

# Investing in Middle Tennessee – Nashville

Focused on leasing your home to Qualified tenants

We don't profit until your investment is leased to a qualified tenant.

- Our motive is not to sell a house, but to secure a home that will appeal to quality tenants; require little maintenance & improvement; and appreciate toward a beneficial resale or re-leasing.
- We only suggest investing in properties in good areas for tenant appeal and resale.
- We don't recommend properties in areas where we experience difficulties finding tenants due to area concerns; such as school, transportation, or unappealing conditions.
- We secure the contract; negotiate the most beneficial purchase and improvement conditions; represent you in the purchase; schedule & coordinate necessary improvements; market & lease the property to screened & qualified tenants; and manage the property.

# Stones River Property Management & Real Estate Services

(SRPM) is a

comprehensive service for  
investors and property  
owners.

- Not only do we represent investors in property selection and purchase; we are focused on comprehensive property leasing & management.
- We coordinate all repairs & improvements; marketing & leasing; tenant attraction, qualifying & screening. We have staff devoted to maintenance coordination; property inspection and protection; individually showing properties to prospective tenants; screening applicants thoroughly and managing collections or evictions; accounting for and transferring all income and repair invoices to individual owners; and to providing investor exit and resale strategies.
- We subject all repair and improvement to 3<sup>rd</sup> party service bids to ensure competitive pricing and coordinate all efforts with tenant schedules and legal guidelines.

## Site Selection

— Only properties in areas attractive for leasing and sale are committed to spreadsheets & sent to you.

- We are already managing (leasing and servicing) homes in these areas).
- We already considered schools, amenities, transportation, crime, density, and access to employment & recreation.
- We already considered the effect of proximity to trains, utility substations, roadways, commercial activity, etc – and determined they do not affect investment, resale, or tenant (leasing) appeal.
- We already monitor & even set lease or rent rates; verifying them regularly; to secure the highest rents and sales prices for our property owners.

# House or property selection & inspection — 1<sup>st</sup>

contingency or opportunity to back  
out of the purchase.

- The initial spreadsheet I provided; estimates the costs necessary to lease the house – paint, carpet, cleaning, appliances & updates.
- The inspections confirm and further define these costs –providing a clear estimate for what it will cost to prepare the house for leasing and update any maintenance.
- Every property is subject to a series of inspections to refine that estimate:
  - 3<sup>rd</sup> Party (independent) Structural/Home inspection
  - Stones River leasing & maintenance personnel inspection & individual site evaluation
  - Termite, Sewer, HVAC & other inspections as necessary.
- Immediately upon inspection report results and cost estimate – you can choose to inform the seller that you wish to back out of the transaction. You can reject the house (and costs) and withdraw your offer.
- Immediately following receipt of the report, I prepare a repair proposal for your signature and request the seller pay for any needed repairs (make the repairs) or reduce the sales price.
- Stones River Property Management (SRPM) will gather estimates for any repairs – so you will have an idea of how much to reduce the sales price and expect to pay to make any repairs after closing in the event the seller fails to make adjustments or the price already reflects necessary improvements.

## Property Inspection – 1<sup>st</sup> contingency – withdraw or proceed with the contract

- Resale or existing homes are subject to 3 inspections within 10 days of contract acceptance. If the inspection reveals necessary costs or repairs greater than you are willing to accept, this serves as your first withdrawal contingency .
- You can withdraw from the transaction at this stage – if these inspections are not acceptable – before we enter the negotiation phase.
- Rigorous Rooftop to foundation
  - An independent 3<sup>rd</sup> party inspection – looking for any structural or functional flaws or necessary repairs. These are reported to you in report the next day and are then subject to negotiation with the seller- if you decide to continue the purchase.
- Leasing & maintenance inspection by Stones River Property Mgt.
  - A SRPM leasing or maintenance person looks for any improvements that will be necessary to make in order to lease the house for the highest rent. I will let you know these estimates before negotiating any repairs. These focus on cosmetic items – paint, carpet, modernization. Sellers will not pay for these improvements.

## Staying with the purchase or withdrawing

- I will tell you what the SRPM inspection determined and provide you with a general estimate – this is subject to change - once the vendor actually views the site after the house is emptied of all seller possessions.
- Sellers will not pay for cosmetic improvements – SRPM will provide you with estimates for those – as you will bear those costs upon closing, to lease the house.
- The inspection is your 1<sup>st</sup> withdrawal contingency . Upon my comments regarding painting and cosmetic items & reviewing your inspection you can withdraw or negotiate. This is a formal process requiring a signed form.
- The Repair negotiation period is typically 5 days – set in your contract. This is the time allowed to negotiate whether the seller will pay for any required repairs or not.
- High side price level Bids for necessary post-closing / pre-leasing improvements will be obtained by our maintenance staff to be used for repair negotiation and for post close work. BIDS CAN CHANGE after closing when a vendor fully assesses the job with his or her own eyes after all seller possessions are removed.

## What happens regarding improvements I am making to the house after closing?

- The improvements that SRPM leasing & maintenance folks recommended be performed to obtain the greatest rent are estimated during the inspection negotiation period.
- These items are typically; paint, flooring, blinds; cleaning; updating – but may include necessary repairs.
- A house may be functional for the sellers – but require neutral paint colors, new flooring, new trim/mill work, fresh appearance to attract the highest paying and qualifying tenants.
- SRPM identifies these items and gathers highest price range bids from vendors using report photos and descriptions.



After the house closes and you own the property we race to lease the house.

SRPM will verify the bids with competing vendors, having them inspect the work and refine their pricing.

SRPM will contact you to verify the work & pricing, and collect the payments through your management portal, so that we can schedule the work.

All work must be paid for in advance for company security and we will withhold payments to the vendors, per the agreement with them or until completed.

Simultaneously SRPM will market the property.

Our advertising service places the property on 84 web resource sites.

Yard signs and company marketing efforts outside the web, are engaged.

Leasing agents field inquiries, screen tenants, & schedule personal showings.