

Property Owners Guidelines

Breaking the Lease - Early Terminations (28)

A lease normally contains three provision by which a tenant can terminate his or her lease without penalty. Tenants may have special statutory rights to terminate the lease early in certain situations involving family violence, military deployment or transfer, or certain sex offenses or stalking.

Military: Clause permits military personnel to terminate the lease when they present proof of a transfer outside the metropolitan area. They are required to provide thirty days written notice prior to vacating the house. If orders are not available, a letter signed by their Commanding Officer will suffice

Family Violence: A Tenant may terminate the lease if they provide court documentation as per Texas property code 92.017.

Sex offenses or Stalking: A Tenant may terminate the lease if they provide court documentation as per Texas property code 92.0161.

It would be prudent for an Owner to consider working with a Tenant for an early termination for other life changing issues. There is no restriction in working with clients if the tenant will bear all expenses normally experienced with re-letting, and pays the rent until the property is re-rented.

Carbon Monoxide Detectors

Carbon Monoxide is an odorless, colorless gas that kills many people every year. If your property has gas heat, gas water, or a gas stove, we recommend that you install Carbon Monoxide Detectors.

Communications

Good communication between us is essential for a successful relationship. You can email us at rcarranza45@gmail.com or twnshp1@gmail.com, or through your Owner portal at: Township Property Management/Appfolio.

Decorator Paint in Home

The decorator paint colors you used in your bedroom, bath, or living room are enjoyable and pleasing to you, that is not necessarily true for all prospective tenants.

We recommend that all walls and ceilings be painted an off white. We use White semi-gloss paint on the walls so that it is easy to do a touch-up when necessary.

Equal Housing Opportunity

Township Property Management is committed to the Equal Housing Opportunity Laws, and we do not discriminate against anyone on the basis of race, color, religion, sex, handicap, familial status, national origin, or age.

Eviction Procedures

Eviction procedures are initiated against the tenants if they have not paid their rent by the fourth (4th) or the sixth (6th) day of the month. The provisions of an eviction notice can vary. Some give the resident three days to move, while others allow the tenants to remain in the house if they pay the full amount due, including any late fees.

This first step is called a Notice to Quit or Vacate (NTQ). If, after approximately ten days, the tenant does not respond to previous notices, we ask the court to proceed with the second step of the eviction process, a Forcible Entry and Detainer Notice (FE&D). The FE&D demands that the resident appear in court on a certain day. At that point I or one of our staff members appears in court to represent your interests and will make a claim for all monies due. The third and most sensitive step of eviction is what is known as asking the court for a Writ of Possession. A Writ is required when a resident fails to comply with the FE&D ordered by the court. The Writ process requires us to hire a crew to set a tenant's belongings at street side or, during inclement weather, in storage. If you have monetary damages as a result of this process, a judgment is issued by the court. We file the judgment in the applicable county, and with the Credit Bureau. On the average, it takes about forty-five to sixty days to evict a tenant.

Inspection of Property

Periodic Property Surveys (inspections) of your property can be made, and a report sent advising you of any corrective action we recommend. (We perform an initial 6th month property survey to see how the tenant is maintaining the property, and you will receive a copy of the report. Notices will be sent to the resident asking them to cure any deficiencies that are their responsibility. On more serious violations, we will inform you of the problem and recommend what corrective action should be taken. When our maintenance vendors do repairs, they are instructed to report anything that is out of the ordinary.

Insurance

You must advise your insurance company that the property will be a rental unit, and Texas insurance regulations require that any existing Homeowner policy be cancelled. In order to protect your investment, the amount of insurance should equal the replacement cost of property.

Be certain that you have adequate Property and Liability Insurance coverage. The State of Texas recommends \$300,000. We recommend \$500,000.

The Residential Property Leasing and Management Agreement requires the owner to carry insurance adequate to protect all parties.

IF YOUR RENTAIL PROPERTY IS VANCAT BEYOND 60 DAYS, REQUEST THAT YOUR INSURANCE AGENT ADD A VANCACY CLAUSE TO YOUR POLICY. WITHOUT THIS CLAUSE YOUR INSURANCE IS INVALID.

What is 'Additional Insured'?

Why the owner should name the management company as additional insured:

The first and best line of protection an owner has in the event of a lawsuit brought on by a tenant being injured on the property by faulty wiring or a faulty appliance or anything else is to carry adequate insurance. Additional insured is a person or organization not automatically included as an insured under an insurance policy, but for whom insured status is arranged, usually by endorsement.

A property owner's reasons for providing additional insured status to others may be a desire to protect the other party because of a close relationship with that party (e.g. employees) or to comply with a contractual agreement requiring the named insured to do so (e.g. Property Management Agreement or others working in behalf of the owner).

The Property Management Agreement **requires** the owners to name the property management company as additional insured. The management company does not hold the title to the rental property that they are managing, and cannot acquire general liability insurance on property that they do not own to cover the management company. Ordinarily there is no extra premium charge to the property owner to add the management company as additional insured.

Key Control

We maintain strict control of all keys. The keys for each property are locked in a cabinet. All keys issued to tenants, repairmen or agents are documented. We need at least four keys to each property; two keys are provided to the tenant and two are kept in our office.

Maintenance

The actual maintenance expenses for the home are the responsibility of the homeowner. Every effort is made to control maintenance costs while maintaining the integrity and value of the property. While the property is occupied, the tenants are required to notify our office of any problems. If the estimated cost to repair exceeds the maximum that is allowed in the Residential Property Leasing and Management Agreement, the owner is contacted for permission to make the necessary repairs.

We realize it can be rather upsetting when you receive an unexpected bill from us for the repairs made to your property; however, some repairs are urgent and must be corrected immediately. Emergency repairs are made in accordance with our Residential Management Agreement. If it is in our opinion that the expense was due to their tenant negligence, then the tenant will be billed and become liable for the entire amount. We do not do bids or estimates on repairs under \$200.00.

Maintenance Charges & late Fees

When a tenant owes a maintenance or late charge, our policy is to withhold from their regular monthly rent payment any amount that is owed. Tenant's failure to pay the lease payment prior to 12:00 a.m. on the 3rd day of each month requires them to pay the late fee, as stated in their lease, which is collected at the same time as the monthly payment. If the tenant fails to include the late fees with their rental payment, your income for the month will be short because our procedure is to credit all payments to non-rent charges first, including late charges.

The Just of the Peace (JP) court system only permits us to evict for nonpayment of rent. Because of this eviction restriction, we must collect any delinquencies first, which causes the unpaid amount to be for rent only. Hopefully, you will receive the balance of your income in the next monthly collection cycle.

No Smoking

Smoking is not allowed inside the property. We will rent to tenants who smoke, but require them and their guests to smoke outside. We make this very clear to them; they are required to sign that they fully understand this at the time of their application. It is also part of the lease agreement.

Occupants

Everyone who lives in the property must be named on the Lease Agreement. It is our policy that a guest staying with the tenant longer than **21** days is no longer considered to be a guest but a roommate. Therefore, if the person is eighteen (18)

years of age or older, he/she must fill out and submit our Rental Application for approval by Township Property Management. Tenants must abide by the decision of Township Property Management whether another person or persons can be added to the Rental/Lease Agreement. Failure to do so may result in termination of their lease.

Pest Control

Owners have an obligation to provide a residence that is relatively free of pests upon occupancy. If not, the owner is responsible for treatment(s) during the first 30 days after the tenant's original possession date. The owner is responsible for maintaining the residence in a reasonable rodent-proof condition and rectifying any condition that would allow squirrels, birds, etc., to enter and nest. Infestations of mice, squirrels, vermin, and/or poisonous insects need to be taken seriously, as they can cause damage to a property and can be a health risk to people. Infestations of this type are treated at the owner's expense. This does not release the tenant from their obligation to keep the property in a clean and sanitary condition so as not to promote the attraction of rodents and/or pests.

Pets

No pets may be kept on the property without Township Property Management written authorization. Pets include birds and fish in aquariums larger than ten gallons. Our properties have restrictions on number, size, and type of pets. We recommend, due to the fact that 70-85% of today's renters have pets, that owners allow pets.

We require a non-refundable pet fee of \$300 & a refundable \$200.00 pet deposit for each pet and a photo. Of course, the tenants are liable for any damage caused by pets. Unauthorized pets found on a property can result in eviction and/or an initial \$300 and a \$20 per day charge per pet.

We are extremely careful when selecting tenants who wish to bring pets with them.

If you do not allow pets it may double, or even triple the time it takes to rent your property. If you will not allow pets, please let us know in writing, or we will assume that pets are allowed, and follow our normal pet policies.

Owners are encouraged to check with their insurance carrier for **any pet exclusions**.

Rental Payments

Rent payments are due on the first day of each month. If a tenant moves into a property during the middle of the month, rent for the month will be prorated, and

the rent for the ensuing months will be due on the first. Tenants & Owners are encouraged to use Appfolio/Township online payment system.

Rental Increases/Lease Renewals

Unless we receive specific written instructions from you at least 45 days prior to a lease expiration date, rent increase (if any), and lease renewals will be solely at our discretion.

When making the decision on whether or not to increase rents, we consider market and neighborhood conditions, resident payment history, length of occupancy, property condition, time of year, and anticipated expiration date of any renewal.

Once a lease is signed, it cannot be changed, so it is very important for you to notify us well in advance of your desire to make any changes.

Rental Rates

We do a basic comparative market analysis, prior to placing a property on rental market or renewing a lease, to determine the most economical and profitable rental rate that can be charged.

Tenant Purchasing a Home

When tenants purchase a home prior to their lease expiration, they fall into the same category as a tenant who breaks their lease, and all rules pertaining to breaking a lease apply.

Security Deposits

The security deposit is equal to 100% of one month's rent, and is collected when the lease is signed. The deposit is retained by us in an interest-bearing account until the tenant departs from the property. Interest accrued on the deposit will be retained by our firm. Within 30 days after move-out, the Security Deposit is returned back to the tenant if all provisions were met as stated on the Lease Agreement. If damage has been done to the property due to neglect by the resident, payment for damage is deducted from the security deposit and credited to your maintenance account. Any deductions from a Security Deposit must be supported with copies of the bills for the expenditure, or otherwise authorized in the Lease Agreement.

Re-keying and Security Devices

As of January 1, 1995, all rental-housing owners in Texas should be in compliance with the Texas Security Device Statute:

The statute applies to owners of apartments, houses, duplexes, triplexes, condominium units, townhouses, cooperatives, mobile homes, rooms in private dormitories and rooming house, garage apartments, public housing projects, and all other types of dwellings that are rented.

The safety and security of your residents and their families are at stake – as well as your own potential liability exposure to lawsuits. Here is a list of what should have been done, or what will be done when converting a residence into a rental property:

1. **Keyless deadbolts** – you must have a keyless deadbolt on every exterior door, including a door from a garage into the dwelling. A keyless deadbolt is not necessary on sliding glass doors or on doors that open from a garage to the outside.
2. **Keyed deadbolts** – you must have a keyed deadbolt or a keyed doorknob lock on at least one exterior door. You do not need a keyed lock on all exterior doors, only one exterior door, which is normally used for entry. That lock can be either a keyed deadbolt or a keyed doorknob lock. We have found that a keyed deadbolt is far superior to a keyed doorknob lock because of its one-inch bolt.
3. **Door-viewers** – You must have either a door-viewer (peephole). A clear glass pane or one-way mirror in each exterior door, this still applies for doors with a clear glass panel or window next to the door. Door viewers range must be 160deg or greater.
4. **Pin locks on sliding glass doors** - You must have a sliding door pin lock on each sliding glass door.
5. **Security bars or door** - handle latches on sliding glass doors - You must have either a security bar (sometimes called a “Charlie Bar”) or a door-handle latch that works, on each sliding glass door. You have a choice of one or the other.
6. **Window latches** - you must have a window latch on each window. It can be the original latch or an after-market type
7. **French doors** - all French doors must have a threshold bolt and an upper door jamb bolt (with a 3/4" throw) on one door. The other door must have a keyless deadbolt and either a keyed deadbolt or a keyed doorknob lock.
8. **Automatic door closers** - all hinged doors must have an automatic closer on each hinged door that opens directly into a pool-yard or a multi-unit rental complex (defined as: two or more units). This requirement is in the 1993 pool-

yard enclosure statute rather than the security device statute. Door closers on sliding glass doors are not a requirement. Similarly, door closers on doors opening into a pool-yard of a rent house are not required, but they are highly recommended for safety and liability reasons. Spring-loaded door hinge pins seem to be the best and more aesthetic type of automatic door closers.

9. **Window screens** - Window screens are not statutorily required by the security device statute, but if a window has a screen and the window is in a wall used as part of a pool-yard enclosure of a multi-unit complex, the pool-yard statute requires the screen to have a screen latch or be permanently affixed with screws.

- **upper floors:** the requirements of the statute apply no matter how high or what story the door or window is on.
- **Good working order** – you must have all security devices working properly when residents move in
- **Rekeying at turnover** - at each resident turnover we rekey all keyed deadbolts and keyed doorknob locks on exterior doors if the doors can be opened from the outside by a key. We require owners to use our locksmith. Our locksmith re-keys the property to our key system and makes sure the locks are up to code.
- **Quick repair** - you must quickly repair or replace a security device that you or your employees at any time discover is missing or not working—even if the resident has not asked you to do so.
- **Prompt response** - you must promptly respond to legitimate resident requests for rekeying, repairing, installing, or replacing—preferably within three days after receiving the tenants request, but no later than seven days.
- **Fair charges** - you must be fair in billing residents for rekeying, repairs, and installations for which they're liable. Even though it is allowed by the statute, under certain circumstances, it is recommended that you not require payment in advance. It is too easy to mistakenly require advance payment when you are not supposed to under the statute.

it is illegal for unlicensed locksmiths to install repair and service locks. It also is illegal for businesses needing locksmith services to knowingly contract with an unlicensed locksmith, directly or indirectly through a maintenance company. Both criminal and civil penalties apply. Individuals changing house or personal property locks also are subject to the same law

Smoke alarms

Texas law requires all rental units to contain at least one smoke detector/alarm per floor. If your property does not currently meet this standard. It must be brought into compliance prior to occupancy by the resident.

City of Houston building codes have recently been changed. While these changes generally "grandfather" existing homes, if your tenant receives financial assistance from the City or Federal governments, you may be required to have a smoke detector in each bedroom.

I frequently use a re-key service that certifies the locks and smoke alarms are compliant with the Texas property Code.

Utilities

Unless otherwise stated in the Residential Property Leasing and Management Agreement or restricted by property limitations. All utilities used on the premises are paid for by the tenant.

During periods of vacancy, utilities should be placed in the Owner's name. Having the electricity on greatly enhances the showing of your property when darkness arrives early in the evening and during hot weather.

Vacancy

While a property is unoccupied, periodic inspections are made to see that lawns and yards are maintained, the property is presentable, and that no vandalism has occurred.

During periods of vacancy, it is physically impossible for our staff to accomplish the task of watering the lawn and shrubs. If this service is needed, we will assist in contracting for the service at your expense.

Wear & Tear

We expect an interior paint to last + or -three years, and carpet to last + or - five years. If a tenant moves into a property that is freshly painted, move out after one year and we have to repaint, the tenant is charged 2/3 of the cost to paint if it is considered beyond normal wear and Tear. If the tenant moves out after three years and we have to paint, the full cost is charged to the owner.

Carpet replacement is highly dependent on many factors. We like to use a 5 year rule to make A determination on the overall condition of the carpet. With good previous tenants a carpet could last a lot longer than 5 years. The inverse is also true which is why we review after every Tenant.

If we have a garbage disposal fixed, that was clogged by the tenant, the owner will be reimbursed, by the tenant, for the repair bill. If the garbage disposal has rusted through, the owner pays the whole expense. We make every attempt to be fair to both owners and tenants.

The Courts & Judges are not sympathetic to owners who want to charge tenants wear & tear repairs.

Yard Maintenance

The tenant is responsible for yard maintenance which includes watering, cutting grass, weeding, reseeding if needed, trimming trees and shrubs. Owners are responsible for trimming limbs that are on or near roofs.

Grass must not be higher than 6 inches

The area around the driveway, sidewalks, curbs and gutters are considered to be part of the yard and need to be kept free of weeds, grass, and leaves. For security reasons, hedges and bushes should be trimmed so they do not block the view from windows.

Property Review

Updating and replacement review on an ongoing basis is an integral part of maintaining the value of the property. Outdated furnishings carpet, counter tops and light fixtures can significantly reduce the value of the property and cause unwanted delays in occupancy.

WE DO NOT IMDEMNIFY YOU AGAINST ANY LOSS OR EXPENSE DUE TO VANACY (FOR ANY REASON), UNPAID RESIDENT CHARGES, TENANT DAMAGES, ATTONEYS FEES IN THE PURSUIT OF A TENANT, OR THE COST OF MAKE-READY.

Township Property Management Is committed to maintaining at least minimum property standards for all properties under our management. Maintaining these standards will protect our owner's investments and enhance the living environment for our tenants.

Structural

Property is to be structurally sound, providing the tenant with a safe living environment

Roofs and Gutters

Roofs must be free of leaks and in good repair. Gutters are to be clean and free flowing.

Landscaping, Trees, Miscellaneous Appearance

Landscaping is to be well maintained and at all times. Providing a neat and clean appearance, including mowing, trimming shrubs and flowers, and pruning of trees will help get a property leased.

Doors and Locks

All exterior doors are to be in sound condition, securable, and weather tight. All locks are to be rekeyed between occupancies. Also all locks must be operational at all times and be in compliance with the State Security Devices Statues.

Paint

Siding and trim paint is to remain free of peeling paint.

Windows and locks

All window glass must not be broken or cracked, all windows and window locks must be operational

Exterior Lighting

Exterior lighting is to be provided on perimeter areas where hazards may exist. All burned out bulbs will be replaced immediately.

Garages and Outbuildings

Garages and outbuildings may be used for storage but, must remain free of waste and debris.

Heating System

All properties are to be equipped with an adequate heating system meeting local building codes at the time of installation and be in good repair at all times. Defects are to be repaired immediately.

Electrical System

Entire electrical system is to remain in good repair and meet local building codes at the time of installation. Any exposed wiring, defective outlets, switches, fixtures, or hazards of any kind are to be repaired immediately. Entire electrical system is to remain in good repair at the time of installation. Any exposed wiring defective outlets, switches, fixtures, or hazards of any kind are to be repaired immediately

Plumbing system

All properties must be supplied with hot and cold running water. Plumbing fixtures are to remain free of leaks and be operational. Water heaters should be equipped

with a pressure relief valve and appropriate draining plumbing in the event of a high pressure water release.

Appliances

All appliances on the premises supplied by the property owner are to be maintained in good working order. Defective appliances are to be repaired/replaced immediately. (unless otherwise stated in the lease agreement).

Smoke Detectors

Properties are to be equipped with a minimum of one smoke detector per floor, and one smoke detector outside of the bedroom(s). The smoke detector must meet current local, state, and federal standards. Any defects in equipment must be repaired/replaced immediately.

Floor Coverings

All flooring materials are to be clean and maintained in good condition at all times. Flooring, including carpet, vinyl, and wood is to remain free of rips, tears, and gouges. We require that the owners have the carpets professionally cleaned before the tenants move in, and we require that the tenants have the carpets professionally cleaned when they move out.

General

Premises are to be clean and free of debris at all times. Appearance and curb appeal are very important, and reflect positively for everyone involved in the leasing market. Property is to be turned over to incoming tenants with the highest standard of cleanliness at all times.

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