



6756 Ventana Hills Road, NW
Albuquerque, NM 87114

(505) 205-1581
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Property Management • Leasing • Maintenance

<http://www.advantagepointeproperties.com>

Hours: M-F 8-5; Sat 9-4; Sun 12-4

Greetings and Welcome to Advantage Pointe Properties!

We are a full service real estate agency with the primary focus of providing property management services to owners of residential rental homes in the Greater Albuquerque area.

Our goal is to maintain a standard of service that all property management agencies will aspire to.

Our mission is to manage the properties entrusted to our care in a manner that will maintain and enhance the value of those properties and result in the placement of responsible, long-term tenants while developing relationships with owners and tenants that will be of benefit to all.

Through the use of state-of-the-art technology, we are able to provide our owners with current information on the status of their properties with 24/7/365 on-line access to statements, reports, work orders, invoices, payments and all owner and property specific documentation.

We utilize that same technology to provide y/our tenants' access to tenant statements, maintenance request forms, maintenance request tracking, all tenant specific documentation and all available, property specific operator manuals.

Because we use this and similar technologies and limit the work load of our property managers to 120 homes, your assigned property manager can actually manage your property rather than just collect rent.

Please browse our website (<http://www.advantagepointeproperties.com>) to learn more about the services we provide for our owners and tenants.

All of the documents you will need to become a client of Advantage Pointe Properties are found on our website. If you have any questions, regarding these documents or our services in general, please call us at (505) 205-1581 or send an e-mail to richard@box133.com.

Thank you for considering Advantage Pointe Properties for your property management needs.

Sincerely,

A handwritten signature in black ink, appearing to read 'Richard Small', is written over a light blue background.

Qualifying Broker
Advantage Pointe Properties

We earn our commissions the old fashioned way...We work for them!





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Residential Property Management Services for Owners

1. **Month-to-Month Property Management Agreements!**

No more long term property management agreement contracts. If we're not doing a great job for you or you can find someone who can do a better job, *fire us!*¹

Our property management agreements expire, initially, on the last day of the month following the month in which they become effective. Thereafter, they will automatically renew on the first day of each subsequent month for one additional month, unless the owner notifies us to the contrary.

2. **No increase in commission rates** for as long as your property remains under our management...***guaranteed!***
Your initial commission rate will apply to all properties owned by you and under our management regardless of the effective date of the property management agreement.

In addition, if you sell any of your properties to another investor, the same commission rate terms will be extended to the new owner.

3. **State-of-the-art, web-based property management application** available to all owners and tenants via their respective Internet portals.

Owners and tenants have 24/7/365 access to property specific documentation such as their property management agreement, leases, work orders, invoices, payments, owner statements, tenant statements, property status reports and more.

Though we have a wide variety of reports that are suitable for most any need, custom reports are available for a one-time set-up fee of \$50.

4. **Detailed inspection of vacant properties, including full photo documentation**, within 48 hours of receiving your property management agreement.

A copy of the inspection report will be made available via the owner portal.

Photos, though not uploaded to the owner portal, are retained on file with copies e-mailed to the owner.

Photos, along with the inspection report, are available on disk for a fee of \$25.

5. **Pre-advertising consultation with owner** regarding the condition of the rental property, issues that need to be addressed and anticipated range of market rent.

Market value is dependent on many factors. Chief among them being location, condition of the rental property, size of the rental property, number of bedrooms, bathrooms and so on.

Marketing principles for rental homes is very similar to the marketing principles applied when selling a home.

Think of it as "selling" the rental property one month at a time.



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6. **Advertising of available and soon to be available rental properties on 15+ websites.**

There is a basic, monthly advertising fee of \$39 when the rental property is advertised on the Internet.

Statistically, over 70% of all research is conducted on the Internet and we optimize our website to insure that prospective tenants find your advertised rental property!

In fact, Internet advertising results in 2+ inquiries per day on available rental properties advertised at market rates and advertising "soon to be available" properties may result in having a new tenant before the current one moves out!

7. **Placement of "For Rent" sign on available, vacant properties.**

Some homeowner association have strict prohibitions against the placement of "For Rent" signs on any property falling under their jurisdiction. Therefore, we cannot always provide this service.

8. **Walk-through inspections of occupied rental properties within 10 days of receiving your property management agreement.**

Why the difference in timing between the inspections of vacant rental properties vs. the inspections of occupied rentals? As per the New Mexico Owner-Resident Relations Act, we are required to provide the tenant with a 24 Notice of Intent to Enter. Also, as your tenant is welcome and encouraged to be present for the inspection, it is sometimes necessary to co-ordinate the timing of the inspection with their schedule.

A copy of the inspection report will be made available via the owner portal. Any issues that need to be addressed will be photographically documented, as well.

Though photos will not be uploaded to the owner portal, they will be retained on file with copies e-mailed to the owner.

Photos, along with the inspection report, are available on disk for a fee of \$25.

9. **Scheduled weekly inspections of vacant properties.**

As vacant homes are subject to issues not necessarily associated with occupied homes, our property managers inspect all vacant rental properties at least once a week and, in the course of performing other property management duties, may perform a drive-by inspection two or more times per week.

10. **Weekly status updates of vacant, advertised rental homes.**

In addition to location, condition, size, etc. of rental properties, the length of time required to place a tenant is dependent on the time of year during which the rental home is available and/or the monthly rent being asked for the rental home.

Generally, considering the above factors, it takes an average of 6 to 10 showings of an available rental home to attract an application for tenancy. As the number of showings is usually influenced by the time of year (rental activity is most robust during the months of May and June with the least activity occurring during the months of December and January) and the monthly rent being asked for the home (higher rents can be expected during peak activity months), you may want to consider lowering the monthly rent and/or offering an incentive to prospective tenants.



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This status report will provide you with information regarding the number of times your rental property was shown and any comments made by prospective tenants.

In addition, your property manager will receive a copy of this report and will contact you, as necessary, to discuss possible changes in marketing strategy.

11. **Consultation with the owner prior to considering any applicants with pets.**

Of course, this service assumes the owner allows pets in the rental property.

Our policy is to exclude any reptiles, exotic animals or animals that are generally considered to be aggressive.

We do not recommend the approval of more than two pets, but as our experience indicates that 75% or more of all prospective tenants have a pet of one kind or another, we recommend that you consider, at the very least, allowing small pets.

Our policy is to collect a pet deposit of \$250 per pet.

Rental properties in which the owner allows pets are always advertised as "Pets Allowed on Owner Approval."

Note that, due to fair housing laws and regulations and the Americans with Disabilities Act, we cannot decline an application for tenancy of a rental property on the basis of the applicant having a "pet," such as a seeing-eye dog, for the purpose of maintaining the health, safety and well being of the applicant. Neither can we collect a Pet Deposit for these animals. However, we can and do require proof of the need for such an animal.

12. **48 hour tenant application turn around.**

We, of course, have a vested interest in approving applicants for tenancy of all rental properties as quickly as possible. Therefore, our goal is accept or reject an application within 48 hours (2 business days or less) of the time the application is received and *we don't cut corners doing it.*

All applicants must meet our income requirements (combined gross income of applicants for all rental properties must be no less than 3 times the monthly rent of the rental home being applied for) and are subjected to a credit check as well as a nationwide criminal background, sex offender and eviction check. In addition, we verify each applicant's rental and employment history.

13. **Negotiation of leases so as to position the rental home for availability during times of peak rental activity.**

It is to the *advantage* of owners having one or more rental properties to have leases that are scheduled to expire/renew at the end of March, April, May or June.

With the months of May and June being the most active months of the year for available rental homes and the months of April and July being a relatively close second place, we make every attempt to negotiate leases that are due to expire/renew on a date that will position our owners' rental properties for availability during one of those months.



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Though we prefer lease terms of 12 months, positioning a rental home for availability during these months requires some flexibility in the negotiation of lease terms. Therefore, before placing any rental property on the market, our property managers will have a discussion with the owner of the rental property regarding marketing strategy and lease terms that should be considered. The property manager will confirm the results of this discussion with the owner prior to entering into the negotiation of lease terms with any applicant.

14. **Validation that all public services and utilities have been placed in the name of the tenant prior to the tenant taking possession of your rental property.**

Public services and utilities include electricity, natural gas, water, sewer and trash removal.

In some instances, public service providers will not accept responsibility for the service from anyone other than the owner. Therefore, when it is necessary and possible to do so, Advantage Pointe Properties collects, in advance and from the in-coming tenant, the anticipated cost of those services over the term of the lease.

When it is not possible to collect utility costs in advance, our policy is to monitor the payment of utility invoices quarterly. If the tenant has not paid the invoice for any such utility or public service, they are immediately notified to do so.

At times, to avoid liens being placed on the property, it will be necessary to pay the unpaid invoice from the owner's account. However, all such payments are charged back to the tenant.

If your rental property utilizes propane (LP), the tank will be filled, at your expense, immediately prior to the date your tenant takes possession of the home. Thereafter, the tenant will be responsible for scheduling and paying for re-fills.

15. **Collection of rent, but your knew that, late fees (50% to owner), early termination fees (50% to owner) and all other fees and charges as may be applied to the tenant's account.**

All rents are due, in full, on the 1st day of every month.

Tenants taking possession of your rental home on any day other than the 1st of a month are charged a prorated portion of that month's rent.

Tenants taking possession of your rental home on or after the 20th day of any month are required to submit the rent for the following month, as well.

Prorated rent is based on a 365 calendar year.

Tenants who have not paid their rent by the close of business on the 3rd day of any month are assessed a late fee equal to 10% of the gross rent. ***50% of late fees, when collected, accrue to the owner!***

Tenants, with the exception of those who are subject to the 'Military Clause,' who terminate their leases prior to the expiration date are assessed an early termination fee of \$500. ***50% of the early termination fee, when collected, accrues to the owner!***



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In addition to the early termination fee, tenants who break their lease will be held responsible for rent and the cost of utilities, grounds maintenance and out-of-cycle expenses, such as advertising for up to two months from the end of the rental period for which rent was last paid. The tenant will be excused from further obligation should Advantage Pointe Properties re-rent the rental property or the expiration date of the lease is reached within those two months, whichever occurs first.

If the rental property is re-rented during those two months for an amount less than the rent being paid by the tenant breaking the lease, the vacating tenant will be held responsible for the difference in rent through what would have been the expiration date of the broken lease.

16. **Tenant statement and friendly rent due reminder is sent to the tenant seven days prior to rent due date.**
Advantage Pointe Properties posts monthly rent charges to the tenant's account 20th day of every month.

If the tenant has Internet access, a copy of their statement and a friendly reminder that rent is due on the 1st is e-mailed to them.

If the tenant does not have Internet access, a hard-copy of their statement and a friendly reminder that rent is due on the 1st, including a SASE envelope for submission of rent, is mailed to them.

17. **3 Day Demand Notice to Pay Rent mailed, e-mailed and posted, if necessary, on rental property.**
We take the payment of rent seriously!

If a tenant has not paid their rent by the end of business on the 3rd day of the month, we assess a late fee equal to 10% of the monthly rent. We then mail and, if the tenant has Internet access, e-mail a 3 Day Demand Notice to Pay Rent to the tenant. In addition, we place a call to the tenant and, if we are unable to contact them, the property manager will post the same 3 Day Demand Notice to Pay Rent on the front door of the property.

Owners are notified by e-mail should the tenant fail to pay rent within the 3 day grace period.

50% of all collected late fees accrue to the owner of the rental property!

18. **Co-ordination of tenant eviction proceedings, as necessary.**

If a tenant fails to respond to the 3 Day Demand Notice to Pay rent, we immediately commence eviction proceedings. This is so even when the tenant has made arrangements acceptable to the owner and Advantage Pointe Properties to pay the rent other than when due. Doing so motivates the tenant to live up to the terms of any such agreement and avoids being behind the curve, so to speak, if the tenant, in fact, must be evicted.

The cost of court filings and service of process on the tenant (average cost is approximately \$100 and is dependent on the county in which the rental property is located) is paid from the owner's account and charged back to the tenant's account.

When it is necessary to do so, the property manager will represent the owner at the eviction hearing, obtain the Writ of Restitution, if the court grants the eviction request, and co-ordinate eviction action by the county sheriff's department, if the tenant has not voluntarily surrendered the rental property by the effective date of the writ.



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Fortunately, for all concerned, a very small percentage of tenants require eviction.

Our owners, of course, are kept informed all along the way.

19. **Co-ordination of collection procedures, as necessary.**

If your tenant moves out of your rental property or is evicted, Advantage Pointe Properties will conduct a detailed inspection of the home within 48 hours of vacancy.

This inspection will include a report and photos of all issues that need to be addressed in order to make the property rent-ready.

Our property managers will confer with the owner regarding the cost of making the property rent-ready should the overall estimate for doing so plus any amounts left owing by the out-going tenant exceed the tenant's security deposit.

Once all make ready issues have been addressed and the costs of same assessed, the tenant is sent a settlement letter via certified mail detailing the allocation of their security deposit.

If any amount is left owing by the tenant, we ask that they contact us to make arrangements for payment. Should they fail to do so or default on any arrangements to make restitution, their account is turned over to a collection agency.

Any fees assessed by the collection agency are appended to the total amount owed and paid by the tenant.

20. **Mailing, e-mailing and, if necessary, posting of homeowner association CC&R violation notices and follow-up.**

Should a tenant commit any violations of the homeowners' association CC&Rs, we will mail and/or e-mail a copy of the violation (sans any owner identification) to the tenant along with a 7 Day Notice of Violation.

The property manager will verify that the violation has been remedied two days before the deadline.

If the issue has not been corrected within five days of our having notified the tenant, Advantage Pointe Properties, if necessary to avoid any fines being levied by the association, will issue a work order for the correction of the violation. The contractor's invoice will be paid from the owner's account, but charged back to the tenant's account.

Repeated violations may be grounds for eviction.

21. **Scheduled monthly drive-by inspections of tenant occupied rental properties.**

Our experience has been that a rental home that is well taken care of on the outside is most likely to be well taken care of on the inside, as well. However, if a drive-by inspection indicates conditions to the contrary, the tenant is sent a 24 Hour Notice of Intent to Enter and the home's interior is inspected within 48 hours of the drive-by inspection.

22. **Scheduled quarterly inspections of tenant occupied rental properties.**

We want to insure that your rental property is being well cared for and that no unreported maintenance issues exist.



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Often times, a tenant will have a maintenance issue that they've intended to report, but just haven't gotten around to it. For instance, if you've ever put an empty coffee can under a leaky sink drain to catch the drip with the intention of fixing it later, you can relate to this. As leaks can lead to bigger issues such as mold blossoms, we'd rather know about this and similar issues before they become a major problem.

A copy of the inspection report will be made available via the owner portal.

Any photos taken of issues that need to be addressed will be retained on file with copies e-mailed to the owner.

Photos, along with the inspection report, are available on disk for a fee of \$25.

23. **24/7/365 emergency maintenance hot-line.**

This is one of those services that we hope is never used. However, if your tenant ever has an emergency maintenance need, we're there to help - 24/7/365.

24. **Co-ordination and follow-up of all maintenance issues.**

Whenever a tenant submits a maintenance request, your property manager will clarify the nature of the request, if necessary, and issue a work order to one of our approved contractors.

Our approved contractors can address just about any issue from heating and plumbing problems to roof leaks and general maintenance.

Once the work is completed, the property manager will follow-up on the results of the work and, if acceptable, authorize payment of the contractor's invoice from the owner's account.

In some cases, however, the need for maintenance work is the result of a tenant action or inaction, if an maintenance problem has not been reported in a timely manner. If such is the case, the amount of the contractor's invoice is charged back to the tenant's account.

25. **\$150 monthly aggregate maintenance expense limit per property without owner consultation.**

If the expense for any one or multiple maintenance issues over the course of any given reporting period is estimated to exceed \$150 for any one of an owner's properties, the owner will be contacted by his/her property manager.

26. **\$250 monthly aggregate maintenance expense limit per owner without owner consultation.**

This service is for those owners having two or more rental properties under management with Advantage Pointe Properties.

In such cases, owners of multiple properties under our care will be contacted by his/her property manager when the combined maintenance costs for all properties exceeds \$250 in a single month over any given reporting period.

Why the previous two services? It's simple.

We don't like surprises of this kind and presume that our owners don't either!



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27. **Lease renewal offers, after owner consultation, are mailed and e-mailed 45 days prior to the lease expiration date.**

Our property managers will discuss current market conditions and rent for the rental properties of our owners approximately 10 days prior to extending an offer to renew the lease.

Based on that discussion, an offer to renew the lease is sent to the tenant approximately 45 days prior to the lease's expiration date.

An owner, of course, may elect not to renew the tenant's lease.

28. **Collection of security and pet deposits prior to any tenant taking possession of a rental property.**
Advantage Pointe Properties requires a security deposit equal to one month's rent.

The standard pet deposit is \$250 per pet.

Security deposits for rental periods of less than 12 months may not exceed one month's rent. For all other rental periods, the security deposits are not limited.

Note that, in accordance with the Uniform Owner-Resident Relations Act of the State of New Mexico, any deposits held by the landlord that, in total, exceed one month's rent must bear interest at passbook savings account rates or as required by law. Any interest earned on such deposits is credited annually to the tenant's account from the owner's account.

29. **Owner and tenant reports generated automatically (or by request) and published to owner and tenant portals.**
Advantage Pointe Properties property management reporting functions are very flexible and meet 90% of the needs of both owners and tenants. We automatically generate owner and tenant statements every month and published these statements to their respective Internet portals.

Owner statements are generated on the 15th of every month while tenant statements are generated seven days prior to the 1st of every month.

Owners 1099s and P&L statements for the current tax year are generated on the 1st of February.

30. **Post move-out inspections with full photo documentation.**

Within 48 hours of the time a tenant surrenders the rental home to Advantage Pointe Properties, one of our property manager will perform a detailed inspection of the property, including full photo documentation.

A copy of the inspection report is made available to the owner via the owner's Internet portal.

The property manager will discuss the making the home ready for re-renting should the estimated cost of doing so exceed deposits held plus any outstanding amounts owed by tenant or, if the anticipated turn around time exceeds 5 days.

In addition, the property manager will discuss marketing strategies and anticipated rent for the property.



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Though photos are not uploaded to the owner's portal, they are retained on file and, if necessary, e-mailed to the owner.

A copy of the inspection report and photos are available on DVD for a fee of \$25.

31. **Post move-out settlement of tenant's account.**

As required by the Uniform Owner-Resident Relations Act of the State of New Mexico, Advantage Pointe Properties will provide the tenant with an accounting of their security deposits within 30 days of their surrender of the rental property and return any remaining balance.

Once the costs of repairing any damages, beyond those that would be considered normal wear and tear, have been determined and charged against the tenant's security deposits, Advantage Pointe Properties sends the tenant a final statement of their account detailing the charges, if any, against their security deposit. This statement is sent via certified mail and includes a demand letter for payment of any outstanding balance.

32. **Compliance with all local, state and federal laws ordinances and regulations governing the rental property.**

Advantage Pointe Properties will abide by all local, state and federal laws, ordinances and regulations governing the property and rental agreements with tenants, including but not limited to:

- a. The real estate license laws and regulations of the State of New Mexico;
- b. The rules and regulations of the Real Estate Commission of the State of New Mexico;
- c. The Human Rights Act of the State of New Mexico;
- d. The Uniform Owner-Resident Relations Act of the State of New Mexico;
- e. The Federal Fair Housing Act, which prohibits discrimination on the basis of age, race, religion, color, national origin, ancestry, sex, sexual orientation, gender identity, physical or mental handicap, serious medical condition or spousal affiliation;
- f. The Americans with Disabilities Act;
- h. The Fair Credit Reporting Act; and
- i. The Fair Debt Collection Practices Act.

Thank you for taking the time to review the property management services offered by Advantage Pointe Properties. Please contact us with any questions you may have regarding our services.

Frankly, if you've taken the time to review this entire list of services, you are a very discerning person and, as a reward for reviewing this list, please mention that you have read it when submitting your property management agreement and receive 50% off our standard start-up fee of \$150.

Sincerely,

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