



YOUR TENANT IS VACATING

Your tenant has given notice to vacate and will move out of your home at lease end.

With your tenant giving notice to vacate, Encore Properties will begin to market your home in the effort to find a replacement tenant **after the existing tenant has fully vacated the home.**

THIS IS A CHANGE: We will not put the home on the market until AFTER the Tenant vacates.

Once the tenant fully vacates the home, we will take the following actions:

- We access the home to take 50 to 200 photos/video of the move out condition.
- We will conduct a detailed move out inspection.
- We fully document all issues with the home and plan for the make ready improvements.

BENEFITS TO THE HOME OWNER

Market a Move-In Ready Home: We feel that the market with tenants has shifted to demand a move in ready home during the time of marketing. There have been negative incidents when we market the home with old photos and an existing tenant in place that have led to this change. In these incidents, a new tenant would move into the home after a one time showing while tenant occupied, and be upset with the condition. By marketing the home in the "As-Is" and move in ready condition – there will be no confusion as to what the new incoming tenants will see in the condition of the home when they move in.

Lived-In Condition of the Home with Tenant: In most situations, existing tenants will not put forth the effort to ensure the home shows as well as possible during the last 30 days of a lease agreement. Tenants do not normally take care of a home as an owner would, and it reflects in the way the home shows to prospective applicants. Tenants have little incentive to show the home other than being obligated in the lease. Once the tenants begin packing to move, boxes begin to pile up and the home shows poorly. This leads to missed application opportunities from potentially good tenants and longer days on market.

Home Shows Better: The home will show better without the tenant physically there during the showing. In some cases, we have seen existing tenants follow applicants around the home pointing out everything possibly wrong with the home they could. Also - there will be no lost showings from an un-cooperative tenant blocking showing requests, or refusing to answer their phone to approve a showing. This will lead to a maximum amount of showing opportunities – renting the home faster.

What If The Home Goes Stale?: When a home does not rent in the first 30-60 days, most incoming applicants will wonder what is wrong with the home and then avoid seeing it. By marketing a move in ready home, we can highlight the home in the current condition - renting it quickly. If a home does not rent in quick fashion, adjustments can be made to the asking price with the bottom line of renting the home faster on behalf of the owner.

Privacy Concerns: We want to respect the privacy of our existing tenants as you would want if you were a tenant. No tenant wants to deal with showing a home they live in during the last 30 days and many tenants would appreciate not having to do so. In addition, the restrictions on Tenant Privacy regarding photos and video is getting tougher with new court decisions. We ask you consider this in respecting their privacy.

Violating the Deceptive Trade and Practices Act – a Federal Law: We have heard indications that by using old photos and videos to market a home for rent, and by not allowing applicants to see exactly what they will be signing a lease agreement for because the home is occupied for another 30 days, we could be violating Federal Law called the Deceptive Trade and Practices Act. It would only take one severe incident for a tenant to feel they were misled by not having the opportunity to fully inspect a vacant home before they sign a lease agreement. With a vacant and move in ready home, we can avoid this by offering them an “As-Is” home and by marketing the home with current photos and video.

Tenant Hold Over to the Lease: Should the outgoing tenant need a few extra days or weeks to vacate the home – they could do so under their current lease agreement by paying the necessary rent and fees. In the past, should a new incoming tenant have a signed lease agreement, and an outgoing tenant does not vacate on time – it creates a major problem for all involved. This leads to a very negative situation that has resulted in broken leases, causing the owner more vacancy that would not have been necessary. Should that happen - the home has to go back on the market costing the owner a severe amount of money in lost rent and utility fees.

Current Lease Enforcement: If it becomes necessary to enforce the lease along the way, the Portfolio Manager is often put in the middle of a bad situation to where they have to scold the tenant one day for not bringing in their trash cans fast enough for the HOA, to politely asking the tenant if we can begin to market the home while they are moving out. In one phrase – awkward. Without that concern, we can simply enforce the lease standards without having to worry about upsetting the tenant causing a bad situation leading to the below.

No Disgruntled Tenants: By not showing a tenant occupied home, we avoid having to present a home to a potential applicant with a possibly disgruntled current tenant in place. We never know what a tenant may be upset about and it’s often something completely out of our control. An existing tenant may not speak kindly of a home owner if the tenant was refused something during the lease, or as in the above paragraph, held to the lease standards by the Portfolio Manager.

Vacant Home Showings: In many rental markets throughout the country, new techniques have evolved to allow for a safe and cost-effective way to show rental homes to potential applicants. With a vacant home, the possibilities open up for these methods and we feel this will hugely benefit the home owner – renting their home faster!

What About Lost Rent?: We feel that this technique will bring the home owner more in rent and ultimately make them more money with less hassle. If we are able to find a better quality tenant, advertise the home at a higher price, and rent the home quickly – the bottom line is very good for the home owner.

What About Lost Time Off The Market?: We understand this is a concern, but we feel the Triangle Area market is strong enough that by making this change it will contribute to a home renting faster, and for more money. If the home does not rent – it can be contributed to nearly one thing – the asking price.

Bottom Line – Your Home Will Attract Better Applicants, Rent Faster, and for More Money!

*If there are any changes in your situation, such as you needing to move back into your home or you desire to sell the home, we ask that you notify us in writing immediately so we can work through any details.

**Weekly feedback for the progress on our marketing your home is sent via email every Monday to all owners.

***The outgoing tenant’s security deposit itemization will be completed within 30 days from lease end.

Should you have any questions – contact your Portfolio Manager.