



## Owner FAQs

### **How are funds that relate to my investment properties held in trust?**

We are regulated as your landlord to hold all funds in a separate and designated trust account. We account for all funds collected and distributed, as well as report on them.

### **When are owner distribution funds sent?**

We send owner distribution on the 15<sup>th</sup> of each month. Once a tenant has posted their rent payment, it takes six to nine days to process on the banking side. We pay expenses and verify accounting to prepare for payment to owners.

### **Who holds the security deposit?**

KSP Property Management holds all security and pet deposits for tenancy in a trust account. Security deposits belong to the tenant who has posted the deposit. Funds will be dispersed based on the move out condition compared to the move in condition.

### **How does KSP determine monthly rental fees?**

Each property is unique in location, condition, functionality, and availability. We use market data to help us determine what the current rent rate range should be and consider days on market to maximize the efficiency for placing qualified residents/tenants.

### **What is the most common lease agreement time frame?**

Twelve months is most common and offers the best accountability for property maintenance and offers enough time to process updates and/or price increases, as needed for the tenancy.

### **Does KSP require tenants to hold rental insurance?**

Yes. We require tenants to carry renters' insurance with a minimum liability level. We also require that you and KSP are both listed as additional interest on the policy.

### **As an owner, do I need to purchase special insurance for my lease property?**

Yes. You will need to contact your insurance provider to review your current policy, inform them of the use of the property, and update to the required liability minimum or greater. Keystone Signature Properties must be added as additional insured on your policy.

### **Why is KSP listed on the owner's insurance policy?**

We are listed on the policy so that we can address issues for which the insurance policy applies. We will also be provided with the policy information to keep on record.



**How often does KSP review property condition?**

We do an on-site visit prior to accepting new properties to manage. In addition, if the property has animals, we will do a pet review during the lease. We do a mid-year/mid-lease review and another review 45-60 days before the lease term ends.

**How do you help reduce the risk of damage to properties?**

We educate tenants on home maintenance and rental responsibility. We offer tenant retention options and we put eyes on the property during the lease period to verify its condition which promotes tenant accountability. During the leasing process, your property is only shown by licensed realtors. We do not allow self-showing options by the general public.

**How are maintenance and emergency issues handled?**

Tenants use an online work order system to post normal maintenance concerns. All requests must be in writing. We take into consideration time sensitive issues to follow Texas Property Code. We offer a 24/7 emergency line. We respond to priority or emergency issues within the same business day or immediately, as the case may be.

**Should I buy a home warranty?**

It depends. Most home warranty service companies offer investment property service, but the service providers will be chosen by the home warranty company and may not be available in a timely manner. In most cases their goal is to repair, and the repair may not be a long-term fix, be done in a timely manner or be the right solution.

**How does KSP market my investment property for lease?**

- 1) We prepare it for the best possible showings before we place it on the market, including staging when needed.
- 2) We have professional photos taken, list the property on our local MLS, our company website, and syndicated websites. We post the availability date, screening process information and rental criteria. Showings on your rental property are made through our professional showing service and are always accompanied by licensed agents.

**Does KSP have policies and procedures regarding animals, smoking on premises, lawn maintenance, and deposits?**

Yes. We maintain a high standard and offer landlord rules and regulations to each tenant that provides more details even beyond the general lease agreement. We follow a no smoking standard for all properties.



### **How does the Fair Housing Act affect the way tenants are screened?**

The Fair Housing Act is a federal law that prohibits discrimination in home sales, financing, and rentals. Under the law, Texans have the right to enjoy their housing without facing discrimination based on seven protected classes. They include:

- Race: Landlords cannot consider the race of a tenant or prospective tenant when making decisions about their housing.
- Color: The color of a prospective tenant or buyer cannot play any role in a person's ability to have access to housing.
- Religion: The religion you practice or do not practice, cannot give you preferential treatment or cause you to not be considered for a property.
- National Origin: Where your family is from should not play into a landlord or sellers' decision to rent or sell their property to you.
- Sex: Landlords cannot consider the sex of a tenant or prospective tenant when making decisions about their housing.
- Disability: Under the law, a disability is a physical or mental impairment that can substantially limit one or more major life activities. This can include things such as chronic illness, mental illness, HIV or AIDS, alcoholism, or a physical handicap, among others.
- Familial Status: This class covers children under 18 living with parents or others with legal custody, or with a designee of the parent with written permission, a person who is pregnant or a person who is seeking custody of a person under 18. Not only can landlords not refuse to sell or rent to families with children, but they may not deem a property "adults only." In addition, if you are charged a per person rental fee, this may be considered discrimination on the basis of familial status.

While some states offer protections for additional classes, such as sexual orientation, gender identity or marital status, Texas does not.

### **What happens if a tenant breaks a lease?**

We follow the terms of the lease and offer options to mitigate lost rent. We let them know they are responsible for the entire amount owed based on the lease agreement. We review the property to determine condition and communicate with the landlord the best course of action to get the property ready and back on the market as soon as possible.

### **Do you manage the eviction process when necessary?**

Yes. Our goal is to place the best possible tenant in the property. When circumstances require quick and legal action to remove a tenant, we provide great legal team resources and walk with everyone involved throughout the process.