



Regular Maintenance vs. Major Replacements, Renovation and Restorations

Our management fee pays us to manage "normal maintenance breakdowns" not to oversee major replacements, renovations, or restorations. As property managers we have enough experience and training to handle regular breakdowns of a house including things like, painting, cleaning, appliance repairs, HVAC repairs, most plumbing, some electrical repairs. We use qualified contractors to do the work and oversee the process. However, when it comes to larger issues we recognize our shortcomings and don't pretend to know how to oversee the more complicated jobs. As part of our monthly fee we will oversee the following: normal, everyday, maintenance breakdowns; system failures due to regular use; appliance repair; leaking roofs; general repairs costing less than \$500 per item. Items over \$500 may fall in the category of "general contractor" work, and require a more in-depth knowledge of construction and mechanical issues.

We prefer you handle these large jobs yourself but we will provide contractor help if you need it. Many times the property is vacant when these repairs are needed, so it will be easy to get your own vendors in the property. If we handle these issues, we will add a "rehab oversight fee" of up to ten percent (10%) of the cost of the item. This fee will help pay the added costs of our extra trips to the property for estimates, additional contact with the owner, inspections, photographs, etc. Owners are always encouraged to handle large projects themselves to avoid this additional cost, but we are here to help if and when you need.

Quotes on Maintenance

Some owners insist on multiple quotes on small maintenance items. Part of the problem is that it is getting harder to get a contractor to drive to the property and estimate a small job without a fee often called a "trip charge". Atlanta traffic is brutal, and a trip to any property may take an hour or more. After making a quote, owners often do the job themselves and the contractor feels abused and raises their prices to compensate. Good contractors are hard to find and after the first or second one they do for free and don't get the job it is difficult to get them to do a quote on another small job. Quotes add costs to every job. What repair limit should require bids for the owner? For items under \$500.00, we will generally not get a quote, unless you require one, and are willing to pay the vendor fee. We will give you an "estimate", your approval is required, and we will get the job done by our reliable vendors. For issues over \$500.00 we will get one quote and your approval. Any costs we incur for additional quotes will be passed on to the owner. Contractors generally charge \$30.00 to \$75.00 for quotes when they do not get the job.

Maintenance Under \$200.00

Our management agreement gives us the authority to get maintenance done on small items without waiting for owner approval. This guideline was established because most owners do not want us to call for every issue. We have a good group of vendors who handle about \$25,000 a month in maintenance and we can get small jobs done quickly and economically. We are sensitive to owner's concerns about spending money but we need the freedom to manage. We will still keep you in the know so you're not surprised when you open your monthly report, but we won't wait for approval.