

## **Homeowner Payment Schedule Frequently Asked Questions (FAQs)**

- When do potential tenants become legally obligated to the lease?  
*When your home is rented, the approved applicant is required to pay the full 1<sup>st</sup> months' rent as well as signing a Rent Reservation Agreement for the property.*
- How much is the security deposit and when is it paid?  
*Upon Move in, Tenant (s) is required to pay security deposit which is equal to a minimum of one month's rent.*
- How much money does a Homeowner need to pay up front?\*\*\*  
*Nothing. Management fees are paid once a Tenant is procured and moves into the Homeowners property. With a 12-month lease agreement signed, this fee is due only once. It is paid out of rent received.*
- If a Tenant terminates the lease agreement early in their 1<sup>st</sup> year of occupancy, is a Homeowner required to pay the 50% management procurement fee for a new tenant?  
*No. Carole Paul Realty does not charge the 50% procurement fee when a new Tenant is procured if the previous Tenant terminates the lease agreement early in their 1<sup>st</sup> year of occupancy.*
- What is Carole Paul Realty's company policy regarding prorated rent?  
*Prorated rent is starts from the date on the lease agreement, not the actual day the Tenant moves in. Ex. Tenant moves in on the 20<sup>th</sup> of the month where there are 30 days. They will pay 10 days of prorated rent. To get the daily amount of rent, divide the total rent due by 30 days. Next, multiply the daily amount x the number of days from the lease start date. This is the prorated amount due.*  
  
*Ex. Tenant lease start date is the 10<sup>th</sup> but they don't move in until the 13<sup>th</sup>, their prorated rent still starts on the 10<sup>th</sup>.*
- When is rent due from tenant(s)?\*\*\*  
*Rent is due from the 1<sup>st</sup> until close of business on the 5<sup>th</sup>.*
- What if the tenant does not pay rent by the close of business on the 5<sup>th</sup>?\*\*\*  
*Tenants incur a \$50 late fee on the 6<sup>th</sup> of the month. A rent payment to a Homeowner will not be made until rent is paid.*
- Who gets the \$50 late fee?  
*The Homeowner always receives the \$50 late fee.*

- How will I know if rent has been paid?  
*On the 10<sup>th</sup> of the month, Homeowner's will receive either a confirmation of payment via email or they will receive information on the status of rent via email.*
- When can I expect my first owner payment?  
*All rent payments to Homeowners are scheduled for the 10<sup>th</sup> of the month. It takes two business days for the funds to be available in a Homeowners account. Business days for banking institutions are Monday-Friday. If the 10<sup>th</sup> falls on a weekend or a holiday, the availability of funds may be altered.*

*For Homeowners who do not receive payment on the 10<sup>th</sup> due to unpaid rent, additional Homeowner payment dates for rent are scheduled for the 15<sup>th</sup> and 20<sup>th</sup> of the month. It takes two business days for the funds to be available in a Homeowners' account. This allows a structured payment schedule and efficient management of funds.*

*\*See **Eviction Process** document for information regarding unpaid rent.*

- How will I be paid?  
*It is a Homeowner's responsibility to provide Carole Paul Realty with their banking information which will include the following information: If the account is a checking OR savings account, routing number, and account number This information is to be provided via telephone call or emailed to Carole Paul Realty. We do not keep a copy of any banking information in your file in our office. It is input into our Online system.*
- Why is my payment less the 2<sup>nd</sup> month?  
*The intention is always to collect the most amount of revenue from your Tenant initially so that the Tenant does not pay a small prorated portion without a full month's rent already paid. The first month's rent proration will be credited to 2<sup>nd</sup> months' rent resulting in a smaller payment.*
- If a tenant does not pay their rent in full, what happens?\*\*\*  
*If a tenant does not pay their rent in full by the close of business on the 5<sup>th</sup> of the month, Carole Paul Realty's company policy is to issue a late fee and file an eviction on the 6<sup>th</sup> of the month. A representative of Carole Paul Realty will contact Homeowners with impending evictions to updated them on any information received from Tenants regarding rent payment and to verify that it is the Homeowners request to have an eviction filed.*
- What is the order that payments are dispersed?  
*The Property Manager is paid first. Second, any repair charges for vendors are paid. Lastly, Homeowners receive the remaining funds available. The payments will not go over the balance in the rental account for the property.*
- Does this mean that there may be months where Homeowners receive \$0 of the proceeds from rental income?  
*Yes.*

- Who pays for evictions?  
*Tenants pay for evictions.*
- What happens if the late fee is not paid?  
*It is company policy that unless late fees are in arrears \$300 or more but the rent due is paid in full, an eviction will not be filed.*  
  
*If there is \$300 or more due, an eviction will be filed.*
- How do repairs on rental property get paid?  
*Payment for rental property repairs is at the discretion of the Homeowner. When the Property Manager receives a request for repairs on a rental property, the Homeowner is contacted with information and a request for approval of action. The Homeowner may pay for the repairs outright. However, the repairs are normally taken out of funds from rent. Per the Management Agreement, if approval is not given to proceed within 48 hours of notification, Carole Paul Realty will proceed with scheduling repairs. If repairs exceed the amount in the rental property account, the Homeowner is required to pay Carole Paul Realty the difference. Carole Paul Realty will notify a Homeowner if additional funds are due after payments are paid.*
- Is it the Homeowner's responsibility to pay for pest control?  
*Within the first 30 days of a tenant living in a property, if there are any bugs in the interior of the home, it is the Homeowner's responsibility to pay for a one-time pest treatment costing up to \$75.*  
  
*If at any point during the lease agreement there is a rodent problem, it is ALWAYS the Homeowner's responsibility to pay for removal. (ex. Mice, Squirrels, Racoons, etc.)*
- Are there any additional services that Homeowner's are required to pay for such as smoke detectors and fire extinguisher checks?  
*Yes. Homeowners are responsible for payment for Locks being changed when a new tenant moves in. They are also responsible for the batteries changed in smoke detectors at evaluation such as Move In, Move Out, or Lease Renewal. Although it is not required, it is recommended that all Homeowners provide a onetime use fire extinguisher for Tenants to use in the case of an emergency. Once used or expired, it is recommended that the Homeowners pays for a replacement.*

- What happens if a Homeowner pays their mortgage late or if the mortgage goes into foreclosure?  
*Homeowners **MUST** notify Carole Paul Realty immediately if they are unable to pay their mortgage so that all parties can be properly notified and agreed upon action taken. (see Exclusive Leasing Management Agreement pg. 5 item 18.c)*

*\*\* Indicates a change in policy effective 1/1/2018.*