



Synergy Real Estate Owner's Handbook

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WELCOME

We Manage Your Home Like it is Our Own

Thank you for choosing Synergy Real Estate of SW Florida Inc. d/b/a Synergy Real Estate (SYNERGY) to manage your investment. We are aware that you had many choices and we appreciate that you have selected us as your property management company.

SYNERGY works to achieve the highest professionalism in Real Estate/Property Management Services. Therefore, we have prepared the Synergy Real Estate Owner Manual to assist you in a successful business relationship with our company. We urge you to take the time to review the information enclosed. We feel this will further clarify many of the procedures for our Property Management services. After reading the material, if you have questions or any concerns, contact your management team immediately, using the company contact information provided in the following pages.

SYNERGY forms have also been included with this manual. There are some to fill out upon receipt unless you have already completed them. There are additional forms to assist you in the future. Completing and using the forms assists Synergy Real Estate in setting up and maintaining an accurate account for you and your investment.

Special note: the information provided in the SYNERGY Owner Manual is subject to change. Landlord/Tenant laws, personnel, policies, and procedures change according to events that take place.

SYNERGY works diligently and continually to improve services and personnel training as well as remaining current with all landlord/tenant legislation.

Once again, thank you for choosing Synergy Real Estate as your Property Management Company. We look forward to a successful business relationship.

OWNER DOCUMENTS

A copy of your management agreement is included with the *SYNERGY Owner Manual*. Refer to it as needed and keep it with this information for a handy reference.

It is important that SYNERGY receive all critical information as we begin management. You may have completed the documents listed below. If not, they are available for you to download online on our website www.naplespropertymanagement.net should you need them. Please return the appropriate forms via fax to (866) 285-3290 or via email to management@Synergyrealestate.net

Owner Information

This information enables SYNERGY to set up your account.

Management Agreement

This form creates the agreement between you and Synergy Real Estate

Property Information Form

This form gives SYNERGY vital information about your home(s). One must be filled out for each unit that you would like for SYNERGY to manage.

Electronic Banking Authorization – ACH form (Optional)

This form enables SYNERGY to send your funds directly to your bank. If you do not wish to start ACH at this time, you can use this form in the future.

Please complete all forms and return to us. We will send them to the appropriate organizations.

As your management continues, information can change. Please be prepared to send us a fax, email or letter should any of the following occur:

Change of owner information

Notify SYNERGY of any important change when it happens – address, telephone, fax, email, etc.

Owner Work Request/Authorization

This is for authorizing work requests from telephone conversations with your management team.

Owner Vacation Notice

This is for notifying SYNERGY when you will be unavailable for more than two weeks so that SYNERGY is prepared in the event of an emergency.

SYNERGY REAL ESTATE

Synergy Real Estate is a property management company, operating in Collier and Lee Counties, specializing in full-service property management. The company has been operating since 2008, and is actively involved in the Collier community.

SYNERGY is an abbreviation used in lieu of the full company name, Synergy Real Estate of SW Florida Inc. d/b/a Synergy Real Estate, and will be used throughout the *SYNERGY Owner Manual*.

SYNERGY Mission Statement

The mission of SYNERGY is to provide impeccable, ground-breaking, state of the art property management and related services at a level that competitors have never provided and absolutely can not match. To always treat every aspect of our business with the utmost level of character, Honesty and integrity. To treat every client's assets like they were our own, refuse to grow complacent, continuously exceed expectations, and always run our business with a fundamental goal in mind, excellence.

SYNERGY Principals

The owner/principal of SYNERGY is Louis Pfaff. He is the broker of SYNERGY and has collectively, over 9 years of experience in the real estate industry and a Masters Degree in Real Estate. Louis Pfaff provides the guidance and direction of SYNERGY. He personally oversees all contracts, policies, and procedures, and works to educate the personnel to provide excellent service to our clients.

SYNERGY COMMUNICATION

Communication is a key to the success in any relationship and the SYNERGY/Owner relationship is certainly not an exception. We work constantly to improve communications with all of our clients or prospective clients. This includes everyone – owners, tenants, applicants, vendors, buyer, sellers, and the public.

Company Communication

On the next page, you will find all general office information such as addresses, telephone numbers, email address, website, and office hours.

SYNERGY personnel communicate by:

- Telephone
- Fax
- Email
- Written correspondence

SYNERGY Website “www.naplespropertymanagement.net”

SYNERGY stays current with business technology. The SYNERGY website, www.naplespropertymanagement.net, has proved to be a tremendous asset. Here are a few of the benefits for clients on the SYNERGY website:

- Prospective tenants can search our site for available rentals and download our application and apply to rent online.
- Tenants can access important information, such as a work order request, or send SYNERGY an email from the site
- Owners can obtain forms online.
- Tenants can pay rent on-line with Pay Pal
- Owners can fund their trust accounts on-line via Pay Pal

General Office Information

Synergy Office Information	
Address	
Mailing address	2800 Davis Blvd
	Ste 200
	Naples, FL 34104
Communication	
Business Number	239.403.0030
Fax Number	866.282.3290
Email	management@synergyrealestate.net
Website	www.naplespropertymanagement.net
Office Hours	(Leasing calls are answered evenings and weekends)
Property Management	Monday – Friday 9:00 AM – 5:00 PM
	Monday – Friday Open during lunch
	Saturday Open by Appt
	Sunday Open by Appt
	Holidays Closed
Emergencies	
	Call 239.403.0030, choose the emergency option

TEAMS AND CONTACT INFORMATION

SYNERGY Staff/Personnel

We have a complete staff to assist you. What SYNERGY has found effective for servicing tenants is "Teamwork." Together Everyone Achieves More. There is a convenient chart of the teams and their contact information below.

- **Management Team:** SYNERGY has assigned a management team to your account, consisting of a Property Manager and Assistant Property Manager. They focus on showing your property, processing applications, renting, managing all the many facets of tenancy, and handling the details when the tenant moves.
- **Office Team:** The office team supports all SYNERGY Personnel and Management. They handle the everyday business of telephones, taking messages, accepting applications, office details, preparing documents, and coordinating with your management team.
- **Sales & Leasing Team:** SYNERGY also has a sales team that can assist you with Real Estate, buying or selling. The sales team consists of experienced and licensed Real Estate agents. There is no obligation when you ask for a market analysis for the value of your current property, information for purchasing a new investment property, or available financing. Synergy is a property management company first and typically only lists homes for its clients.

Team	Position	Name	Phone	Email
Mgmt Team	Team Leader	James Jones	239.403.0030x101	jjones@synergyrealestate.net
	Senior Property Manager	Michael DePaola	239.403.0030 x108	mdepaola@synergyrealestate.net
	Property Manager	Philip Guzzone	239.403.0030 x107	pguzzone@synergyrealestate.net
	Assistant Property Manager	Jordan Brandt	239.403.0030 x102	jbrandt@synergyrealestate.net
	Assistant Manager	Shannon Staples	239.403.0030 x105	sstaples@synergyrealestate.net
Business Development	Business Development Manager	Pam Pendleton	239.206.9048	ppendleton@synergyrealestate.net
Office Team	Office Manager	Amy Kolis	239.403.0030 x104	officemanager@synergyrealestate.net
	Accounting	James Jones	239.403.0030 x101	accounting@synergyrealestate.net
	Showing Instructions		239.403.0030 x201	rentals@synergyrealestate.net
Leasing Team		Michael Depaola	239.403.0030 x108	mdepaola@synergyrealestate.net
		Philip Guzzone	239.403.0030 x107	pguzzone@synergyrealestate.net
		Jordan Brandt	239.403.0030 x102	jbrandt@synergyrealestate.net
Broker	Synergy Broker	Louis Pfaff	239.403.0030	lpfaff@synergyrealestate.net

OWNER COMMUNICATION

Communication works both ways. We need communication from you, the owner. It is important that you let us know of any significant change that can affect your account. SYNERGY needs to know when you are moving, if you have a problem with your account, if your social security number has changed to a Tax ID, or any other important information. To assist in communicating any changes to us, please email accounting@synergyrealestate.net if you have any changes to your account or simply call your property manager.

Email

SYNERGY encourages all owners to use email to contact us. It is fast and effective. Please supply us with your email address on all the SYNERGY forms. We will enter your email address in our management software.

Special note: When using email, we request that you put the “property address” in the subject line. With the problems of spam, worms, viruses, trojans, and more in the Internet world, this helps us identify the importance of your message, and avoids oversights or deletions of messages.

Owner Vacation Notice

SYNERGY respectfully requests that owners notify SYNERGY of vacations that are two weeks and over. Please send an email to your respective property manager. The purpose in asking for this information is only so SYNERGY is prepared in the event of an emergency repair or major problem concerning the owner’s property and/or tenant.

OWNER RESPONSIBILITIES

A successful business relationship works both ways. SYNERGY takes their management responsibilities seriously, and requests owners to do the same.

Owner responsibilities are:

- Notify SYNERGY of any ownership change or eminent owner change for the managed property.
- Supply SYNERGY with accurate information so SYNERGY can service the management account properly.
- Review online or printed statements at least monthly and notify SYNERGY of any discrepancies found as soon as possible.
- If using ACH, check statements monthly for accurate or missing deposits and notify SYNERGY if there are problems immediately.
- Support Fair Housing Laws and guidelines.
- Maintain a current insurance policy for their property.
- Review their property insurance yearly and update as needed.
- Exercise responsibility for required maintenance and the safety of their tenants.
- Treat SYNERGY personnel with courtesy and notify SYNERGY principals if there are problems with SYNERGY personnel so they can be resolved quickly.
- Visit the property periodically or watch the online video property inspections sent to you via email, and if an owner cannot perform this function, SYNERGY requests the owner assign a third party to represent them in this capacity. Please note that all visits should be scheduled through your property management team.

THE SCOPE OF PROPERTY MANAGEMENT

What is included in SYNERGY Property Management services?

We want you to know what SYNERGY does for you as your property management company. Therefore, SYNERGY has outlined details on our policies and procedures in future pages of this information. There are so many details and aspects of managing property, that we can only include the basics in this manual. If you have more questions, contact your management team.

Again, these are general guidelines and when necessary, policies will change. Please bear in mind that we are unable to do “everything” that is required to service a property under our standard management fees.

What is not included in SYNERGY Property Management services?

Because SYNERGY provides owners with a very wide range of services, it can be easy to request something that we cannot perform. Some tasks go beyond the normal scope of property management or require additional fees/services (see below). There are also areas licensed real estate agents dare not tread, unless they have obtained the proper licensing or degrees. We ask that you remember this when making a request. The following are examples of services not specified in the Property Management Service Agreement:

Owner understands and agrees that normal Property Management does not include providing on-site management services, property sales, refinancing, modernization, fire or major damage restoration or rehabilitation requiring a permit from a General Contractor, obtaining or giving income tax, accounting, or legal advice, representation before public agencies, advising on proposed new construction, debt collection, counseling, or attending Homeowner Association meetings.*

**our vendors routinely pull permits as required by law, however SYNERGY cannot legally pull a permit. Any work requiring a GC license is beyond the scope of our normal services.*

If you have any questions on what is included or not included in property management, please let us know. We have more information on additional services later in this manual.

COMPANY POLICIES

It is very important in the field of Property Management, that SYNERGY follow local, state, and federal legislation and guidelines. Our company takes pride in our industry, and we further implement guidelines and policies of several organizations, such as the Florida Associations of Residential Property Managers, FARPM and the National Association of Realtors, NAR® and the Naples Area Board of Realtors, NABOR. Additionally, we train all personnel by requiring them to read relevant industry related journals, books and attend classes such as those offered by “The Property Management Academy”. Managers must also follow the SYNERGY Property Management Policy and Procedures Manual and the SYNERGY Employee Manual.

Code of ethics

SYNERGY follows the Code of Ethics outlined by FARPM and NAR®. SYNERGY considers this a top priority in conducting business, and is required of all SYNERGY personnel.

Drug-free policy

SYNERGY has a drug-free policy for all personnel, vendors, and tenants. SYNERGY incorporates this policy into SYNERGY rental/lease agreements, tenant, personnel, and vendor documentation.

Legislation

SYNERGY adheres to the laws and guidelines of federal, state, and local legislation, and incorporates this into all documentation, policies, and procedures. Here are some of the agencies and acts SYNERGY follows:

- Fair Housing (HUD) - SYNERGY supports and follows Fair Housing laws and guidelines; the SYNERGY office displays Fair Housing signage
- Equal Opportunity - SYNERGY is an Equal Opportunity employer; the SYNERGY office displays Equal Opportunity signage.
- SCRA Act – Serviceman’s Civil Relief Act, which has replaced the Soldiers’ and Sailors’ Act of 1940
- URLTA - Uniform Residential Landlord Tenant Act
- FCRA - Fair Credit Reporting Act
- EPA – Environment Protection Agency
- Any other local or state legislation that may apply to a specific city.

Lead-based paint

Lead-based paint became a major issue in the 1990s that prompted mandatory requirements for residential housing and continues today. SYNERGY follows all mandated federal and state guidelines for lead-based paint. All properties prior to January 1, 1978 require disclosures to all tenants and owners. Tenants sign lead-based paint disclosures prior to renting a property and SYNERGY provides them with the required EPA Pamphlet, Protect Your Family from Lead in the Home as published by The Environmental Protection Agency. SYNERGY then forwards the required disclosure to owners for signature.

Property owners and/or Property Managers must also notify tenants, in writing, of any scheduled work necessary for lead-based paint on the property.

Mold issues

SYNERGY regards mold issues as a top priority in property management. Owners should be aware that mold is another leading issue in the property management industry and failure to act if tenants report or discover mold can lead to costly lawsuits. Several cases regarding mold have awarded damages to tenants in the millions of dollars.

This is an area of extreme liability and SYNERGY takes action if a tenant reports mold. SYNERGY notifies owners as soon as practical of any mold issues so SYNERGY and/or the property owner can take the proper steps.

ANSWERS REGARDING FUNDS

When you entered into a management agreement, SYNERGY established an account for you and your property. SYNERGY recognizes the importance of accurately collecting and disbursing funds. The bookkeeping program used by SYNERGY is specialized software designed to handle the many facets of property management and accurate record keeping.

Banking

SYNERGY holds your account in an escrow account mandated by the state of Florida. SYNERGY accounts for each owner's funds separately in the trust account and does not co-mingle funds with broker monies, following state requirements. The state of Florida requires that all accounts maintain a positive balance, so SYNERGY in turn requires each property owner to be responsible to fund all expenditures in advance of their becoming due. To better enable SYNERGY to pay expenditures as they become due, owner's accounts have a required 'minimum balance' or maintenance reserve. Owners can replenish these funds via check, electronic transfer or credit card. When an owner is unable to fund an expenditure which SYNERGY is required to pay, SYNERGY will occasionally pay using company funds and assess a \$20 negative balance fee to the owner's account.

Monthly statements

SYNERGY provides online access to owners who utilize direct deposit (ACH) between the 8th and Final day of the month. SYNERGY sends printed monthly statements to owners, upon request, between the 10th and 15th day of the month. If you have difficulty reading your monthly statements, please contact a member of your management team. We are happy to assist you and answer your questions.

Disbursement of monthly funds

SYNERGY generally disburses available rental funds to owners **electronically** within 5 business days of receipt or on the 10th of the month; whichever is greater. If this day falls on the weekend, SYNERGY issues funds on the next business day. (SYNERGY does not disburse funds on weekends and holidays). SYNERGY can not issue owner checks unless there are sufficient funds in the owner's account. Unless otherwise agreed, 'available rental funds' are all monies over the maintenance reserve of \$200 and any additional recurring monthly expenses.

SYNERGY distributes available owner funds in two ways:

- ACH **direct deposit** into an owner's bank account within within 5 business days of receipt or on the 10th of the month; whichever is greater. An ACH authorization form is available online at: www.naplespropertymanagement.net
- Company check mailed directly to the owner, accompanying their monthly statement between the 10th and 15th of the month.

End of year procedures

At the end of each year, SYNERGY is required to file 1099's for income received over \$600. Please note that this amount is for "total income received," and not the yearly total of owner disbursements. The Internal Revenue Service dictates the "total income received" requirement. Please note that security deposits are not included in this amount.

It is necessary that you supply SYNERGY with the necessary Social Security/Tax ID information so the 1099 is accurate. SYNERGY will send the 1099 for the rent by January 31 for the previous tax year. If there is a change in your tax information such as a new trust or address, please notify your property management team.

SYNERGY also issues 1099s for disbursements to vendors for work over \$600.00. Therefore, owners do not have to issue 1099s for work completed and paid through the SYNERGY trust account. Owners are responsible for issuing 1099s to any vendor paid through the owner's personal account.

The last statement of the year will reflect “total amounts” for income and expenses that have transpired throughout the year, such as management fees, leasing fees, landscape, utilities, repairs and maintenance, etc. The amounts will not reflect any funds issued through the owners personal account. Owners can submit their last statement to their tax person along with other information for income tax reporting. SYNERGY does not issue statements to the owner’s tax preparers.

RENTING YOUR PROPERTY

Preparing to rent the property

When prospective tenants view your vacancy, SYNERGY wants the property to look its best and compete with area rentals. For an additional cost, SYNERGY will provide a Quarterly, Semi-Annual, or Annual property review report. The SYNERGY management team will contact you to discuss the details of your property and any necessary maintenance.

Setting the rent

Supply and demand determines rent. If there are multiple rentals available in the area of your property, it is necessary to be very competitive. If very few are “for rent” in the same area, it can make it easier to rent the property. Markets change and SYNERGY advises owners on the “current rental market.”

How long will the property be vacant?

This is the most commonly asked question SYNERGY receives from owners. There is no way to predict how long a property will remain on the market, even in the best market conditions. However, SYNERGY works diligently to rent the property as quickly as possible. What is important to remember is that the most important objective is to have “a quality tenant.”

SYNERGY, or any other property management company, can rent properties “quickly” if they do not have standards for obtaining good tenancy. However, bad tenants will only create more expense and another unwanted vacancy; therefore, waiting for the “right tenant” is worth the additional time it can take to rent the property.

ADVERTISING/MARKETING

Internet/Website

SYNERGY has found that the Internet and the SYNERGY website receives tremendous exposure, as well as using Multiple Listing Service (MLS). Additionally, we routinely market our listings on other popular websites, including the www.naplesnews.com, and a host of other sites.

Inter Office Marketing

As a member of the Regional MLS, SYNERGY works closely with many leasing agents. When calling, prospective tenants quickly receive all the information, including when and how they can see a property. With the cooperation of so many agents, your property will receive maximum exposure!

Signage

SYNERGY displays “For Rent” signs prominently where permitted. Signs promote calls to our office, but they also direct people to our website where they can learn all about your property.

Video Tours

SYNERGY has adopted a ground-breaking development in the real estate rental market by actually filming a 2-5 minute showing of your property, and making this video available in our website advertising. Be sure to ask to have your property filmed! Current price for the marketing video is \$125.

Showings and applications

The SYNERGY property managers conduct showings for each vacant unit. In addition, we utilize a lockbox system to show properties. This allows SYNERGY the flexibility to show units quickly when the need arises. We arrange showing times for your property in advance through our voice messaging system, and appointments by contacting the SYNERGY leasing team directly. When prospective tenants see the property, the leasing team answers questions and distributes applications. Applications are available in the SYNERGY office, at the property showings, and on the SYNERGY website. Tenants can also apply to rent a property ONLINE on our website.

PROCESING TENANT APLICATIONS

Tenant screening

Thorough screening is crucial to successful property management. SYNERGY requires all applicants to fill out a detailed application and submit it for processing/approval. A credit check is NOT enough! Our company conducts a careful review of their credit, income, national criminal/sex offender searches, statewide eviction and bankruptcy database searches, public records, and tenant rental history and or ownership, and an in office interview if possible.

SYNERGY utilizes standard guidelines when evaluating tenants. You can count on a closely supervised and consistent screening process with SYNERGY!

All applicants must submit verifiable information on their income to show they can support the property. Rental history or previous home ownership is carefully checked. Cross-referencing all three areas – credit, tenant history, and income - provides the answers to qualify or disqualify prospective applicants. If a pet is allowed on the property, the screening includes the pet (please review the upcoming pet policies).

Cosigners

SYNERGY normally does not accept cosigners. SYNERGY policy is that the applicants should have the ability to rent on their own merits. However, sometimes there are conditions that may warrant taking a cosigner on a property.

Pets

Statistics show that more than half of all tenants have pets. By excluding pets from their property, an owner will substantially reduce the available number of tenants – which can prolong vacancy time! As such, SYNERGY policy is to allow pets at all properties unless specific written instructions to the contrary are provided. SYNERGY will not rent to a tenant with a pet that is considered a vicious breed and will typically reject tenants with puppies or kittens.

If a tenant has a pet, SYNERGY typically increases the deposit even more. SYNERGY does not use the term “pet deposit.” By avoiding this terminology, SYNERGY can use the amount of the entire security deposit when there is animal/pet damage.

Many tenants have or want pets. It is legal for property owners to discriminate against pets. You may wish to do so. However, whether you have or have not decided to allow a pet in your property, the SYNERGY application has a place for prospective tenants to list pets and how many. It is important NOT to discourage full disclosure on pets while taking an application. SYNERGY does not place inappropriate pets in a property.

SYNERGY recommends to owners that when the property is on the market, that pets are “negotiable.” This can solve two problems.

1. First, this encourages prospective applicant to disclose any pets.
2. Second, by listing pets as negotiable, it avoids eliminating an excellent tenant that does care for their pet, has an excellent tenant history, and owns a pet that is suitable to your property.

Service animals

Special note: “Service animals” for handicapped/disabled persons are NOT pets by Federal law, and owners cannot discriminate against handicapped/disabled persons with a service animal. Fair Housing legislation does NOT allow owners or property managers to collect deposits of any kind for service animals.

However, Landlords can still process applicants who are handicapped or disabled on the same criteria as other applicants: income, credit, and tenant history. If they fail to qualify in these areas, the landlord/manager can still deny the application, handicapped or not.

THE TENANT MOVE IN

Rent and security deposits

SYNERGY verifies that all funds have cleared prior to issuing possession to a tenant. SYNERGY does not allow “payments” on security deposits – we require all funds paid in full prior to renting the property. This eliminates prospective tenants who really do NOT have the necessary funds for renting.

Once approved, all applicants must pay in full, the first month’s rent, and a security deposit, in certified funds (when possible). It is normally SYNERGY policy to require a security deposit equal to the rent.

Rental/lease agreements

Once SYNERGY receives funds, a thorough rental/lease agreement with the applicant is completed. If the accepted applicants are a foreign nationality and cannot read and understand the documentation, they must supply an interpreter at their expense, of legal age for signing the rental/lease agreements.

Video Documentation

A vital part of the tenancy is a detailed video taken before each tenancy, documenting the condition of the property when they move in. Unless extenuating circumstances prevail, the SYNERGY team typically completes the video before the tenant takes possession of the property. When the tenant moves out of the property, there is a sound basis for the security deposit refund or claim. Current pricing for each video is \$35, billed to the owner’s ledger.

Tenant handbook

Tenants immediately receive the “SYNERGY Tenant Handbook.” This detailed booklet gives them additional information on how to care for the property, report repairs, maintain the property, make timely payments, how to give proper notice to vacate, leave the property in good condition, and more.

Tenant education and preparation

Taking the time to prepare tenants for their residency is another step toward a successful tenant/landlord relationship. Additional forms that the tenants may need are included with the "SYNERGY Tenant Handbook." SYNERGY wants both owners and tenants well informed.

WORKING WITH YOUR TENANTS

Collecting rent

Rents are due on the first day of the month and late if not received in the SYNERGY office by the fourth of the month.

SYNERGY recognizes that many things can happen where it concerns rent; rent can really be lost "in the mail"; employers can delay the tenant's paycheck, there are real tenant emergencies, and more. Therefore, we make a serious effort to determine why the tenant is having a problem. To encourage timely payments SYNERGY enables Tenants to pay their rent ONLINE on our website, and can use all major credit cards. In certain instances, SYNERGY also can automatically draft rental funds from the Tenants bank account each month.

Notice to pay or quit

If SYNERGY does not receive rent by the due date, SYNERGY prepares and delivers a 3 day eviction notice to pay or quit, on the 9th or previous business day (if the 9th is a weekend or holiday). SYNERGY makes every effort to mail and post notices properly should legal action be required. If SYNERGY determines the tenant is not going to pay the rent during the notice to pay or quit period, or shortly thereafter, SYNERGY will file the necessary paperwork for an eviction for possession. Eviction expenses may vary and change frequently. We strongly encourage you to inquire about this variable expense.

Other notices

There are other notices that we may have to issue to with tenants. SYNERGY serves notices as situations warrant, such as a notice to clean up the landscape, HOA violations, a notice to enter the property, a notice to perform survey/inspections, a notice regarding an illegal pet, illegal tenants, etc. These tenant violations may be in the form of a letter or a legal Notice "form." Often, these notices are simply to correct minor tenant problems and most tenants comply. However, if necessary, SYNERGY contacts the owner with the information to discuss the situation.

Tenant problems

The SYNERGY management team has years of experience handling the myriad of tenant difficulties that can occur. The SYNERGY policy is to obtain good tenants, eliminating many tenant problems. However, even good tenants have problems. SYNERGY treats each problem with common sense approach, follows landlord/tenant law, and uses the appropriate documentation. If the situation is serious, SYNERGY contacts the owner, and works to find a solution for the problem.

Our company policy is to take a "what if" approach. SYNERGY documents tenant problems in the event that it becomes a legal problem. One of the reasons you hired a property manager is for "peace of mind." This is what SYNERGY recognizes and works to prevent legal issues from arising.

Legal action

Although SYNERGY works diligently to avoid the necessity to begin an action, such as an unlawful detainer or eviction proceeding, it can happen. In the event any legal action is required, SYNERGY will contact the owner prior to taking action, discuss what is needed, and obtain owner authorization.

MAINTENANCE

Preventative maintenance

The best approach to maintenance is “preventative maintenance,” and this is the SYNERGY policy. First, SYNERGY has already started with educating the tenant by:

- Completing a detailed SYNERGY Rental Agreement, which includes a thorough outline of what are tenant responsibilities regarding maintenance as well as owner obligations
- Completing a move in video documenting the condition of the property before the tenant takes possession
- Supplying tenants with the “*SYNERGY Tenant Handbook*,” which provides additional instructions on the care of the property and how to report maintenance issues.

We want the tenant to know from the beginning of their tenancy that the SYNERGY/landlord expectations are to “care for the property.” This approach can prevent costly maintenance.

Next, we use “preventative maintenance” techniques when work is required and utilize competent contractors. Often the minor expenditures save the most money such as doorstops, new filters, checking appliances, testing smoke alarms, adjusting doors, window latches, deadbolts, caulking, grouting and more. Many small repair items can prevent maintenance that is more expensive.

Consider the cost of repairs like holes behind doors, clogged heaters and air-conditioners, appliance problems, dry rot, safety issue and more. Then of course, there are the major issues in a home such as the roof, the exterior condition of the building, carpeting, interior, and exterior paint, etc. When left to deteriorate, it usually means the owner will have to spend more in the future.

It is equally important to keep up with maintenance while the tenant occupies the property. Often people think no news is good news; this can be just the opposite. Instead, “delayed news can become very bad news.”

This is why, in our tenant instructions, we require them to report maintenance. For example, what is worse than finding out dry rot could have been prevented or discoloration of the linoleum if the tenant had reported the leaking toilet in the bathroom? Avoiding major maintenance costs are certainly more favorable in such cases.

The SYNERGY management teams contact owners regarding maintenance above the current \$200 minimum that is listed in the SYNERGY Management contract, unless the situation is an emergency. Our management team will frequently communicate repair information to an owner for items that are below the minimum cost as well!

Over the years as fuel costs and inflation rise, SYNERGY reserves the right to adjust the maintenance minimum as needed to properly maintain an owner’s property.

Once a property has been cleaned placed on the market for rent, experience has shown that it needs to be 'freshened up' once a month. SYNERGY's **Vacancy Maintenance Program** includes sending an assistant manager to the property to perform light cleaning, pick up newspapers, change air fresheners, remove any light debris or weeds etc... at a cost of \$18 per visit/month plus any materials used. This service is provided automatically to every vacant property, however a property owner may 'opt out' if they prefer to maintain a vacancy themselves.

Emergencies/Disaster

When an emergency and/or disaster strikes, SYNERGY has policies in place for the property and tenants. SYNERGY notifies the property owner as soon as practical. The nature of the emergency and/or disaster determines the action needed by SYNERGY.

There are times when a property manager must "act" in order to prevent great financial risk to the owner. For example, when a property is flooding, action is necessary, particularly if the property owner is not immediately available.

Hurricanes and Shutters

After multiple hurricanes in the past 4 years (2004-2008), SYNERGY staff is very adept at hurricane response!

We have a complete hurricane response system that keeps you informed in the days immediately following a storm. Our backup systems include generators, cellular phone providers, and Internet based call routing to ensure optimal service coverage. Wireless internet services to enable us to communicate with owners, tenants and vendors.

Hurricanes watches and warnings frequently afford Floridians no more than 48 hours to secure their homes. **With a limited staff and hundreds of homes under management, SYNERGY is unable to guarantee hurricane preparation assistance to any owner. While some tenants may be able to shutter a home, many may not. Owners are advised to make provisions to secure their own properties, possibly with a local friend, neighbor or relative.**

While SYNERGY is unable to guarantee ANY owner that their property will be secured, our preparation routines generally include securing homes in order of the following priority:

1. Vacant homes with automated or accordion type shutters installed
2. One story homes with removable shutters
3. Two story homes with removable shutters
4. Occupied units with tenants who request assistance early enough to allow SYNERGY time to secure a vendor for the installation. Should a vendor not be available, the OWNER will be notified.

Due to obvious time constraints, SYNERGY will not always be able to honor last minute requests to direct vendors to purchase or install plywood at a property.

Neither SYNERGY nor SYNERGY's vendors assumes any liability for the performance of any shutters or plywood!

Shutters will be taken down when time permits, and generally only AFTER all emergency issues have been resolved at all of our managed properties. SYNERGY staff will not manually install hurricane protection.

Frequently several of SYNERGY's vendors will assist in shuttering properties, including carpet cleaning vendors, painters and the like. For this reason, labor rates for shutter installation and removal often vary depending on which vendor performs the work. SYNERGY cannot assure owners which vendors are available to do the work and therefore SYNERGY cannot guarantee pricing for shuttering!

The key to hurricane preparedness is addressing your shuttering concerns yourself, well in advance of any storm. Accordion shutter tracks should be cleaned and lubricated frequently, and the owner is encouraged to attend to this, or request it be performed by SYNERGY during the annual property review.

Should any act of God such as a hurricane occur, SYNERGY will continue managing the property while owner and insurance company return property to tenable condition, and all management fees remain due and payable to SYNERGY while property is untenable.

WHEN THE TENANT VACATES

Notice to vacate

When there is a notice to vacate, the move out procedures with tenants are as critical as when SYNERGY moves in a tenant. The preparation for this really began when the tenant moved in with a detailed rental agreement, video and *SYNERGY Tenant Handbook*. These documents gave instructions to the tenant on how to move out.

Communication with owners and tenants

SYNERGY notifies the owner when a tenant gives notice to vacate. Owners can assume that SYNERGY will automatically proceed with re-renting the property. SYNERGY immediately places the property on the market to rent unless the owner notifies SYNERGY in writing to take other measures. SYNERGY also responds to the tenant notice with information detailing the steps to complete a successful move. Rent is required until the end of the notice unless otherwise stated in the rental/lease agreement.

Tenant move out video

SYNERGY conducts a move out video similar to the one performed when the tenant moved into the property. SYNERGY records any maintenance required and discloses a list of damages to the vacating tenant. Digital photographs and videos taken when the tenants move out are compared to move in media to document the condition of the property and support any deductions from the security deposit.

After assessment of the tenant move out, SYNERGY advises owners of any tenant damages or any maintenance required to re-rent the property. Digital videos are available to the owner to view ONLINE, often the same day the video is taken!

Security deposit refunds

Proper handling of the security deposit refund is crucial. Any tenant deductions are determined in a timely manner, and a security deposit transmittal is prepared in accordance with state laws. List what the law requires SYNERGY, such as the amount of time to return deposits and if invoices are required. Owners receive a copy of the transmittal with their monthly statement, showing any deductions and monies refunded.

Collections

If collecting damages is required, SYNERGY will refer the matter to a qualified consumer collection service at the instruction and authorization of the owner. SYNERGY management does not include recovering tenant damages, but leaves this to companies with expertise in debt collection. SYNERGY will supply consumer collection companies with the necessary documentation needed.

ADDITIONAL SERVICES

The following are “additional services” offered by SYNERGY to each property owner. They are not included in the fees for managing and/or leasing the property.

Referrals

Do you know someone who is looking for management services in Collier or Lee County? If so, then notify your management team. SYNERGY values their client business and believes in rewarding referrals from clients. SYNERGY pays a \$50 referral fee upon closing of a lease or signing up a new property, so send other owners and tenants to us!

Property Review

SYNERGY maintains properties as part of their property management services. This survey goes beyond overseeing normal maintenance. A non-SYNERGY representative performs this review, and the purpose is to check the property thoroughly each year in order to perform necessary or preventative maintenance. Photos and/or videos of the property are made available for your review, as well as an inspection report. Cost for this service varies upon the number of times per year the owner would like this service performed.

The property review is scheduled per the agreement that is signed. **SYNERGY notifies all owners in writing before scheduling a property review, and an owner may opt out of this inspection by providing SYNERGY written notice not to proceed with a property review.**

Supervision of extraordinary maintenance

Although not always taken, SYNERGY reserves the right to charge an hourly fee for supervising work requiring extraordinary maintenance. The definition of extraordinary maintenance is as follows: *SYNERGY defines extraordinary maintenance as rehabilitation work that exceeds \$3000.00, and major systems replacements. (Examples include major tree work, vandalism, insurance claims, etc.)*

The SYNERGY policy is to consult licensed contractors for bids and solutions. Then SYNERGY contacts the property owner for authorization and/or decision regarding the maintenance.

Real Estate services

SYNERGY property managers are licensed real estate agents and are available to assist you in buying more investment property or selling your property when ready, including those requiring 1031 exchanges.

A free market analysis is available at any time with no obligation. Please contact your property management team or one of our sales team listed to provide you with the information or services you need.

CANCELATION OF MANAGEMENT

It is the goal of SYNERGY to satisfy your management needs and engage in a successful business relationship, but some things do change over time. Owners sell properties; people give notices. If this happens, the SYNERGY cancellation policy is to resolve your account in a professional, timely, and pleasant manner.

Please review the following policies for cancellation.

Written notice

- Owners are advised that lease renewals are frequently negotiated with tenants during the 10th month of a lease, and cancellations of the management contract may be subject to any lease renewal! For this reason, Owners are advised to give written notice of cancellation at least 90 days prior to lease renewal, although only 30 days are required.
- The SYNERGY policy is to give cancellation of management by Email, Fax and/or US Mail.
- If an owner sends a cancellation of management by certified US mail, SYNERGY must receive the notice within three business days of the date of the notice.
- SYNERGY does not accept cancellation of management by email due to lack of signatures. (unless a signed letter is attached to said e-mail)
- SYNERGY does accept fax cancellations.

Notice to current tenants

- SYNERGY will notify current tenants the date SYNERGY will no longer manage the property and that SYNERGY forwards all security deposits to the owner, pending Security Deposit Authorization forms, signed by all tenants.
- It is the owner's responsibility to advise tenants where to make future rental payments and work requests after the notice period.

Distribution of documents

- SYNERGY will supply current tenant documentation to the owner.
- If the owner has employed new management, it is the owner's responsibility to instruct them to pick up documents, keys, and any other necessary materials at the SYNERGY office.

Final distribution of funds

- SYNERGY will distribute funds, including security deposits, and final statements to the owner within forty-five days of the terminating date of management, as agreed in the management contract. (Security Deposit Authorization form must be received in order to send Security Deposit to a non Florida broker.)
- SYNERGY will issue a 1099 for funds collected during the current tax year when the tax year ends.

CONCLUSION

We hope you have found the *SYNERGY Owner Manual* informative and useful. If so, please inform your management team. If you feel there is any other information SYNERGY can provide, let us know so we can include it in the future. A reminder – do not forget to fill out the necessary SYNERGY forms and use the others when needed in the future. Call SYNERGY at any time or go to our website at www.naplespropertymanagement.net when you need any forms.

Again, we want to thank you for your business and we look forward to a successful management relationship.