



FREQUENTLY ASKED QUESTIONS

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What is a property manager? It is a professional who manages your rental property for a fee.

What does property management cost? At Horizon Management, Inc, there are two main fees involved: one is the leasing fee and the other is the monthly property management fee.

The leasing fee is 50% of the full monthly rent. This leasing fee is separate from the monthly property management fee. Leasing fee services include placing advertising, ensuring the property is registered with required agency/agencies, including, but not limited to, the Maryland Department of Environment Lead Paint Program (if applicable), Hagerstown Rental Licensing (if applicable), Cumberland Rental Licensing (if applicable), handling inquiries, describing vacant units, showing the property, providing the rental application, screening applicants, requesting consumer credit reports, recommending application selection for Owner's decision, preparing the Lease Agreement, collecting all Security and Pet Deposits, depositing monies into escrow accounts, arranging to have locks changed, and supervising the tenant move-in process.

A monthly property management fee is a fee of the gross monthly rent in exchange for Agent's services, or \$30.00 per month. If home is vacant and is marketed for rent at or below recommended rent, no management fee is charged. The fee is dependent on the type of housing:

- _____ 8% (Single Family, Duplex, Townhouse, built 1950 or later)
- _____ 9% (any Multi-Unit Building)
- _____ 9% (Any property built prior to 1950)
- _____ 10% (Any property within the Hagerstown City Limits)
- _____ 10% (Any property within the Cumberland City Limits)

Monthly property management services include but are not limited to collecting and distributing the rental income, overseeing any necessary repairs and/or routine maintenance, responding to emergencies, dealing with complaints, paying property utilities (for common areas), seeking court assistance to enforce the lease, semi-annual visual property examinations, handling lease terminations (if applicable) and release of deposits (if applicable).

Are there any other fees involved? There are additional marketing and/or staging options you may also choose. The property manager may perform other duties related to the care of your property outside of the leasing and monthly management duties. These are based on a percentage or an hourly rate and are addressed more specifically in the Owner/Property Manager Agreement.

Why do I need a Property Manager? We are educated on the legal issues such as Fair Housing, Maryland Landlord-Tenant Laws, Lead-based Paint regulations, and city requirements.* Besides, this is our FULL TIME job. We have the time and the resources to do it. And, in doing so, we are able to:

- keep track of rent values
- continuously update all legal documents, including rental applications, leases, and consistent screening policies that meet all of a property owner's legal obligation
- handle advertising, marketing, and repairs
- perform a thorough examination of the rental property between tenants
- build relationships with reputable painters, roofers, carpenters, electricians, and the like, while determining which contractors are licensed, affordable and reliable, and hiring the right people to clean, paint, landscape and repair the property
- confront and negotiate effectively with unruly or non-paying tenants while enforcing the terms of the rental agreement
- evict tenants
- perform semi-annual examinations

If you do all the work, do I have a say in anything? Yes. We suggest a fair market rental value, but you may request any rental price. We do all of the application verification, but you give the approval of the applicant.

Do I ever deal with the tenant? We have found that not having the owner involved with the tenants is the best policy. We therefore strongly discourage owners in making their own repairs. Tenants have been known to develop a familiarity with our owners and begin making direct calls to them when a problem occurs. If you do want to do your own repairs, we recommend not informing the tenants that you are the owner.

How does the money part work? You, as the owner, put in a minimum of \$200 for maintenance reserves. This amount remains in the trust fund throughout our relationship. We collect the rent from the tenant, pay any repairs or utilities, deduct the management fee, and issue you a check for the remainder. The check is sent with a monthly statement describing the income and expenses. Any other recurring payments can be made, but those funds must be in the trust fund as well.

How do I go about doing this? First, contact us. We will come out to meet you, look over your property, and answer any questions you may have. If you are interested, you will need to fill out and return our Property Management/Owner Agreement and Property Information sheet and let us do the rest!

*Joan Lord, owner of Horizon Management, Inc., is a member of the National Association of Residential Property Managers (NARPM). NARPM promotes a high standard of business ethics, professionalism, and fair housing practices of the residential property management industry, and it promotes continuing professional education for its members. Joan is also a member of the Landlord and Property Owners Association of Washington County, Md. Inc., Associated Landlords of the Cumberland Area, and has been a licensed Real Estate Agent since 1988.