

# Scott Properties of Charleston

"The Property Management & Home Rental Experts"

## Property Owner Benefits

Thank you for your interest in our Charleston Property Management services. Scott Properties of Charleston has been in the Property Management business for 14 years and we specialize in, and currently manage, middle to high end residential properties with rent amounts ranging from \$1000 to \$8500 per month. We specialize in property management and we don't sell real estate or do any other real estate related work. Many Charleston property management companies do property management, but it's secondary to their primary line of business. Unlike many other companies, we focus 100% of our time and effort each day on providing a high level of property management services. Our South Carolina territory includes the counties of Charleston, Berkeley and Dorchester. We are also proud of the fact that we have always maintained an A+ rating with the Better Business Bureau and we were voted the Best Property Management company in 2018 & 2019.

Here at Scott Properties we offer our clients a Piece of Mind Agreement which simply means that if you aren't 100% satisfied with the level of Property Management services we provide, you are not contractually bound by the property management agreement. Property owners are our number one priority as our mission statement state's "Through our professional commitment to excellence we strive to exceed property owner and tenant expectations every time without exception". We are the best at what we do and we are more than happy to provide references if this would help you make your final decision on which Charleston property management company to choose. We feel our existing property owners serve as the best gauge of how we are doing as a company.

Here are a few of the Property Management services and strategies we offer to our Property Owners and Investors at Scott Properties.

### **LEASE AGREEMENT STRATEGY & PROCESS**

When you look at all of our properties under management, the average length of stay for a Scott Properties tenant is three years. Knowing this, we do something very unique which has proven successful over the years. We have all tenants sign three (3) year leases with one (1) year terms. The one year terms within the three year agreement still allows the property owner and / or the tenant an opportunity to end the agreement with a 60 day written notice prior to each one year anniversary within the three year lease. What are the property owner benefits of having tenants sign a three year lease? First, Scott Properties builds in a 5% increase in rent when the lease auto renews each year. We have found this to help our property owners cover increases in taxes, insurance, etc. but more important, every time we increase rent the investment property becomes more valuable. Secondly, we strategically have all of our leases terminate during the busiest time of year and these termination dates vary depending on the market segment that we are marketing our available properties. We also require a longer than normal notice to vacate time frame which is 60 days. This 60 day notice period gives us more time to find the next qualified tenant. The moment we get a 60 day notice to vacate from a tenant, we start aggressively marketing and advertising the property. Lastly, we have found that three

year leases also reduce property turn over. These strategies and processes, along with others, have proven to drastically reduce our vacancy rate which is currently running in the 2% to 3% range.

### **TENANT AMENITY PACKAGE**

This Tenant Amenity Package offered exclusively through Scott Properties of Charleston is NOT optional. All tenants who rent a home through Scott Properties are enrolled in this program which has proven to be very advantageous for us, tenants and property owners. Listed below are the big three amenities that Scott Properties will provide to all tenants through this amenity package.

- **Utility and Maintenance Reduction Program (HVAC Filters):** HVAC filter(s) will be delivered to the tenant's front door step every 90 days. Tenant shall properly install the filter(s) that are provided within two (2) days of receipt. These filters benefit the tenant by reducing their utility bills and it benefits the owner by extending the life of the HVAC unit(s). We verify that the filters are being changed as instructed when we do our property evaluations every five months.
- **Renters Insurance Policy:** Renters Insurance is not optional and all tenants who rent a property with Scott Properties must have a valid / current renters insurance policy. If a tenant already has a Renters Insurance Policy in place, they are required to provide Scott Properties with proof of coverage prior to their move in date. If tenants don't have a policy in place, Scott Properties works with an in-house insurance company that will bind the Renters Insurance Policy prior to the tenants move-in date. This insurance policy benefits the tenant because now they have a policy that covers their personal belongings, but it also benefits the property owner and the Charleston Property Management Company because it gives us both another layer of insurance protection and reduces our liability.
- **Equifax, TransUnion & Experian MONTHLY Rent Bureau Reporting:** We help build tenants credit and rental history through automated monthly reporting to all three credit bureaus. This monthly reporting gives the tenants a real incentive to pay on time. Tenants have seen their credit scores positively jump 40 to 70 points after we start reporting because in most cases, the rent payment is the largest monthly financial obligation for most tenants. The benefits on the tenant side, if they pay on time, speaks for itself. If a tenant doesn't pay, we also report negative history each month. The benefit to the property owner and the property manager is a drastic reduction in bad debt because now the tenants have a real incentive to pay their rent on time.

## **ADVERTISING**

Scott Properties of Charleston will aggressively market and advertise your property to find new tenants. We have software that allows us to syndicate to many of the below websites and if the website isn't a part of the syndication process, we will manually build the ads on the websites. For properties that we turn each year, we start the marketing process a minimum of 60 days prior to the lease termination date. Some of the Charleston Property Management marketing and advertising media that we will utilize can be found below.

- Scott Properties of Charleston Website
- Market / School Specific Student Housing Websites
- MLS (Multiple Listings Service)
- AHRN.com (Military Housing Referral Network)
- Trulia
- Zillow
- Realtor.com
- Homes.com

## **TENANT SCREENINGS**

Scott Properties of Charleston currently utilizes Artificial Intelligence (AI) screening software which has proven to maximize occupancy and revenue and at the same time minimize bad debt and financial loss. We are responsible for screening potential applicants which includes reviewing credit reports, verifying employment, verifying income, debt to income analysis, previous rental history along with criminal background checks. Scott Properties will communicate the results of this information to the property owner when a qualified tenant is found. This is a very important part of the process and Scott Properties will not move a tenant into a property until we feel confident that they will take care of the property and pay on time. On average we deny two applications for every one application we approve.

## **PROFIT & LOSS REPORTS**

Scott Properties of Charleston provides property owners with 24 X 7, real-time access to their personal itemized profit and loss reports. These reports/ statements are printable and will assist property owners with their monthly and year end bookkeeping and accounting. The required year end 1099 tax form can also be accessed through the owner's web portal. Instructions on how to access this web portal will be provided at the time the Charleston Management Agreement with Scott Properties is executed.

## **MAINTENANCE**

Scott Properties of Charleston is responsible for the coordination of all day to day home maintenance and repairs. Scott Properties has established an agreement with the necessary Charleston Property Management Vendors to ensure fast, reliable and affordable repair services. All Scott Properties vendors are licensed and insured with the required workers comp insurance. In exchange for the volume of work that we give our vendors, they give us discounts which we pass along to our property owners. Scott Properties does not mark-up maintenance / repair work done at any of the properties that we have under management.

## **COLLECTIONS / EVICTIONS**

If tenant rent payments are not received by the 5th day of the month, collection calls will be made to all tenants with a past due balance. If rent payments are not received by the 13th day of the month, Scott Properties will begin the eviction filing process. Scott Properties will be responsible for filing all eviction notices and writ of ejections. Scott Properties will always charge the tenant for all notices and filings. Scott Properties does not charge the property owners for eviction filings or for time spent in court. We will work aggressively to collect filing fees and court cost from the tenant.

## **PROPERTY OWNER PAYMENTS / DIRECT DEPOSIT**

The property owners direct deposit each month will be done no later than the 28th day of each month. If the 28th happens to fall on a weekend or a holiday, then the payout will be done the previous workday. The management fee, and any repair expenses, will be deducted from the total rent amount collected for the month. Scott Properties will direct deposit your monthly rent payout into your checking or savings account each month.

## **PROPERTY EVALUATIONS**

Unlike most property management companies, Scott Properties of Charleston will conduct periodic evaluations of your property. These evaluations are done every 5 months on every property under management. The results of these evaluations will be documented and sent to the property owner and tenants. These evaluations are uploaded to the property owners portal to view. If action items and / or problems are identified during the property evaluation, a timeline to perform and complete the required work will be determined and documented. After the work is completed, Scott Properties will go back to re-evaluate to verify that the required work was done to our satisfaction.

## **MANAGEMENT FEES**

Property owners pay an 8% management fee to Scott Properties of Charleston each month...8% of the gross monthly rent collected. If a monthly rent payment is not collected from the tenant, the property owner is not responsible for the management fee for that month. The management fee would resume when monthly payments commence.

## **LEASING FEE**

If Scott Properties has to market and advertise a vacant property, for all the work associated with finding a qualified tenant, the property owner will pay a \$500.00 leasing fee. Charleston Property Owners do not pay this fee upfront. This \$500.00 fee will be deducted from the first month's rent after a qualified tenant is identified and the tenant is successfully moved into the property. This \$500.00 fee helps us cover the cost of the back and forth of showing the property, advertising cost and all the tenant screenings.