



## **Frequently Asked Questions**

Below you will find answers to common questions regarding the Property Management and Leasing Service available to you. We recommend asking these same questions of any Property Management company you are considering.

### **Q: What are the benefits of using a professional property manager?**

Many of the cities in the Bay Area (and the state of California effective January 1, 2020) have implemented Rent Control and/or Just Cause Eviction laws which can be very difficult to understand and adhere to. Hiring a professional property management company familiar with these laws and abreast of all the changes will ensure you are not subject to legal action from not complying with these laws. As an individual Landlord, it would be hard for you to remain aware of all the laws and nuances of managing tenants and handling repairs.

Utilizing the services of a Professional Property Management Company in the Bay Area relieves you from the burden of unexpected and untimely tenant and repair issues. It also provides you with a tested and true vendor team (via your property manager) to handle repair and maintenance issues at your rented home. Having a Professional Property Management Company handling the details of managing your rental home allows you to focus your time and talents on other matters in your life instead of worrying about your rental property. We handle it all for you turnkey.

### **Q: How many years of property management experience in the Bay Area do you have?**

Seville Property Management formerly known as Seville Real Estate & Management was formed in 1986 by Ernest Clark, Jr. His daughter, Maya Clark, has been managing, leasing, selling, and owning rental properties since 1998.



**Q: How big is Seville Property Management?**

We are a small Broker-Owner operated company, managing approx. 110-110 units consisting of single family homes, 2-4 unit properties, multi-family properties (5-10 units) and ADUs/In-Law Units. We remain intentionally small and local, and believe you receive better service as a result. When researching a property management company in the Bay Area, you will find companies of various sizes, some manage 100s, even 1,000s of units with large staff.

**Q: Why is smaller better?**

The advantage to a smaller independent company, such as ours, is that you have a single contact person who *always knows everything* regarding your property, tenants, accounting, repairs, etc. You will never get transferred from person to person, or department to department. You simply call your dedicated Property Manager or Maya, the Broker directly.

The property management industry is starting to undergo consolidation. Large national real estate franchises are buying smaller companies and expanding into as many markets as possible. Many of these larger companies do not have local leasing staff. Instead, they allow tenants into your home unescorted with a lockbox code. With SPM, you have Bay Area natives who have been buying, selling, leasing, managing, and owning homes in the Bay Area ourselves for over 40 years.

**Q: What is your style or philosophy of Property Management?**

We believe you hire a property manager to manage your rental home, not to assist you in managing it yourself. We offer a *full service and turnkey style* of property management service which is most appreciated by those property owners who prefer to be “out of the loop” on all but the most important matters related to the management and leasing of the property.



We do not pester you with small details, questions, information or “updates” about your property or tenants, except for those matters which will have a significant impact on your monthly cash flow. Instead, we simply take care of the things you have entrusted us to handle on your behalf. Our fee includes everything we do. We do not nickel and dime you with extras or try to “upsell” you to a “better” level of service. Every client gets our absolute best.

**Q: What if I want to be informed or involved to a greater degree than you have just outlined?**

For some property owners, our system is not a good match, and we understand that. We are very up front about the fact that we do not want you to hire us if you expect to be involved in minor details or decisions related to the management and leasing of your property.

We simply have not designed our systems and procedures to accommodate that level of involvement by owners. We can instead refer you to another property manager who accommodates the level of involvement you desire.

**Q: Under your “turnkey” system of property management, how informed then will I be about what’s going on with my property?**

The general rule of thumb is this; if something has happened, or is about to happen, that will disrupt your ordinary monthly cash proceeds by more than \$500, we will let you know about it.

An example would be that we receive a 30-day notice from your tenant, and therefore expect a turnover, along with related expenses. We want you to be informed and prepared for it.

Another example would be that your heating system has failed during the middle of an unusually cold winter; we have determined that the unit needs replacing and have



initiated the work to replace it. We will call to let you know what has happened and the expected financial impact on the following month's statement. But we do not seek approval or require your involvement real-time in the decision.

Finally, for new owners that seem a bit nervous, we do tend to accommodate a "break in period" whereby we will keep you a bit more informed than usual during the initial lease-up and make-ready maintenance process.

We *do* want you to be comfortable working with us going forward, so the startup process may involve more communication, if you so desire, than is outlined above. You will settle in and become comfortable with us very quickly though, and after the initial period of getting started, we will revert to our normal routine and level of communication.

**Q: What type of rental properties do you manage?**

We manage single family, ADUs, and small multi-family properties (10 units or less) that are in average to good, or excellent condition. Safe, well-maintained properties, in safe neighborhoods, that attract good, quality renters. If you own a larger multi-family (20 or more units), we are happy to help you find another good property manager in the area who handles that type of property. Feel free to call and ask for a referral.

**Q: In which areas do you offer property management services?**

We primarily focus on Alameda County and Contra Costa County however we have several properties under management in Solano County. We will consider additional properties in Solano County on a case-by-case basis. We will continue to expand our service areas only after we have carefully vetted an experienced handyman, at least 1 licensed contractor, and hiring a dedicated Property Manager who lives and works in the immediate area.



Exceptions can be made if you own multiple investment properties, including some that are inside our desired area and some that are not. Call us to discuss whether we can handle your group of properties. We do sometimes make exceptions for the right properties and owners.

**Q: How do you determine the rent value of my home when it needs to be rented?**

We generally know the rental amounts based on location, size, and condition. But each time your home becomes available for rent, we conduct a market analysis to determine how much properties like yours have been renting for recently.

Once we determine the average rental prices for the area, we add or subtract based on the time of year, competition from other available rental near yours, the condition of the property (older vs. newer carpet, age of appliances, floor plan, etc.), and other relevant market factors.

Generally, we believe it is a good idea to price your rental property at or slightly below market value and get it rented quickly. Vacancy is your worst enemy and we work hard to prevent excess vacancy loss. Sometimes owners get hung up on trying to squeeze out a little bit of extra rent, but we will counsel you against being overly optimistic at the risk of extended vacancy loss.

**Q: Will you allow tenants to have pets in our property?**

We have found in the SF Bay Area that rental properties that allow pets are more in demand and desirable. We do, however, limit the number of pets to two and prohibit certain aggressive breeds of dogs and animals not accepted by your insurance provider. Further, all applicants are required to create a PetScreening.com profile for screening. We use the results of this screening to determine the additional deposit and/or monthly pet fees required.



If you instruct us to market the home as a No Pets property, we will follow your instruction, and will not allow pets at all. Be aware, not accepting pets eliminates a lot of prospective renters, so the more restrictive the pet policy, the greater likelihood of a longer vacancy at lease-up.

**Q: Do you allow smoking in our rental home?**

No. Every lease for every property we manage includes a “no smoking” provision.

**Q: How do you screen and qualify prospective renters?**

We require prospective tenants to provide at least three years of good verifiable rental history (or proof of home ownership), good credit, and verifiable income at least 2.5-3 times the monthly rent. In a nutshell this is it, but a lot more goes into the screening than just those three items. We give considerable weight to the rental and payment history of the applicant. In addition to the contacting the current landlord, we also contact the previous landlord because we have found the previous landlord to be most honest and direct about the rental and payment history. Feel free to review a copy of the Rental Application Criteria we provide for Applicants on our website under Tenant FAQ.

**Q: Do you use a professionally written lease agreement that protects me and my property?**

Yes. We use the most recently updated California Realtor Association or East Bay Rental Housing Association Lease Agreement with additional Addendums specific to the city the property is located in.

**Q: How strictly do you enforce the lease agreement after the tenant moves in? We**

enforce the lease strictly, including our no smoking policy, our pet policy, unauthorized occupants, vehicle limits, HOA Rules, lease term, and all other terms and conditions of the lease agreement. If we become aware of a lease violation, the tenant promptly receives a violation notice and is required to cure the violation to avoid further action.



**Q: How do you handle repair requests from tenants?**

All non-emergency repair requests are reported to us in writing by email or through the Resident Portal, as required in the lease agreement. We provide tenants an online Resident Portal which allows them to submit repair requests from any device. We strive to respond to and complete most ordinary repair requests within 1 to 3 business days.

This is where the rubber hits the road on the “turnkey service” philosophy that was outlined above. If something in your home is legitimately broken, worn out or in need of repair, we are going to have it fixed or replaced without consulting with or informing you, if it falls within the \$500 preauthorized amount established in the property management agreement.

Repairs and property condition issues offer the greatest opportunity for friction and ill will between landlords and tenants. A property manager walks the line between a tenant who wants things fixed ASAP, and an owner who is sensitive to repair expenses. We in fact want the tenant to enjoy a well-maintained home in which everything functions as designed and intended but are conscious about what is reasonable or not. It is to your advantage that this happens, as a happy tenant is more likely to remain in the property at lease renewal.

In most instances, we will ask the tenant a series of questions about the problem and attempt to solve it over the phone. This is commonly accomplished with problems such as tripped breakers or GFI outlets (reset breaker), malfunctioning garage openers (check the eyebeams), disposals (reset button), dishwashers (wall switch), heater (thermostat not set properly, pilot not lit), etc.

Again, this is where we as a “small company” can offer a more personal level of troubleshooting and diagnosis than a large property management company with an impersonal “repair pipeline” process. Essentially, before spending your money on a service call, we attempt to troubleshoot and solve the problem. Once it is determined



that a legitimate problem exists, and that a service call is needed, we send a vendor who we have typically been using for 10 or more years and whom we trust to take care of the problem.

**Q: How much of my money do you hold in reserve for repairs?**

A minimum of \$550 to \$2500 (depending on the number of units) is always held in your account, to be used if needed to pay for a repair after your rent proceeds have been dispersed. Multi-unit properties have higher reserve requirements.

**Q: Will you use my Home Warranty Company, such as American Home Shield?**

No. We will typically will not use American Home Shield or any other Warranty Company on any repair issues at your home under any circumstance. We have no direct control over the vendors sent by home warranty companies, so we have found this process does not work well with rental property repairs.

**Q: Why are repairs so important?**

Nothing affects the reputation of a landlord or a Property Management company more than the way repairs are handled. Tenants judge us by almost no other measure. Therefore, it makes little sense to entrust vendors we do not know or have no relationship with and control over, with the reputation of our company and the relationship with your tenant.

Instead, when repairs are needed, we will send our trusted vendors with whom established relationships and excellent communication exists, to provide the quality service we require in a professional and timely manner.

**Q: What bills will you take care of getting paid for me, related to my rental property?**

We will pay your recurring HOA dues, lawn service and any other bill or invoice generated from approved repairs. Also, utilities during vacancy or other services to your



property including mortgage or insurance payments. There is no additional charge for this service. The actual cost will be reflected on your owner statement with no accounting fees or upcharges.

For an additional charge, we will handle the initial registration(s) with the City Rent Board, Business License applications, as well as all annual renewals. For Nonresidents of California, we will be responsible for the quarterly filing and payments for the 7% Withholdings due to the California Franchise Tax Board.

**Q: When will I receive my owner statement and ACH/EFT deposit each month?**

Your monthly proceeds will be initiated for electronic deposit directly to your bank account each month by the 15<sup>th</sup>. Property statements are emailed between the 10<sup>th</sup>-12<sup>th</sup> each month.

**Q: Can I get my Owner funds before the 15<sup>th</sup> of the month to pay my mortgage?**

We are not able to guarantee to deposit funds sooner than the 15<sup>th</sup> of each month.

Tenants have until the 5<sup>th</sup> of the month to pay their rent before they are assessed a late fee. Once tenants rent is received, we must process the payment and deposit into our account. We also must account for any maintenance invoices that will need to be paid for services rendered the month prior.

**Q: What are your fees for managing homes in the Bay Area?**

Management fee is 8% of the monthly rent collected, with a \$150 per month minimum. Leasing commission is ½ of full month's rent each time a new tenant is located, \$750 minimum. Renewal Fee is a \$95 flat fee each time a lease renewal is executed with an existing tenant. If we are only responsible for Tenant Placement/Leasing, our leasing fee is equal to 100% of the rental amount, or a \$1500 minimum.



**Q: Do you charge a markup on maintenance invoices?**

No, we do not markup routine maintenance or small repair invoices. You pay what the vendor charges. Although, we do charge a 10% "Maintenance Oversight Fee" for repairs exceeding \$2500.

**Q: Do you charge a "setup" fee, or other fees hidden in the fine print?**

We charge a \$195 Onboarding Fee per unit for occupied properties. As part of the Onboarding process, we will review each or all leases for compliance with current ordinances and laws. Additionally, we will establish both the Tenant and Owner portals.

**Q: What is the process once I decide to have you manage my home?**

We will visit your property to make sure it meets our condition and location requirements. Then we will send you a management agreement and initiate the process of assuming management of your property.

**Q: To which professional organizations do you belong?**

**NARPM** – National Association of Residential Property Managers

**CAA** – California Apartment Association

**EBRHA** – Bay Area Rental Housing Association

**BayEast** – Bay East Association of Realtors

**NAREB** – National Association of Real Estate Brokers

**Q: Do you also provide sales services – I may want to sell instead of lease? Yes,**

Maya is the licensed Broker and Owner of the parent company as well. All our sales and leasing activities are handled by licensed Brokers and Salespersons with Seville Real Estate & Mgmt., Inc. Our website is [www.homesbyseville.com](http://www.homesbyseville.com).



Many who contact us about property management are trying to decide between keeping the home as a rental or selling. We are happy to give you some things to consider and provide some pros and cons of each.

**Q: I don't own an investment property yet – Can you assist and represent me if I decide to purchase one?**

Yes, many of the homes we manage were purchased through us by investors who were shopping a property manager to line up before buying. You can learn more about our investment sales service by contacting us. In addition to the roughly 80-100 units we manage, we help buyers and sellers with about 30 sales transactions per year.

**Q: Other Questions**

If you have any questions not answered above, or wish to further discuss anything listed above, feel free to call Maya Clark at (510)244-1289 x101 or [maya@sevillepropertymanagement.com](mailto:maya@sevillepropertymanagement.com).