn't always happen that way. We will find you the best qualified applicant possible while being as fair as possible to every applicant. We want someone to pay on time and to take care of your home also.

Q - When do I get my check each month?

A - You will normally receive your check on the 15<sup>th</sup>-20<sup>th</sup>. There are extenuating circumstances that occur from time to time mostly related to tenants paying late. If you're payment is due on the 1<sup>st</sup> you should be fine.

Q - Where will you advertise my property?

A - Contrary to what some of our competition say the MLS is the best way to advertise most properties. The Austin MLS links up with over 30 web sites automatically so if someone tells you their doing that marketing themselves that's stretching the truth. We also list the properties in our monthly newsletter, on our website, craigslist and any other cost effective location we can find. We also work with rental locator companies from the area that send us tenants.

Q - How long will it take to get my property rented?

A - This depends mostly on the price, second on the specifics of the property and of course the time of the year and market conditions. We're happy to provide estimates.

Q - What do the tenants pay for and what do I pay for?

A - You will pay the mortgage and the HOA dues. The tenants will pay just about everything else unless you agree to something specific such as paying the water bill to ensure the yard is well maintained. While some companies offer to pay your mortgage or HOA for you we highly recommend against this practice.



Q - Will I know what's going on at my property?

A - You will have a copy of the lease and maintenance invoices. Any other noteworthy items will be forwarded to you immediately. We're in the process of establishing an online system so that you may access your account details at any time on the web. Don't forget you can always call us. We're happy to hear from you.

Q - I'm ready to get started today. What do I need to do?

A - We need a property management agreement in place as well as \$250.00 on file to take care of maintenance for the property. You can see a sample of this agreement on our website. We will do a walkthrough of the property to evaluate the current condition and needs.