



Management Services

Thank you for taking the time to consider our company for your property management needs. As one of the larger management companies on the Gulf Coast of Florida and Alabama, rather than take pride in that, we are more concerned in being the best in **SERVICE!** Don't take it from us though, just ask our Clients. We are happy to provide a list of testimonials and even email addresses of Clients who will tell you exactly what to expect from our firm...or feel free to check out our profile on Zillow or Google+. In addition to careful planning, concise implementation and proactive processes that we apply, we simply out-work and out-perform our competition and thus, are the best management firm you will find!

Mark is a lifelong resident of Pensacola and even graduated from the University of West Florida with a degree in Pre-Law (Legal Admin). He is one of the few local Managers to have previously been accredited by the Florida Association of Residential Property Managers as a 'Property Management Specialist' and also to have a Broker's license to practice in both Florida & Alabama. Also, his firm wins "Best of the Bay" every year (2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017 & 2018)! But his greatest sign of accomplishment in this industry is evidenced not only by the constant referrals from current and past Clients but also by the many Realtors with other Brokerages that actually refer their Clients to him, rather than utilizing the Management services of their own firm. Most Realtors in Pensacola know the difference between basic property management services and that which Mark's firm offers.

In most cases, when you receive superior service, inflated fees are expected. We believe you will find that our fees are quite comparable to our competition. And if they are a touch higher than some, we believe that you get what you pay for! In addition to all the standard services you would hope to receive, we also offer many others that truly sets us apart. Enormous effort and strategic planning is utilized to effectively carry out many of these extra services. While most companies would simply just avoid doing such due to inability or unwillingness to implement and carry out services of this magnitude, we believe that our services will not only minimize and mitigate risk to you personally, but protect the integrity of your property. Isn't that the idea of property management? Further, we do not subscribe to the "throw a renter in the home, provide minimal effort, charge the average, *and hope for the best*" approach that most of our competitors utilize. And though no company can guarantee that there will never be issues or risk of loss, we take proactive steps to ensure we can minimize such loss. Thus, we are not a "lowest bidder" type of company, and our Clients come to us because many have tried those types of agencies with little success and are looking for a company that offers more. We do charge for some of our extra services but we are confident that you will find that these services reduce your exposure and increase your bottom line....that much, we can prove!

Please read on to discover more features of our company that set us apart. Discussed will be our aggressive marketing, intense research of prospective Tenants, lease process, quarterly inspections in which we actually email you pictures of your home, attorney retainer services, eviction protection services and detailed records for your CPA.

General Information:

We manage approximately 450 single-family homes. With that many properties, one may think that Clients may get lost in the shuffle...or the right hand may not know what the left hand is doing. Nothing could be further from the truth! As an organizational guru, Mark has devised a system that allows his staff to manage each area within the management structure, thus allowing each person to be a specialist in each department, rather than having each person managing all aspects of a specific number of rentals (as most companies do). Mark demands and expects excellence from his staff and quite honestly, our staff expects this of themselves. We simply aren't satisfied with mediocrity! This is what keeps our company growing faster every year than most companies on the Gulf Coast...even franchise companies. A common complaint we hear in this business is that most companies simply don't have the staff to do the little things - like inspecting regularly and sending cure letters when improper activity is discovered. We have been told by other colleagues in the industry that we seem to have too many staff members and must be losing profits; but we think the opposite – we know that because we have the staff to serve all areas, we continue to grow and thrive. We subscribe to a different philosophy. Simply, it's called *SERVICE over pure profits!*

But we would like to point out that with the incredible service and all the tedious processes that we utilize, comes a need to stay focused on the task at hand. When you review our management agreement, you will note that we are very particular about being your "pilot." This is our "airplane" and we know how to fly it well. We ask that you please understand that when you hire us, you allow us to use our collective experience and knowledge to manage your property to not only ensure total liability protection for you, but also to ensure our processes remain streamlined and effective! We believe that you will find this to be liberating. Just as we couldn't possibly know how to do your job to the level you can, we believe it's impossible for you to be a part-time manager or to understand the long-term intricacies of this industry.

Our international & local connections coupled with our personal attention allows us to lease properties faster than the larger franchise companies. As a previous owner of a Century 21 franchise, Mark understands the dynamics of larger companies & has chosen to operate as an independent company to ensure cooperation with ALL franchises locally & abroad. Why only work with (for example) Remax® when you can have a Broker who will work with them all!? Mark's secret to success is really no secret at all - he just outworks the competition by providing extra services and often doing them after hours, even after 99% of other company managers have "punched" the time clock. Which brings us to the next point....

If you don't get paid, we don't get paid! We never collect fees if you aren't collecting rent. Our motivation to make a living is your protection. **Many companies charge a vacancy fee.** They get paid even if your home is vacant. If your rental is vacant, we suffer just as you do.

<Please note, there are several other services that we offer that are not mentioned in this brief document – some that are confidential and considered trade secrets. Should you decide to enlist our services, we will review those in detail with you.>

Background Checks/Application Process for Tenants:

We perform *extensive* background checks on prospective Tenants. This includes a criminal & eviction history locally & in their previous locale, if we can find it. In fact, our credit reports alone are much more expensive than the average that most firms use. Why do we spend so much time/money on our background/credit checks? Simple, it lowers eviction rates and saves you money in the long run. We check civil records to ensure they haven't been evicted recently and just haven't hit the credit report yet. Next, we check references which include past landlords and/or employers...and we REALLY do this! Our theory is that if they are good employees, they will typically be good Tenants. Once again, this is a bit more work up front but if that extra call saves you from a nightmare Tenant, it's worth it for us to do this!

We also want to ensure they don't have recent judgments, bankruptcies, repossessions, etc. If there are concerns, we will look into their history more extensively. Many firms want to impress you by renting the home quickly and thus may take most anyone. While this can alleviate your financial situation in the short run, it can cost you much more over several months (or years) if someone is placed in the home that has to be evicted a few months later – or – destroys the home.

Maintenance:

We perform 2 full inspections (interior and exterior with photos) plus 2 more visual inspections (interior but without photos) annually – so 1 almost every quarter. Most companies say they inspect their homes, but that typically only occurs when the Tenant moves out of the home. Isn't it too late by then? Lack of inspections is one of the biggest complaints we hear when Clients hire us – they say the manager neglected to keep an eye on the property and the Tenant took advantage of that. Tenants will move in dogs and unapproved occupants if they know the manager is never going to inspect. We inspect within the first 100 days of occupancy and then approximately every 90 days thereafter. We want to know quickly how the Tenants are caring for your home. We hold them accountable and in most cases, we can keep the Tenants in "check" by simply letting them know we are monitoring things.

If we discover major issues, our staff (or attorney if necessary) will also immediately send out 7 Day Cure Letters; which requires that the Tenant take necessary measures to correct whatever violation has occurred. If they don't, we will order such correction and send them the bill OR if the violation is serious enough, we will immediately initiate the eviction process. Again, because we explain to all our Tenants what our expectations are up front when they sign the lease, we rarely have this type of situation occur.

We also have a Maintenance Department, Inspection Department, and Repair Contractors all working for you. Our Maintenance Manager will work directly with our Contractors to ensure that optimal service is achieved. Our contractors are required to work hard, timely, and effectively protect your property's integrity. While we cannot guarantee their service, we try to only hire contractors that do offer labor and product guarantees, thus avoiding double payments for work performed. Bottom line, we want to SAVE you money on repairs and increase your bottom line – this makes you happy which equals job stability for us!

Lease Process:

We have one of the strictest ATTORNEY PREPARED AND DEFENDED leases you will find on the market! Our attorney prepares this to ensure there are no issues we haven't covered (and if something new comes up, we use our collective experience to update the lease). Most companies simply use the

standard Florida “form” lease, which we believe is inadequate (we will be happy to show you both so you can compare). If you find a manager who is utilizing a standard form lease, it is very likely that the lease was not even prepared by a licensed Florida attorney. Managers who use these generic leases often choose to make their own modifications, which may constitute the unlicensed practice of law. Yes, other managers are practicing law, and if you get caught in the middle of that, you could be in trouble if and when that lease must be defended in court. Some competitors think we are being a bit over-zealous about this but if you would like to verify this, please call the Florida Bar or the Florida Real Estate Commission. But why take chances? There are enough things to worry about in property management – you should feel comfortable knowing your manager is covering all bases and adhering to all laws.

Our lease is a fluid document as it is always changing and being updated to ensure you are protected to the maximum extent of the law. It features a 1-day grace period and if the rent is not paid on day 2, we can/will file a 3 Day Notice right away. Time is of the essence when a Tenant is not paying – the last thing you need is a manager who waits several weeks to perform this important action. Of course, the decision to evict is always made with your input. Note: If the eviction process isn’t followed to the letter of the law, you can quickly lose a tremendous amount of money. So, if eviction becomes necessary, our attorney prepares the eviction and assists us in expediting such so we can be sure the Tenant will not obtain free rent for some technicality performed by an amateur manager.

Pets:

While we too are leery about animals living in your home, in this day and time, it is necessary to allow them. We will call you to obtain your approval on a case-by-case basis or by order of our management agreement with you. We will attempt to request a reference letter from the previous landlord specifically related to the animal (unless military). Additionally, we will collect \$200-\$300 per pet. Please note though, we will keep this money in your account to assist with cleaning or de-fleaing the property if the Tenant doesn’t do it when they vacate, as the lease requires. If it isn’t needed though, you will get the money.

Quality & Protection Assurance:

We take extensive pictures before & after, to document condition. From the walls, floors & appliances to the exterior and yard, we want to show the condition of the home prior to the Tenant’s move-in and then after they vacate. This way, when they vacate, if they attempt to dispute our reasons for collection of deposits, we can quickly show that certain damage was not present upon their move-in. It should leave virtually no margin for error. It sounds like a broken record, but again when the Tenants understand this up front, they are likely to understand that they have to take care of the home and if they don’t, they aren’t going to be able to win in court. To date, we have never lost a deposit dispute!

Eviction Protection Services:

We offer a service that ensures you won’t get stuck with a huge bill for eviction services and court costs. The cost is just \$9.95/month and covers ALL associated costs for an eviction. Simply, if we cannot cause the Tenant to pay on time or abide by the terms of the lease, we will evict them and do such with our own funds. The approximate cost for an eviction, rekey of the home and attorney fees is around \$750.00; **but with this service, it’s all covered 100%!** What’s better is that we tell Tenants that the decision to evict is not yours, but ours. This lets them know that emotion will not be involved. When you are losing money, the last thing you want is to be manipulated into allowing a Tenant to remain. With this program, it ensures that the cost of evicting is not a factor for you. When Owners are not receiving rent, they will many times not have an extra \$750 to evict. This eliminates that issue.

Advertising:

No one will advertise like we will – period! We utilize every possible method available and are constantly looking for innovative approaches to getting the word out. Our marketing team will work hard to cover every advertising medium, such as:

- **INTERNET/WEBSITES** – We utilize approximately 20+ websites including Zillow.com, Facebook, Trulia.com, PensacolaMLS.com, MarkDowneyHomes.com, MarkDowneyandAssociates.com, 941home.com, and of course, Realtor.com. With the explosion of social media and major websites, no longer is it necessary to consider a company based solely on a franchise name.
<Please note; we do not use Craigslist. There are too many scams that occur through it. Please feel free to ask us why if you desire more info on this. We understand that many have used it successfully in the past but the scams have reached an epidemic and thus, it is not safe to advertise your home on the site. We may advertise that we have homes, but not specific addresses.>
- **MLS** - Would you believe some managers do not even use this? They just install a sign, list on their own website, and pray someone drives by!
- **NAVY/Military** - We have connections in the military and we have on staff military spouses and agents, which certainly helps that much more. We work hard to procure their business whenever possible. WE LOVE TO SERVE THE MILITARY!
- **BILLBOARD ADVERTISING** - Advertising of our company as a whole brings in business as people typically want to use a reputable, well-known management company.
- **FACEBOOK** - Innovative property managers are utilizing this as it opens up other avenues of marketing unlike any other! Whereas most fail at this due to the fact that they don't have anyone to maintain this, we will ensure your listing is accessible via Facebook.
- **WORD OF MOUTH** – We are constantly meeting with people and always take the opportunity to mention our properties. Several of our staff members have lived in Pensacola for 40+ years so we definitely have local connections to network with as well.

Marketing is very important and we realize that. We have the funds and means necessary to ensure that your home is marketed effectively. The fact is, when your home is vacant, you are losing 1/30th of that rent amount every single day. Don't hire a company that may not have the ability or time to market or monitor the marketing on a bi-weekly basis like we will. If something isn't working, we will discuss it with you and attempt to resolve issues immediately!

Disbursement of Checks/Commission:

- **DIRECT DEPOSITS** - we make direct deposits to our Owner/Clients and will process checks as quickly as we can verify the Tenant's funds.
- **COMMISSIONS** – competitors in town charge various fees – from 10% - 15%. We charge 10% (\$90/minimum) with a \$500 first-time set up fee (only charged when we first list your home). Then after that, we charge a new Tenant fee to place a NEW Tenant (for paying other agents to show the home, advertising, inspections, photography and office coordination). When the Tenant renews the lease, which is our objective, you only pay \$195. Many companies charge half a month's rent to renew. **Side note:** The MLS average in Pensacola for homes ranging from \$700 - \$1200 can range from 30-60 days; our average is less than 20 days of vacancy (currently). In terms of our overall rental portfolio, our vacancy rate is approximately 2.5% - whereas most of our competitors average over 10%. We may not be the lowest priced management company in town, but we firmly believe that we will be the lowest priced in terms of overall dollars spent by our Clients. Less time on the

market is more money in your pocket! **NOTE: We offer discounts for Owners of multiple properties (3+). This is based on the amount of properties and location/condition of the properties so please discuss this with us before assuming our rates are too high for you (if you own multiple properties in excess of 3).**

Attorney Representation:

Very few management companies have an attorney on retainer. Since we offer this to all our Clients, you will receive free representation should LEASE disputes arise with Tenants. Additionally, my staff can pick up the phone and have answers within hours (if not minutes). Managers are not attorneys but many practice as if they are...if you end up in court, this could cost you as an Owner. Mark has a degree in Pre Law, but to act as attorney would be unlawful and not serve you in the best capacity. His knowledge of the law can be beneficial in using foresight to seek advice and avoid issues, but make no mistake, every manager needs an attorney who is ready to assist when needed. The fee for this service is \$9.95/month and along with the Eviction Protection Service (EPS), should have you covered in every aspect of the law. Again, these are extra services beyond what anyone else offers in town. Yes, it costs you a bit more monthly but the savings from just one issue could be ten-fold, as attorney rates are \$150/hour and higher. As stated, evictions will cost you, on average, around \$750.

Mark's Qualifications:

- B.A. from the University of West Florida in Pre-Law (Legal Admin)
- Licensed Realtor since 1997 and Licensed Broker since 2004, practicing in Florida and Alabama
- Top 1% of all Agents in North America
- Voted BEST OF THE BAY by the public 8 years in a row; several of those years, he was voted Best of the Bay in several categories - Property Management, REALTOR® and best Real Estate Company. Mark's efforts are unparalleled and people recognize it!
- Mark has personally owned & managed rental property for 20+ years so he understands and empathizes with his Owners. He is constantly coming up with new ways to protect your bottom line!
- Mark has NEVER lost a Client due to poor management services. Sometimes there can be differences of opinions, but our services as a company are unmistakable in quality!

Conclusion:

While there are many property management companies to consider in the greater Pensacola area, we are very confident that if you consider what our firm offers versus the others, your decision will be one of the easiest you will ever make. We do not claim to be a "one size fits all"; but we do know with 100% certainty that our service is designed to minimize your involvement yet maximize your profits. We have very deliberate ways of doing business and through our hundreds of Clients – many of whom own properties in other states managed by other companies – we know that our method is cutting-edge and unparalleled in the industry. Again, we strongly invite you to ask questions and interview several companies prior to hiring us – once you realize just how different our company is, you will never question our undying passion to our craft and the measures we take to protect each Client's property and their bottom line! We look forward to serving you!

Mark Downey & Associates