



Thank you for choosing Barrons Realty Group, Inc. (known as BRG in this book) to manage your investment property. We look forward to a long and prosperous union. BRG works hard to achieve the highest professionalism in Real Estate/Property Management and leasing Services. Therefore, we have prepared this Property Owner 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. After reading the material, if you have questions or concerns, please contact us immediately at (850)934-2588 or Email us at [Rent@BarronsRealtyGroup.com](mailto:Rent@BarronsRealtyGroup.com).

Barrons Realty Group have included forms 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 BRG in setting up and maintaining an accurate account for you and your investment.

**Special note:** *The information provided in the BRG Owners Manual is subject to change. Landlord/Tenant laws, personnel, policies, and procedures change accordingly to events that take place. BRG 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 Barrons Realty Group, Inc. as your Property Management Company. We look forward to a successful business relationship!**

### **Owner Documents**

A copy of your management agreement is included with the *Owners Manual*. Refer to it as needed and keep it with this information for a handy reference.

It is important that BRG 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. Please return the appropriate forms with the self-addressed envelope included for your convenience.

- 1. W-9**- We need this information for tax purposes prior to establishing your account.
- 2. Client Questionnaire – So we know your wants and needs**
- 3. Lead Based Paint**- If your home was built prior to 1978, complete this form and return it ASAP.
- 4. Electronic Banking Authorization – ACH form**- This form enables BRG 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.
- 5. Insurance Authorization**- This form requests the insurance company issue a copy of your property insurance to BRG and that they name us as “additional insured” on your

**policy. Please send this directly to the insurance company and forward a copy of your request to BRG.**

### **Barrons Realty Group Contact information and Office Hours:**

You may contact us by Telephone, Fax, Email, and Written correspondence.

Address Information: 913 Gulf Breeze Parkway – Suite 11 – Gulf Breeze FL, 32561  
Toll Free: (866)934-2588  
Fax #: (850) 934-2587  
Email: [rent@BarronsRealtyGroup.com](mailto:rent@BarronsRealtyGroup.com)  
Web-site: [www.BarronsRealtyGroup.com](http://www.BarronsRealtyGroup.com)

Office Hours: Monday through Friday 9:00 am- 4:00 pm.  
Saturday by appointment

### **Company Communication:**

Communication is the key to a successful relationship and the BRG/Owner relationship is certainly not an exception. We work constantly to improve communications with all of our clients or prospective clients. This includes everyone – owners, tenants, applicants, vendors, buyer, sellers and the public.

*Communication works both ways.* We need communication from you, the owner. It is important that you let us know of any significant change that can affect your account. We 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, or any other important information.

**Barrons Realty Group encourages all owners to use email to contact us. *It is fast, effective, and provides written documentation for our records.* We will respond to your email in most cases on the same day, or within 24 hours (excluding weekends). Please supply us with your email address so we can enter your email address in our database.**

**Special note: When using email, we request that you put the “property address” in the subject line. With the problems of spam, worms, viruses, and more in the Internet world, this helps us identify the importance of your message, and avoids oversights or deletions of messages**

### **Barrons Realty Group website:**

BRG stays current with business technology. For this reason, we have invested many resources in our websites, as more and more renters are using the web to search for their new home. Here are a few of the benefits for clients on our website:

- Prospective tenants can search our site for available rentals and can electronically submit an application for your property 24/7.
- Tenants can submit an electronic maintenance request.

- Owners can obtain documents or view our monthly newsletter online, (coming soon), as well as search listings for sale and rent to keep up with our local area market

#### **BRG staff/personnel:**

- **Management Contact** - we have assigned a contact person to each property owner. They focus on showing your property, processing applications, renting, managing all the many facets of tenancy, and handling the details when the tenant moves.
- **Office Team:** The office team supports all Personnel and Management. They handle the everyday business of telephones, taking messages, accepting applications, office details, preparing documents, and coordinating with your manager
- **Sales Team:** Barrons Realty Group also has a sales team that can assist you with Real Estate, buying or selling. The sales team consists of experienced and licensed Real Estate agents. There is no obligation when you ask for a market analysis for the value of your current property, information for purchasing a new investment property, or available financing.

#### **Owner Responsibilities:**

A successful business relationship works both ways. BRG takes their management responsibilities seriously, and requests owners to do the same.

Owner responsibilities are:

- \* Notify BRG of any ownership change or eminent owner change for the managed property.
  - Supply BRG with accurate information so we can service the management account properly.
  - Review 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 BRG if there are problems immediately.
  - Support Fair Housing Laws and guidelines, as well as all necessary legislation.
  - Maintain a current insurance policy for their property.
  - Review their property insurance yearly and update as needed.

#### **Exercise responsibility for required maintenance and the safety of their tenants**

#### **What is not included in BRG Property Management services:**

Because BRG provides owners with full service, it can be easy to request something that we cannot perform. Some tasks go beyond the normal scope of property management or require additional fees/services (see below).

*: Owner understands and agrees that normal Property Management does not include providing on-site management services, refinancing, preparing property for sale or*

*refinancing, fire or major damage restoration, rehabilitation, obtaining or giving income tax, accounting, or legal advice, representation before public agencies, advising on proposed new construction, debt collection, counseling, or attending Homeowner Association meetings.*

### **Company Policies:**

It is very important in the field of Property Management, that BRG 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 FARPM Florida Association of Residential Property Managers.

### **Legislation:**

Barrons Realty Group adheres to the laws and guidelines of federal, state, and local legislation, and incorporates this into all documentation, policies, and procedures. Here are some of the agencies that BRG follows:

- Fair Housing (HUD) - BRG supports and follows Fair Housing laws and guidelines.
- Equal Opportunity - BRG is an Equal Opportunity employer.
- 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. BRG follows all mandated federal and state guidelines for lead-based paint. All properties prior to January 1, 1978 require disclosures to all tenants and owners. Tenants sign lead-based paint disclosures prior to renting a property and BRG provides them with the required EPA Pamphlet, *Protect Your Family from Lead in the Home*. We then forwards the required disclosure to owners for signature. Property owners and/or Property Managers must also notify tenants, in writing, of any scheduled work necessary for lead-based paint on the property.

### **Mold issues:**

BRG 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. Several cases regarding mold have awarded damages to tenants in the millions of dollars. This is an area of extreme liability and BRG takes action if a tenant reports mold. BRG notifies owners as soon as practical of any mold issues so BRG and/or the property owner can take the proper steps

### **Answers Regarding Funds:**

At Barrons Realty Group, our property management software is the top property management software in the industry for accounting purposes. When you entered into a management agreement, BRG established an account for you and your property. BRG recognizes the importance of accurately collecting and disbursing funds. The bookkeeping program used by BRG 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.

**Banking:**

Barrons Realty Group holds your money in a trust fund acct. and Security deposits for renters in an acct. mandated by the state of Florida. **These accounts do not earn interest.** Owner's funds do not co-mingle broker monies, following the Florida requirements.

**Monthly statements:**

You can expect to receive a monthly, computerized report showing all income and expenses of your rental property along with your check sent out on the 20<sup>th</sup> of each month.

**Other:**

We will make your homeowners association payments, if you so direct and provided those adequate funds are available in your property trust account. You can expect that we will not make these payments if adequate funds are not available in your trust account.

You can also expect that in the last month of a tenant's lease, we will hold funds in your trust account to protect you by ensuring that adequate funds are available to make your rental home "rent-ready", thereby ensuring faster lease ups and less vacancy time.

**End of year procedures:**

At the end of each year, Barrons Realty Group 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 Internal Revenue Service dictates the "total income received" requirement. Please note that security deposits are not included in this amount.

The last statement of the year will reflect "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 can submit their last statement to their tax person along with other information for income tax reporting. Barrons Realty Group does not issue statements to the owner's tax preparers.

It is necessary that you supply BRG with the necessary Social Security/Tax ID information so the 1099 is accurate. BRG will send the 1099 for the rent by January 31

for the previous tax year. If there is a change or you need another change of information form, please contact us.

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

#### **Renting Your Property:**

**Preparing to rent the property - When prospective tenants view your vacancy, BRG wants the property to look its best so it can compete with other area rentals. A property maintenance report and rental market survey is completed. Our management team will contact you to discuss the details of your vacant property and any necessary maintenance.**

**Setting the rent - Supply and demand 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 Barrons Realty Group advises owners on the "current rental market."**

We will not lease your property at a lower amount than agreed upon, without your permission.

**How long will the property be vacant? - This is the most commonly asked question we receive 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, BRG works diligently to rent the property as quickly as possible.**

#### **Advertising/Marketing:**

**Print Advertising** - For the greatest exposure for your property, we place advertising in the Pensacola News Journal, GoSport and others as necessary. Flyers with pictures of property put in 2 windows with curtains left open for people out looking for a rental.

**Websites:** BRG has found that the Internet and our website receive tremendous exposure, as well as using rentclicks.com, homerentals.net, rentalhouses.net and the Pensacola MLS. Our on-line advertising includes interior and exterior photo's.

**Signage:** We will place our attractive "Barrons Realty Group – For Rent" yard sign on your property at least two weeks prior to any known vacancy, or immediately if you have just listed your rental home with us. Each sign carries the phone number and website address. Signs promote calls. The caller can immediately access the property information on the web 24 hours a day.

*Note: Any special advertising costs can be negotiated at the expense of the property owner.*

#### **Showings and applications:**

The Property Manager will schedule showings of your property six days a week to all prospective renters until your rental home is leased. We arrange showing times by appointment. When prospective tenants see the property, the management team

answers questions and distributes applications. Applications are available in the office, at the property showings, and on the website.

### **Processing Tenant Applications:**

Thorough screening is crucial to successful Property Management. BRG requires all applicants to fill out a detailed application and submit it for processing/approval.

All rental applicants will be subjected to:

1. A credit report on each adult rental applicant.
2. A verification of applicants' former landlord's references or homeownership.
3. A verification of the applicant's employment or income.
4. A local background check.

**Cosigners - We normally do not accept cosigners. Our policy is that the applicants should have the ability to rent on their own merits. However, some conditions may warrant taking a cosigner on a property.**

**Pets - If an owner authorizes a pet, BRG charges a non-refundable pet "fee" of \$250 that is paid by the tenant for the privilege of having a pet. Upon request, or in the case of multiple pets, an additional security "deposit" of \$250 can be negotiated.**

Many tenants have or want pets. It is legal for property owners to discriminate against pets. You may wish to do so. However,

***We recommend to owners that when the property is on the market, that pets are "negotiable."***

First, this encourages prospective applicant to disclose any pets. Then, based on the owner preference on pets, we can automatically notify the applicant that the owner does not allow pets.

Second, by listing pets as negotiable, it avoids eliminating an excellent tenant that does care for their pet, has an excellent tenant history, and owns a pet that is suitable to your property.

***NOTE: "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 legislation does NOT allow owners or property managers to collect deposits of any kind for service animals.***

### **The Tenant Move-In:**

**Rent and security deposits - BRG does not accept personal checks (unless there is time to clear bank) prior to renting the property and does not allow "payments" on security deposits – we require all funds 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 first month's rent, and a security deposit, in certified funds. It is normally our policy to require a security deposit equal or just under the rent unless otherwise requested.

**Rental/lease agreements - Once BRG receives funds, a thorough rental/lease agreement with the applicant is completed. All necessary addendums are included with this documentation. All persons 18 and over, including adult children, are required to read and sign all rental/lease agreements. 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.**

**Tenant handbook - Tenants immediately receive the “*Tenant Handbook*.” This detailed booklet gives them 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 more.**

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 included.

**Collecting rent - Rents are due on the first day of the month.**

At Barrons Realty Group, we don't tolerate the delinquent payment of rents. We are careful to explain this policy to new residents in order to avoid misunderstandings that might arise later. Our rent collections and delinquencies policies are as follows:

1. We will make every effort to collect rents timely when due (1<sup>st</sup> of the month).
2. We will “Hand Deliver” a 3-day notice, (Florida’s legal prerequisite to an eviction), after 3 days late.
3. If in response we will turn delinquent residents over for an eviction to be filed with your approval, as owners are responsible for fees.

***NOTE: BRG recognizes that many things can happen where it concerns rent; rent can really be lost “in the mail”; employers can delay the tenant’s paycheck, there are real tenant emergencies, and more. Therefore, we make a serious effort to determine why the tenant is having a problem. .***

**Other notices:**

There are other notices that may be involved with tenants. BRG 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.

**Tenant problems:**

Barrons Realty Group’s policy is to obtain good tenants, eliminating many tenant problems. However, even good tenants have problems. BRG treats each problem with common sense approach, follows landlord/tenant law, and uses the appropriate documentation. If the situation turns serious, BRG contacts the owner, and works to find a solution for the problem.

**Legal action:**

Although BRG works diligently to avoid the necessity to begin an eviction proceeding, it can happen. In the event any legal action is required, BRG will contact the owner prior to taking action, discuss what is needed, and obtain owner authorization.

**Lease Renewals:**

We strive to get our tenants to renew their leases, (esp. a Good Tenant.) 30 days prior to the expiration of their lease agreement. We will try to renew the tenant's lease for another year at the same or at a slightly higher amount of rent.

We will renew the resident's lease agreement, or re-rent the property to new residents, unless we have a written directive from you not to renew the lease the lease or re-rent the property.

We will also conduct a property inspection, correct any maintenance problems the tenants may have, and will contact you in the event of a necessary repairs.

**Property Inspections :**

We conduct many property inspections. When your property is vacant, we check on it as necessary. We will conduct a "Move-In" inspection prior to new residents moving into the property. We will also conduct other periodic inspections when requested or if we determine that checking out the property is warranted. When the residents moves out of your property, a Move-Out inspection and thoroughly documents the condition of the property. We also take digital photos of each property during each inspection; these photos can be emailed to you upon request.

**Preventative Maintenance:**

The best approach to maintenance is "preventative maintenance," and this is our BRG policy First, BRG has already started educating the tenant by:

- Supplying tenants with the "*Tenant Handbook*," which provides instructions on the care of the property and how to report maintenance

Next, we use "preventative 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." This is why, in our tenant instructions, we require them to report problems. For example, what is worse than finding out dry rot could have been prevented or discoloration of the linoleum if the tenant had reported the leaking toilet in the bathroom? Avoiding major maintenance costs are certainly more favorable in such cases. Rental homes must be properly maintained in order to preserve the value of the property and maintain a positive relationship with the residents. **Florida also has laws that require property owners to comply with certain basic maintenance and repair items.**

The BRG management teams contact owners regarding maintenance above the \$500 minimum that is listed in the BRG Management contract, unless the situation is an emergency. Sometimes when a maintenance person is at the home to give an estimate, they find they can complete the repairs right then and they will call us. If we cannot reach you but we feel the work is necessary we will authorize the repair and let you know this at the earliest convenient time. We do check pricing and we do always look out for your best interest in the decision making process. When the amount is going to be less than \$100, our vendors do not call for approval, they just do it. In this case, we will send a copy of the invoice with your monthly statement.

When your property becomes vacant, we will take necessary actions to improve the property's show-ability to prospective renters. This means faster lease ups and less vacancy for you. Examples would include lawn service, carpet cleaning, house cleaner service, pool service, utilities and painting when necessary. In the event that any of these repairs were due to the former rental residents tenancy, we will spend all of their security deposit first (not your money) to put your property back into its pre-rented condition.

#### **Emergencies/Disaster:**

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

There are times when a property manager 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.

#### **Tenant Vacates:**

**Notice to vacate** - The preparation for this really began when the tenant moved in with a detailed rental agreement and *our Tenant Handbook*, which gave instructions to the tenant on how to move out.

**Communication with owners and tenants** - BRG notifies the owner in writing or by phone. BRG immediately places the property on the market to rent unless the owner notifies BRG to take other measures. BRG also responds to the tenant notice with a letter detailing the steps to complete a successful move. Rent is required until the end of the notice unless otherwise stated in the rental/lease agreement.

**Tenant move out** - BRG conducts a walk-through. We record any maintenance required and disclose a list of damages to the vacating tenant. Digital photographs are taken when the tenant move out to document the condition of the property and support any deductions from the security deposit. After assessment of the tenant move out, BRG 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 state laws. Florida Law requires security deposits be returned within 15 days. If we intend to make a deduction from the deposit, we are given 30 days, so this will allow us to get the items done and charge the tenant for the actual

expenses. Once we determine the deductions, we must notify the tenant by certified mail, and they are given 15 days from the date of the receipt of the letter to dispute the charges. Tenants often dispute, and we cannot disburse the money to the owner until the dispute has been resolved. It is usually best to allow us to try to negotiate some with the tenant. In the event of a dispute, we will notify you of the dispute and discuss possible solutions. If an owner requests we disperse the deposit to them and we have not reached an agreement with the tenant, we will send the money to the owner and notify the tenant, that leaves us out of it, but does not prevent a future lawsuit, so please be reasonable and assist us in resolving all disputes at the lowest level. We will send you a copy of the security deposit transmittal.

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

### **Additional Services:**

The following are “additional services” offered by BRG 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 management services in the Pensacola, Gulf Breeze Area? If so, then notify your management team. BRG values their client business and believes in rewarding referrals from clients. Referrals resulting in a new property under our management will receive \$50.**

#### **Supervision of extraordinary maintenance:**

BRG can charge a \$30 Fee for supervising work requiring extraordinary maintenance. Barrons Realty Group policy is to consult licensed contractors for bids and solutions. Then BRG contacts the property owner for authorization and/or decision regarding the maintenance. The definition of extraordinary maintenance is as follows:

*BRG defines extraordinary maintenance as rehabilitation work that exceeds \$1000, insurance claims, and major systems replacements. (Examples are roof replacement, major tree work, exterior painting, vandalism, insurance claims, hurricane damages, etc.)*

#### **Real Estate Services:**

Barrons Realty Group Sales Division is available to assist you in buying more investment property or selling your property when ready, including those requiring 1031 exchanges. A free market analysis is available at any time with no obligation. Please contact your property management team or one of our sales team listed to provide you with the information or services you need.

### **Cancellation of Management:**

It is the goal of BRG to satisfy your management needs and engage in a successful business relationship, but all things do change over time. If this happens, the BRG

cancellation policy is to resolve your account in a professional, timely, and pleasant manner. Please review the following policies for cancellation.

**Written notice:**

- The BRG management contract accepts a **30 day** written notice by either party.
- The BRG policy is to give cancellation of management by US Mail.
- If an owner sends a cancellation of management by US mail, BRG must receive the notice within **5** business days of the date of the notice.

**Notice to current tenants & Tenant information:**

- BRG will notify current tenants the date BRG will no longer manage the property and that BRG forwards 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.
- BRG will supply current tenant documentation to the owner.
- If the owner has employed new management, it is the owner's responsibility to instruct them to pick up documents, keys, and any other necessary materials at BRG office.

**Final distribution of funds:**

- BRG 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

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

We want to thank you for your Business. Know this will be a very prosperous and enjoyable venture.