



**TRUSTART**  
REALTY

Created by Investors for Investors



# OWNER'S MANUAL



1101 Foulkrod st 1F,  
Philadelphia PA 19124



(267) 929 1500



[info@trustartrealty.com](mailto:info@trustartrealty.com)  
[www.trustartrealty.com](http://www.trustartrealty.com)



**Greetings !**

“We Take Care of Your Home Like It Was Ours!”

Thank you for choosing Trustart Realty to manage your home & investment. We are aware that you had many choices and we appreciate that you have selected us as your property management company.

Trustart works hard to achieve the highest professionalism in Real Estate/Property Management Services. Therefore, we have prepared the Owner’s 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 of 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.

**Special note:** The information provided in this Owner’s Manual is subject to change. Landlord/Tenant laws, personnel, policies, and procedures change accordingly to events that take place. We work 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 Trustart Realty as your Property Management Company. We look forward to a successful business relationship



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### **Owner Documents**

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

It is important that we receive all critical information as we begin management. You may have completed the documents listed below. If not, we need you to fill out and return the following documents.

### **Owner Information**

This information enables us to set up your account.

### **Electronic Banking Authorization – ACH form**

This form enables us to send your funds directly to your bank.

### **W9 Form**

This form is used to issue a 1099 Form at the end of a tax year.

As your management continues, information can change. We have several forms for your convenience, if needed.

### **Change of owner information**

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

### **Owner Vacation Notice**

This is for notifying us when you will be unavailable for more than two weeks so that we are prepared in the event of an emergency or major maintenance issue.



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## Mission Statement – Trustart Realty

### Who Are We?

Trustart Realty is a reliable property management company serving clients throughout Philadelphia and surrounding areas. We help property owners, including small and medium investors manage their property in Philadelphia while maintaining each property to the highest standards. With this, you can have more time to enjoy your life and take care of other important businesses.

### Our Mission

Our mission is to be the best, full-service property management company in Philadelphia while helping our clients grow their portfolio. We incorporate proven, professional, innovative techniques into our property management endeavours and deliver exceptional services for outstanding customer experience.

What's more, our expert team at Trustart Realty will provide all required adjunct services, expertise, and systems to manage our clients' property and assets. Above all, we always act in our clients' best interests. With this, we continue to deliver brilliant services that surpass our customers' expectations.

### Our Core Values

Our commitment to esteemed customers remains the foundation of our business. Our core values include:

**Relationships:** At Trustart Realty, we genuinely care about our clients and investors. We are dedicated to establishing cordial, long-term relationships with all our esteemed clients.

**Professionalism:** Our team of certified, well-experienced experts use the best available resources and innovative techniques to manage your property and grow your portfolio.

**Reliability & Trust:** For several years, we have maintained loyalty among our customers, investors, and employees. We relentlessly deliver upon our promises and always act with honesty, integrity, and a high level of transparency.



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## General office information

### Address Information

- **Mailing Address** – 1101 Foulkrod St 1F, Philadelphia PA 19124



### Communication

- **Business #** - 267 929 1500
- **E – mail** – [info@truststartrealty.com](mailto:info@truststartrealty.com)
- **Website** – [www.truststartrealty.com](http://www.truststartrealty.com)

### Office Hours

- **Monday – Friday** – 9am to 6pm, in-person meetings by appointment only.
- **Saturday** – Closed.
- **Sunday** – Closed.
- **Holidays** – Closed.

### Emergency contacts

- **267-929-1500**
- **After Hours** – 267-929-1500 ext. 700



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## **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.

We need 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.

## **Web Owner's Portal**

Our management software - Buildium has excellent communication abilities. The software will notify you when work orders are initiated, invoices uploaded, and payments made among many other capabilities.

You will be emailed a login and password when your information is loaded into the system to access your portal. Feel free to browse around your portal, you can't break it!

## **Owner vacation notice**

We respectfully request that owners notify us of vacations that are two weeks and over. The purpose in asking for this information is only so we are prepared in the event of an emergency repair or major problem concerning the owner's property and/or tenant.



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## Owner Responsibilities

A successful business relationship works both ways. We take our management responsibilities seriously, and request owners to do the same.

Owner responsibilities are:

- § Notify us of any ownership change or eminent owner change for the managed property.
- § Supply us with accurate information so we can service the management account properly.
- § Review statements monthly and notify us of any discrepancies found as soon as possible.
- § If using ACH, check statements monthly for accurate or missing deposits and notify us if there are problems immediately.
- § Support Fair Housing Laws and guidelines, as well as all necessary legislation.
- § 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 our personnel with courtesy and notify your Broker if there are problems with our personnel so they can be resolved quickly.

## Habitability Standards

This list is a condensed version of the requirements of HUD guidelines. It is to help you understand the general habitability requirements of your rental property. If issues occur on the properties that affect these standards, we will take action to correct the noncompliance according to our management agreement.

## EXTERIOR CONDITION

- Foundation is sound and free from hazards.
- Condition of exterior walkways, driveways, stairs, rails and porches is sound and free from hazards.
- Roof, gutters and downspouts are sound and free from hazards.
- Condition of chimney and cap (if applicable) are sound and free from hazards.
- Manufactured Homes are properly tied down and meet State Codes.
- Grounds are mowed, weeded, edged and free of trash and debris.
- No overgrown vegetation.
- Pool fencing or alarm as required by code.
- Mail box available.



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- All windows and Doors have locks in working order and are not deteriorated.

## **GENERAL HEALTH AND SAFETY**

- Access is not through anyone else's dwelling.
- Exit in case of fire meets local and state codes.
- No evidence of pest infestation.
- No garbage and debris in or outside the home.
- Adequate refuse removal facilities are available.
- Interior Stairs and Common Halls are sound and free from hazards.
- Lead paint remediation is completed by Certified Lead Paint Remediation contractors.

## **HEATING, PLUMBING AND ELECTRICAL**

- Adequate heating and air conditioning equipment for all rooms and is properly ventilated.
- Unit safe from unvented fuel burning space heaters.
- Water heater is installed safely, is free of leaks and heats water to code standards.
- Water supply from an approved public or private sanitary source.
- Plumbing is free from leaks and corrosion that cause serious or persistent levels of rust or contamination of drinking water.
- Toilets flush.
- Sewer connection is to an approved public or private disposal system and is free from sewer back-up.
- Electrical wiring in all rooms is in good working order and meets local housing codes.
- Electrical wiring in all rooms is in good working order and meets local housing codes.
- Lighting illumination or electrical outlets are provided at all entrances and in ceilings or walls of all rooms.



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## **INTERIOR CONDITIONS**

- Walls and ceilings are free of peeling paint and excessive dirt.
- Floors are sound and free from hazardous defects.
- Smoke detectors are present at each floor level and meet NFPA 74 requirements.
- Kitchen contains stove and oven.
- If refrigerator is provided it is in clean working condition.
- There is adequate food storage cabinet area in good condition.
- There is adequate food preparation area covered with surface material that can be sanitized.

## **LANDSCAPING**

Our biggest complaint from L&I is regarding the landscape. Even if your tenant is responsible in the lease agreement for landscaping, you must understand and agree that drought, pests and tenant neglect is common and it is extremely difficult to expect the tenant to maintain the landscaping as you would. We urge you to have professional lawn/landscaping service.

## **REKEYING**

We Re-Key the outside access doors to the home as a matter of security and risk management. The fees charged is nominal compared the cost of litigation, injury or even death.



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We want you to know what we do for you as your property management company. Therefore, we have 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. Some examples are:

- § Market and show the property.
- § Screen, approve or disapprove prospective tenants.
- § Lease tenants.
- § Security deposit and rent collection/accounting.
- § Move-in, interim and move-out property reviews.
- § Coordinate maintenance and repairs.
- § Monitor tenant lease compliance.
- § Post notices as required.
- § Tenant termination.
- § Disperse security deposit per law.
- § Make unit rent ready.

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 management fees.

### **What is not included in our Property Management services**

Because we provide owners with full service, 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, and review a paragraph that was included in your Management Agreement:

*Owner understands and agrees that normal Property Management does not include providing on-site management services, property sales, refinancing, preparing property for sale or refinancing, modernization, fire or major damage restoration, rehabilitation, obtaining or giving income tax, accounting, or legal advice, representation before public agencies, advising on proposed new construction, debt collection, counselling, obtaining Homeowner Association approval for projects, or attending Homeowner Association meetings*



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## Lead-based paint

Lead-based paint became a major issue in the 1990s that prompted mandatory requirements for residential housing and continues today. We follow 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 we provide them with the required EPA Pamphlet, *Protect Your Family from Lead in the Home*. We then forward 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. Legislation now provides that owners and managers must use certified vendors to work on lead-based paint. **If your property is located in City of Philadelphia, was built prior to 1978 and you have a resident with a child of 6 years old and under, we require you have the property tested for Lead Base Paint to obtain “Lead Free or Lead Safe Certificate”.**

## Mold issues

We regard 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 we takes action if a tenant reports mold. We notify owners as soon as practical of any mold issues so we and/or the property owner can take the proper steps.



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## Answers Regarding Funds

When you enter into our management agreement, We establish an account for you and your property within our software. We recognize the importance of accurately collecting and disbursing funds. The bookkeeping program used by us is a specialized software designed to handle the many facets of property management and accurate record keeping.

### Banking

We hold funds in a non-interest bearing account at TD Bank Located at:  
3930 Woodhaven Rd, Philadelphia, PA 19154.

### Collection and Disbursement of monthly funds

We collect rent **1st -6th** of the month. We attempt to collect any late rent on the **7th**. We then disburse funds to vendors, and owners on the **15th day** of each month. If any of these falls on a holiday or weekend, we issue funds on the next business day. We do not disburse funds on weekends and holidays. We do NOT issue owner payments unless there are sufficient funds in the owner's account. It is vital to accurately post rents, pay vendors, and disburse funds for your account. Therefore, it is vital that we adhere to this schedule to ensure servicing every owner's account correctly.

We distribute owner funds via ACH direct deposit into an owner's bank account; We sends monthly statements after disbursement. The processing period is REQUIRED for the checks to clear. We cannot send any payments out unless funds are available. The longest part of any check processing service is waiting for confirmation that the funds are indeed available and that they have transferred to your account. This can take anywhere from 2-5 business days, with the actual transfer and confirmation coming on the final day. In rare cases, the transfer of funds could take a little longer than five days. This happens if there is a holiday involving one of those days, particularly if it is around Christmas, which is one of the busiest times of year for any type of transaction. Our policy is we deposit all payments the day received so the checks have ample time to clear. As long as your tenant pays on time you receive your owner payment between the 15<sup>th</sup> and 18<sup>th</sup> of the month.

**PRIORITY OF FUNDS:** Rents and charges collected from tenants shall be disbursed in the following order of priority:

- a. Broker fees
- b. Reimbursement of Broker for out-of-pocket expenses.
- c. Payment to vendors or affiliates
- d. Reserve account replenish
- e. Balance to Owner



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## Monthly statements

We send monthly statements to owners after funds have been transmitted. If you have difficulty reading your monthly statement, please contact your management team. We are happy to assist you and answer your questions.

## End of year procedures

At the end of each year, we are 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 us with the necessary Social Security/Tax ID information so the 1099 is accurate. We will send the 1099 for the rent by January 31<sup>st</sup> for the previous tax year. If there is a change in your tax information such as a new trust or address, please notify us with the Owner Change of Information form. If you need another change form, please contact us.

We also issue 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 our trust account. Owners are responsible for issuing 1099s to any vendor paid through the owner's personal account. The amounts will not reflect any funds issued through the owners personal account. We do not issue statements to the owner's tax preparers



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### **Preparing to rent the property**

When prospective tenants view your vacancy, we want the property to look its best and compete with area rentals. A property maintenance report and rental market survey is completed. Our management team will contact you to discuss the details of your vacant 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 we advise owners on the “current rental market.”

### **How long will the property be vacant?**

This is the most commonly asked question we receive from owners. Unfortunately, there is no way to predict how long a property will remain on the market, even in the best market conditions. However, we work 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.”

We, 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.

### **Utilities**

Utilities should remain on during periods of vacancy to prevent mold, mildew and maintenance issues. The tenant is required to transfer utilities into their name on or before the lease start date. In the event that there are charges incurred by you for utilities simply send us the bill and we will charge them to the tenants.

## **Advertising and Marketing**

### **Internet/website**

We have found that the Internet and our website, [www.trustartrealty.com](http://www.trustartrealty.com), receive tremendous exposure, as well as using nearly 70 other websites to market your home. We take full advantage of this medium to reduce advertising costs and gain more exposure for your property.

### **Showings and applications**

Our dedicated sales and leasing team schedules and shows your property, answers prospect questions and requests feedback when necessary. We collect and verify tenant information provide for application.



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# TRUSTART REALTY

## Processing Tenant Applications

### Tenant screening

Extensive screening is crucial to successful Property Management. We require 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, and tenant history or ownership.

Applications are submitted online via our website. 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). Our staff processes the application and determines the qualification of the applicant(s) based on many factors such as credit score, debt ratio, length of employment, previous rental history and criminal and sexual predator history.

### Guarantors

We normally do not accept guarantors. Our policy is that the applicants should have the ability to rent on their own merits. However, there are conditions that may warrant taking on an applicant with a guarantor. If this is the case, we will also screen the guarantor's qualifications.

### Pets

If an owner authorizes a pet, we require a pet application with information regarding the vaccination, health, and temperament of the pet.

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, our 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. If you do allow a pet, we do not place dogs of aggressive nature in a 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, tenant history, etc. If they fail to qualify in these areas, the landlord/manager can still deny the application, handicapped or not.



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### **Tenant Approval**

We may require addition security deposit when determining qualification. We will notify prospective tenant of approval/disapproval and issue an Adverse Action Notice as required.

### **Lease Renewal**

We will determine if lease will be renewed based on tenant payment record AND lease compliance. This determination will be occur automatically 60 days prior to lease end date unless landlord instructs broker in writing to non-renew current lease. If tenant chooses to vacate, broker will make unit ready and continue fulfilling management agreement.

## **The Tenant Move In**

### **Rent and security deposits**

We do not accept personal checks and do not allow “payment plan” 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/or prorated rent, and security deposit, in certified funds or online payment. It is our policy to require a security deposit equal to or more than the rent. However, we do not exceed the maximum-security deposit allowed by the Pennsylvania landlord/tenant laws.

### **Rental/lease agreements**

Once we receive funds, a thorough rental/lease agreement with the applicant is completed.

All persons 18 and over, including adult children, are required to read and sign all rental/lease agreements. If the accepted applicants are a foreign nationality and cannot read and understand the documentation, they must supply an interpreter of legal age for signing the rental/lease agreements.

### **Walk-through**

A vital part of the rental agreement is a detailed Property and Condition report reviewed with the tenant, documenting the condition of the property upon move in. Unless extenuating circumstances prevail, our team completes the walk-through with the tenant before the tenant takes possession of the property and provides a copy to them. The walk-through documents the condition of the property. When the tenant moves out of the property, there is a sound basis for the security deposit refund. We also document the move in/move out with digital photos and or videos.

### **Tenant handbook**

Tenants immediately receive the “Trustart Realty Tenant Handbook.” This detailed booklet gives them additional information on how to care for the property, report repairs,



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maintain the property, make timely payments, how to give proper notice to vacate, leave the property 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 available when needed. We want both owners and tenants well informed.

## **Working with Your Tenants**

### **Collecting rent**

Rents are due on the **1st** day of the month and late if not received in our office by the **6th** of the month.

We recognize many things can happen concerning 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. We inform the owner when there is a rent collection issue.

### **Notice to pay or quit**

If we do not receive rent by the due date, we prepare and delivers a timely notice to pay or quit, as the law allows. We make every effort to post notices properly should legal action be required. If we determine the tenant is not going to pay the rent during the notice to pay or quit period, or shortly thereafter, we contact the property owner and work out a plan of action.

### **Other notices**

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

### **Tenant**

### **problems**

We have years of experience handling the myriad of tenant difficulties that can occur. Our policy is to obtain good tenants, eliminating many tenant problems. However, even good tenants have problems. We treat each problem with common sense approach, follow landlord/tenant law, and use the appropriate documentation. If the situation is serious, We contact the owner, and work to find a solution for the problem.

### **Legal action**

Although we work 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



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required, we 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 our policy. First, we have already started with educating the tenant by:

§ Completing a detailed Rental Agreement which outlines tenant maintenance requirements.

§ Completing a move-in property review documenting the condition of the property before the tenant takes possession.

§ Supplying tenants with the “*Trustart Tenant Handbook*,” which provides additional instructions on the care of the property and how to report 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, 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 favourable in such cases.

Our management teams contact owners regarding maintenance above the **\$250-500** (see property management contract) maximum that is listed in our Management contract, unless the situation is an emergency.

### Emergencies/Disaster

When an emergency and/or disaster strikes, we have policies in place for the property and tenants. We notify the property owner as soon as practical. The nature of the emergency and/or disaster determines the action needed by us.

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,



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particularly if the property owner is not immediately available. We will dispatch the appropriate vendors to prevent further damage to the property then notify the owner of repair requirements.

## **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 we move in a tenant. The preparation for this really began when the tenant moved in with a detailed rental agreement, addendums, walk-through, and *Trustart Tenant Handbook*. All of these documents gave instructions to the tenant on how to move out.

### **Communication with owners and tenants**

We notify the owner giving details on how they will proceed with the tenant and re-renting the property. We immediately place the property on the market to rent unless the owner notifies us to take other measures.

We also respond to the tenant notice with detailed instructions and forms explaining 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**

We conduct a walk-through shortly after the tenant vacates similar to the one performed when the tenant moved into the property. We record any maintenance required and discloses a list of damages to the vacating tenant within the timeframe prescribed by Landlord/Tenant Law. Digital photographs and/or videos are taken when the tenant move out to document the condition of the property and support any deductions from the security deposit.

After assessment of the tenant move out, we advise owners of any tenant damages or any maintenance required to re-rent the property.

## **Normal Wear and Tear vs. Damage**

**Normal wear and tear** - Even the most conscientious tenant will cause some minor damage over the course of a rental agreement. This minimal damage is typically referred to as "normal wear and tear." This can include small scratches on the walls or paint, worn or slightly stained carpeting, broken hinges, or other insignificant damage.

While you may not appreciate having to repaint your property after each tenant moves out, normal wear and tear usually makes this necessary. And a few scuffs on the wall or the odd nail hole does not constitute damage, and you will not be able to charge your tenants for this paint job if that is the extent of the damage.



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**Damage** - Actual damage to a property goes beyond normal wear and tear. For example, instead of small scuffs on the walls or a few nail holes, large holes in the wall would definitely be considered damage.

If the carpet is completely stained, ripped, or otherwise ruined, this can be construed as damage. Pet stains can also be referred to as an actual damage, particularly if you do not allow pets on your rental property. In this case, since you have not received a pet deposit to cover this damage, the security deposit can be used to repair the damage and restore the property to its original condition.

Excessive amounts of garbage, furniture, or personal items that a tenant has left behind may also be considered damage. In this case, since you will need to spend time cleaning the property or paying to have the furniture removed, you will be able to use the security deposit to cover these costs.

### **Examples of “Tenant Damage” versus “Normal Wear And Tear”**

#### ***Normal Wear and Tear***

Normal costs of turning over a dwelling after a tenant vacates may not be included on a Notice to Impose Claim of Security Deposit for tenant damages. The costs an owner incurs for the basic cleaning and repairing of such items necessary to make a unit ready for occupancy by the next tenant are part of the costs of doing business. The following is a list of items typically attributable to routine use or “normal wear and tear”.

#### **Interior walls, floors and ceiling**

- Fading, peeling, or cracked paint.
- Slightly torn or faded wallpaper.
- Small chips in plaster.
- Nail holes, pin holes, or cracks in wall.
- Scuffs or small marks in paint.
- Door sticking from humidity.
- Cracked window pane from faulty foundation or building settling.
- Floors needing coat of varnish.
- Moderate dirt or spotting on carpet.
- Carpet faded or worn thin from walking.
- Loose or cracked grouting and bathroom tiles.
- Dirty or faded lamp or window shades.

#### **Plumbing, Kitchen & Bath**

- Loose or cracked grouting and bathroom tiles.
- Garbage disposal that stops working because motor dies.
- Laminate top separated from countertop base.
- Worn or scratched enamel in old bathtubs, sinks, or toilets.



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Rusty shower rod.  
Partially clogged sinks caused by aging pipes.

### **Exterior**

Dead spots in lawn due to pests.  
Trees need trimming.  
Exterior requires pressure wash to remove stains, wasp nests and other debris.

## **Tenant Damage**

Tenant damages usually require more work or extensive repair, and at greater cost than “normal wear and tear”, and are often the result of a tenant’s abuse or negligence that is above and beyond normal wear and tear.

### **Interior walls, floors and ceiling**

Gaping holes in walls or plaster.  
Drawings, crayon markings, or painting that owner did not approve.  
Holes in walls caused by doorknobs.  
Seriously damaged or ruined wallpaper.  
Chipped or gouged wood floors.  
Doors kicked in or ripped off hinges.  
Broken windows.  
Broken or Missing fixtures.  
Holes in ceiling from removed fixtures.  
Odor and/or stains from pet urine or feces.  
Holes, stained, burns or removed carpet or linoleum.  
Large items left behind requiring specialized removal.

### **Plumbing, Kitchen & Bath**

Garbage disposal broken due to foreign (nails, screws, coins and utensils) objects.  
Toilet won't flush properly because it's stopped up with a diaper.  
Broken or missing faucets and drain stoppers.  
Missing or smashed bathroom tiles.  
Grime-coated bathtub and toilet.  
Missing blinds or shades.  
Missing window screens.

### **Exterior**

Lawn not mowed or edge (depending on language in lease agreement).  
Trash pile in yard, outdoor furniture left on patio.  
Excessive oil, grease or fuel stains on driveway or sidewalks.  
Dead lawn, trees or shrubs due to lack of care or watering.



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# TRUSTART REALTY

Personal, hobby or items requiring removal from sheds or storage buildings.  
Large items left behind requiring specialized removal.



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### **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.

### **Collections**

If collecting funds for damages is required, We recommend you to refer the matter to a qualified consumer collection service. Our management will supply the owner with the necessary documentation needed to collect the debt owed but will not submit the debt for collection due to current debt collection regulations.

### **Additional Services**

The following are “additional services” offered by us 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 the Philadelphia Area?

If so, then notify your management team. We value our client business and believe in rewarding referrals from clients. You will receive a **FREE** month of Management Fees for one property if we sign a management agreement to manage their home!

### **Annual survey/inspection**

We maintain properties as part of their property management services. This survey goes beyond overseeing normal maintenance. We perform this survey/inspection to check the property thoroughly each year in order to perform necessary or preventative maintenance.

### **Supervision of maintenance**

We charge a **10% fee** for supervising work requiring.

If the property requires extensive renovations and/or rehabilitation the owner may choose to complete the project themselves.



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### **Real Estate Services**

We 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 with the information or services you need.

### **Cancellation of Management**

It is our goal to satisfy your management needs and engage in a successful business relationship, but all things do change over time. Sometimes owners sell properties, return to live in the property again and even let it go back to the bank. If this happens, our cancellation policy is to resolve your account in a professional, timely, and pleasant manner.

Please review the following policies for cancellation.

### **Written notice**

§ Our management agreement accepts a **thirty (30) day** written notice by either party, but this excludes the minimum management period. Please refer to your management contract.

§ Our policy is to give cancellation of management by US Mail, or email, or fax.

§ If an owner sends a cancellation of management by US mail, we must receive the notice within **10** business days of the date of the notice.

§ NOTE: We reserve the right to cancel immediately if owner requires us to perform illegal, unethical, or immoral practices

### **Notice to current tenants**

§ We will notify current tenants the date we will no longer manage the property and that we forward all security deposits to the owner.

§ It is the owner's responsibility to advise tenants where to make future rental payments and work requests after the notice period.

§ It is the owner's responsibility to accurately account and disperse security deposit according to Pennsylvania law.

### **Distribution of documents**

§ We will supply current tenant documentation to the owner.



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§ 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 our office.

### **Final distribution of funds**

§ We will distribute funds, including security deposits, and final statements to the owner within **30** days of the terminating date of management, as agreed in the management contract

§ We will issue a 1099 for funds collected during the current tax year when the tax year ends.

### **Conclusion**

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

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



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