



DENIZEN  
MANAGEMENT



## Module (3) Three – Leasing

WE ARE





# MODULE (3) THREE LEASING

## Standard Operating Procedures

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## Prospect Management

WE ARE



# The Art of the Sale

As a Concierge your primary function is to sell your Community to Prospects, in order to keep your Community fully occupied. This is an essential business function for all Communities because without a full occupancy there will not be funds to improve or operate the Community and deliver a return on investment to the Owners. It is a task that will never end, and is why the Concierge is so important to the Team and the Company.

There are hundreds of sales techniques in use today in almost every business, however, not all of them are effective for what we do. We are selling the most expensive and most used item a person has, their home. On average a person spends 30% of their entire income on their home; only the best will be able to close the sale.

## Know your Product

Product knowledge is key. A Prospect comes in to Tour in order to learn more about your Community. If you don't know the answer to their questions, it is very unlikely they will rent with you; and it is unprofessional. Before starting your next Tour take a moment to complete the Getting to Know Your Community (Form). This will help you to know the most commonly asked questions.

Proprietary & Confidential

**Getting to Know Your Community (Form)**

Name of Community:	Year Built:
Number of Units:	Unit Types: Studio - 1bed - 1w/den - 2bed - 2w/den - 3bed - 3+
Average Market Rent:	Current Occupancy:
Current Specials:	
Number of Stories:	Exterior Material:
Utilities Included:	
Utilities Not Included:	
Cable Providers:	
Admin Fee:	App Fee:
Deposit Options:	
Pets Allowed:	
Pet Rent:	Pet Fee/Deposit:
Pet Restrictions:	
Insurance Requirements:	
Parking Options:	
Can Residents Paint Walls:	

*GETTING TO KNOW YOUR COMMUNITY (FORM) – can be retrieved on employee login website*



## Sales Techniques

Below are several different sales techniques that are proven to be effective in our industry. By combining each of these into your daily routine you will see increased closing ratios and a much more successful outcome.

1. **Challenging the Status Quo:** Most Concierges see the sales process as a linear process. At some point, it has an end – the Prospect will choose either you or your competitor. The truth is that those are not the only two end points. There's another option – no decision – which is chosen all too often. Studies show that 20 to 60 percent of deals in the pipeline are lost to "no decision" rather than to competitors. It's only by challenging their current situation and highlighting how your Community can better serve their needs that you can get your Prospects to see that change.  
**To Do:** convince them to adopt your solution.
  
2. **Finding Your Value Wedge:** How much overlap is there between what you can provide to your Prospects and what your competition can provide? Most Concierges admit that overlap is 70 percent or higher. So, you should focus on what you can do for the Customer that is different from what the competition can do – this is your "value wedge." Your value wedge must be unique to your Community, important to the customer, and defensible.  
**To Do:** highlight what you have that is better than your competition.
  
3. **Making the Customer the Hero:** Every story has a hero. Who is the hero of your story? Is it your Company and/or Community? If the answer is yes, then you need to rework your story – and make the Customer the hero. The Customer is the one who needs to save the day, not you. Your role is that of the mentor. You are there to help your customers see what has changed in their world and how your Community can make their lives better.  
**To Do:** allow the Customer to see the benefits of your Community.
  
4. **Assumptive Selling:** This is the act of changing your phrases to assume that the Prospect has already rented. For example, "This will be YOUR oversized closet" rather than "This APARTMENT has an oversized unit". Change ownership to the Prospect as much as you can. This conditions the Prospect to picture themselves in your unit and makes them want the ownership.  
**To Do:** Act as if they have already rented.
  
5. **Yes Conditioning:** This is the act of continually asking questions that will generate a yes response throughout your Tour, such as "Isn't the size of this bedroom great?" or "Isn't the pool area lovely?". This will condition the Prospect mentally to say yes to you. Then when you ask for the sale they will be more likely to continue saying yes. Thus, closing the sale for you.  
**To Do:** ask many questions that they will say yes to.

6. **Rapport Approach:** Everyone wants to work with someone they like. The Prospect is working with you to find a new home. So, build a friendly rapport with them and try to connect with each Prospect. The better your connection, the more likely you are to close. The best way to start this is to learn their name early and use it often. This helps them to feel like they know you and will help them to relax.  
**To Do:** learn their name early and use it often.
  
7. **Needs Based Selling:** This technique is key. Get to know what your Prospect needs in their new home. Why are they leaving where they are? What is their budget (keep in mind most people give you a budget 20% lower than what they can really pay, that is where your value wedge comes into play). Knowing these things about your Prospect can help you find the best solution for them. It also helps with building your rapport.  
**To Do:** Understand what they need and find it.
  
8. **Artistic:** Paint a picture of the Community, the apartment, and how their items will fit perfectly. This is especially important with a phone lead. Use descriptive words and exact dimensions to help paint a realistic and helpful image.  
**To Do:** Paint a picture of what they can't see.

## Closing Techniques

Once you have successfully completed the Tour and implemented the sales techniques above you are ready to close the deal. Below are some effective ways to help ease your Prospect into renting.

1. **Summary:** Repeat and summarize the needs of the Prospect back to them and reiterate how your apartment can meet their needs.
  
2. **Urgency:** Think of a time you really wanted something and it was the last one the store had. You probably felt a strong "tug" to purchase it because they might be sold out if you come back later. That is a sense of urgency. It is a vital and realistic closing technique in the apartment industry because no 2 apartments are exactly the same. The view, timeframe, and layouts vary. Use your availability and their needs to create a strong sense of urgency.
  
3. **Incentive:** We often have specials to help persuade Prospects to rent with us, such as a month free or no application fees. Do your best to not disclose any discounts until after the Tour and you are ready to close. This helps them to see the value of the sale and can provide more urgency because it will feel more like a "deal" rather than just a "sale price".

4. **Asking:** Lastly, simply ask for them to fill out an application or leave a deposit, even if they do not seem interested. You may be surprised by the answer. Sometimes a Prospect is just looking for the search process to be over and you asking that question can make their endless search for a new home end.

## Overcoming Objections

1. **Gratitude:** Say "Thank You!" Always thank your Prospect when they put an objection in front of you because this is an opportunity to address it and move on with your deal. In fact, ask them about all of their concerns and objections right up front and you'll receive even more opportunities to turn the table to your advantage. Don't forget, an objection is better than a "no" because it gives you some place to begin the conversation.
2. **Empathize:** Empathy is a way to connect with your Prospect on a personal level, show you care and that you're listening. All of us have had to say "no" at one time or another, and in business, you're not always speaking to the decision maker. Often times, they're just the messenger so don't shoot yourself in the foot by getting defensive. After thanking the Prospect for bringing the objection to your attention, empathize in a way that will help further diffuse the situation. For example: I hear what you're saying and I think I can help. By empathizing with the Prospect, they're more likely to open up and share more.
3. **Let the Discovery Begin:** Now that you've begun to diffuse the situation, take your time to uncover what's really going on. Good discovery always focuses on asking open-ended questions. If the Prospect can respond with a "yes" or "no," then you've got to rephrase your question. This is a lot harder than it sounds and it takes practice to develop this ability. If you get stuck, just do what every 4 year old does and ask "why?" - you'll be amazed at how powerful that little question can be!
4. **Ask, Probe, Confirm:** Now that you've got the questions flowing, it's important to keep the conversation moving further and deeper. As the Prospect responds to your open-ended questions, you should probe further by asking more questions about what they've just said.
5. **Show Them The Value:** Here comes the value wedge again, you have to know your Communities value points. To keep your Prospect around for the long haul, they must see value in your Community. The purpose of good discovery is to understand what's important to them.

## The Reputation Objection

1. **Site Personal Experience:** "I work here/live here and I love it", statements like this that they can put a face to will have more weight than the opinion of a total stranger
2. **List Improvements:** A lot of the time the reputation objection they are bringing up is justified. State the things that have recently been improved to show that the Community is now much better such as; a new amenity, upgraded apartments, a new management company, or a staff change.
3. **Be Proactive:** Enlist your current Residents to leave you good reviews. This will help to bury the negative feedback and improve your star ratings. Remember, each site will have different reviews. So, be sure to keep an eye on several.

# Prospect Guest Card

Guest Cards are completed to communicate a Prospects interest, contact information, and needs. It embraces our "QSQ" of Listening. The Guest Card can be completed in either electronic form or paper form. An electronic Guest Card is created online in the prospect management software directly, while a paper guest card is a form that is completed by the Concierge, NEVER by the prospect, and then transcribed into the prospect management software for reporting (basically completing it twice).

## Completing the Guestcard

The Guest Card is the initial record of interest from any potential client. For that reason, it is NEVER to be completed by the prospect themselves. Not only is it unprofessional to ask them to complete it, but it can result in many issues. The prospect may have handwriting that is not legible (defeating the purpose), they may write information that violates Fair Housing Rules, and much more.

The Concierge working with the prospect should complete the Guest Card themselves and ensure that all of the following is collected:

- ✓ Prospects first & last name
- ✓ Contact information (email, phone, address, etc.)
- ✓ How they heard about us (this is key for determining marketing needs)
- ✓ Move-in date range
- ✓ Unit sizes interested in
- ✓ Requested lease term
- ✓ Number of pets
- ✓ Their reason for moving
- ✓ What they are looking for in their new home
- ✓ Any other pertinent information for closing the sale

Be sure to NEVER use descriptive statements that may violate Fair Housing Standards such as, "divorced man", "single mother with 2 kids", or "Young Asian couple". What you write/type on a Guest Card is subject to HUD and Fair Housing inspections.

## Guest Card Retention

Electronic Guest Cards will be retained indefinitely in the prospect management software automatically.

Paper Guest Cards must be created using the Denizen Management Guest Card and not 3<sup>rd</sup> party Guest Cards, such as Apartments.com provided Guest Cards. They must also be immediately entered into the Prospect Management Software and a copy of the paper Guest Card uploaded to the Prospects account using the History/Notes Tab. Once the upload is complete the paper Guest Card must be shredded. Additionally it may never placed into a Residents file once they rent.

*GUEST CARD - can be retrieved on employee login website*

Paper Guest Cards are not encouraged, but if they are used they must be used by the entire staff at the Community, retained/destroyed properly, and entered into the prospect management software the same day they are written.

## Best Practices

1. All prospects should have an electronic Guest Card created in the prospect management software. This includes phone leads, email leads, and tours.
2. Guest Cards must be completed same day.
3. Photo ID's must be taken from EVERYONE wishing to take a tour. It is for Concierge safety and a violation of Fair Housing if we pick and choose when to take ID's.

# Telephone Procedures & Technique

Many times, the first opportunity we get to make a good impression in our business is on the phone. Most people will call a Community after viewing them online to get more specifics. It is important to always convey a warm and welcoming demeanor as this is a "QSQ" of Welcome. It is also important to be able to control the call, while answering the Prospect's questions. The goal is always to get the appointment and there are proven techniques we use to ensure success.

## Preparing to Answer the Phone

The first step in having a successful phone sale is being prepared and attentive. Always know what apartments you have available and what current pricing you are offering before answering the phone. Be ready to turn "off" whatever you have going on at any given time when the phone rings. The Prospect on the other end of the line needs to hear excitement in your voice and feel like they have your undivided attention. To help get you into a good rhythm with leasing calls there is a form to help called the Phone Lead Practice Script (Form).

Proprietary & Confidential

**Phone Lead Practice Script (Form)**

Thank you for calling \_\_\_\_\_ this is \_\_\_\_\_ how can I help you.  
 Sure, I can help you with that  
 Can I ask your name please? \_\_\_\_\_  
 Hi \_\_\_\_\_  
 So you're looking for a \_\_\_\_\_ bedroom, Is there anything specific you are looking for in your new home? \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 How many people will the apartment be for? \_\_\_\_\_  
 What were you looking to spend? \_\_\_\_\_  
 What move in date do you need? \_\_\_\_\_  
 Do you have any pets? \_\_\_\_\_  
 We currently have a lovely \_\_\_\_\_ bedroom available in your price range it comes with \_\_\_\_\_  
 Does that sound like what you are looking for? \_\_\_\_\_  
 I have an appointment available today at \_\_\_\_\_ (specify time)  
 Can I get your phone number? \_\_\_\_\_  
 Do you have an e-mail address? \_\_\_\_\_  
 And may I ask where you heard about us? \_\_\_\_\_  
 Great, is there anything about your new apartment that I haven't covered or do you have any other questions? \_\_\_\_\_  
 \_\_\_\_\_  
 I have you down for \_\_\_\_\_ at \_\_\_\_\_. Do you know where we are located? Wonderful, please take some time to check us out online. There are a lot of great resources for you there. Our website is \_\_\_\_\_  
 See you at your appointment. Thanks for Calling!!

Enter lead into Leasing Management Software






*PHONE LEAD PRACTICE SCRIPT (FORM) – can be retrieved on employee login website*

## Phone or Call Greeting

Before answering the phone, you will need to set up your workspace. At all times, you should have a writing instrument and a note pad or post-its. If on a property, a copy of your Unit Availability Report is a must. This will allow you to take a message, make notes for reference and assist the caller with necessary information. As it is with In-Person Greetings, it begins with being interested in others. So, begin each day and Calls as follows:

1. Relax
2. Smile, show positivity and a good mood
3. Answer the phone and say

- Incoming Call
  - o "Thank you for calling (property name), my name is Jane (Employee first name), How may I assist you?"
  - o If the caller does not provide you their name, ask "Who do I have the pleasure of speaking with today?".
- Outgoing Calls
  - o "Hello, this is Cody (Employee first name) with (property name)".

If on a property, always log all Prospect calls in the property management software, leave detailed notes.

## Information to Get During the Call

While the goal is to effectively and efficiently answer the Prospect's questions and to make an appointment, there is also very important information that we need to get in order to shape our phone presentation. Qualifying the Prospect during an initial phone call is essential. These items include:

- ✓ The Prospect(s) name
- ✓ Size of apartment
- ✓ Date apartment is needed
- ✓ Prospect contact info including both phone number and email
- ✓ Number of people living in the apartment
- ✓ Pet(s) living in the apartment
- ✓ Referral source/how they heard about us
- ✓ Appointment date and time

# Qualifying the Prospect

The overall apartment sales interaction is broken down into two separate presentations: the telephone presentation and the on-site presentation. The primary objective for handling a telephone interaction is to convince the prospect to visit the property, while the on-site presentation creates a relationship and closes the deal.

Whether the interaction is on the phone or in person, there are steps that allow you to create a sense of trust with the prospect and develop a positive relationship. While the goal is to effectively and efficiently answer the Prospect's questions and to make an appointment, there is also very important information that we need to know to shape the phone or in person presentation.

## Six Questions to Ask

This can be simplified into six basic but critical questions - Who, What, When, Where, Why, How Much?

Understanding a prospective resident needs and interests is perhaps the most important part of the sales process. Asking the right questions helps you gather better information, build stronger relationships with your prospect and improve your sales performance. Ask open ended questions that elicit the prospects needs, interests and feelings.

**Who?** Identify yourself and ask the prospective residents name. You want to establish rapport with the caller by using their name. Determine who will be living in the apartment, and ask if the prospect will be bringing pets

**Example:** "Who will be moving with you? Will you be bringing any pets?"

**What?** Your objective is to determine the needs to the prospect and paint a word picture of the apartment community that fits the needs they may have already indicated. Be sure to move into a description of the apartment including square footage and pricing. Through general conversation, this determine the features the prospect is looking for in a new home. Important features may be, size of apartment, or additional feature, such as washer/dryer hook up, or garages. This is the time to listen to the prospects needs and wants.

**Example:** What features are you looking for in your new apartment home?

**When?** Determine the date the prospect want to move in. This could be an exact date or a rough estimate. The objective is to determine which apartment will be available and might fit the prospects needs.

**Example:** When are you planning to move?

**Where?** Find out where the prospect is moving from so you can help with directions, especially if the prospect is from out of town. It would be also useful to know where they will be working. The objective is to be of service in a broader sense rather than just lease an apartment.

**Example:** Do you work nearby?

**Why?** If the opportunity presents itself, determine why the prospect is moving. It may be a job change or simply the need for more space. The objective is to understand the specific needs so can find the perfect new home for the prospect. Be careful that is question is not perceived as snooping. But, perhaps the reason could be an unresolved maintenance issue at the current apartment. This allows you to highlight the maintenance team and the service that the property offers.

**Example:** Do you mind if I ask why you are moving?

**How Much?** Establish the prospects rental budget. Many times, this question comes up by the prospect earlier in the conversation. However, giving the price without asking qualifying questions does not place any value of the apartment or community. Paint a picture of the apartment that may fit their needs.

**Example:** Do you have a price range in mind?

## One Last, But Most Important Question

**An Appointment:** By now you will know if the prospect qualifies for the apartment community and you should sense a degree of interest. The next step is to schedule a definite appointment. This is the goal of all apartment inquiries. Ask if there is a day that is more convenient and proceed to give a choice of two available times. Be sure to ask for their phone number and email address as a follow up. Repeat the date and time and ask if they need directions to the Property.

**Example:** It sounds like we have a perfect apartment for you, what day is most convenient for you? I have an appointment available at 10:00 am or 2:00 pm.

## Keys to Success

It is imperative to use the information you've just gathered above to shape your presentation to the needs expressed by the Prospect. Each call is unique, so how you sell your Community should be as well.

1. Enter EVERY Prospect in your lead management software. This is key to understanding your marketing dollars and common objectives. Enter them even if they do not meet our criteria or we do not meet theirs. It is crucial when evaluating the leasing process.
2. Never answer the phone when someone is in front of you. It's best to let the call to go voicemail and call back to provide good service to both the person you are currently serving and the caller.
3. Answer the phone with a smile. The caller should be able to hear your excitement and smile in your voice.
4. Always answer with the Community name and your name.
5. Get the Prospect's name early in the conversation and use it often during the call.
6. Have a guest card by the phone and complete it as you speak to the Prospect.
7. Be brief. While there's a lot of information to obtain and to convey, it should be just enough to pique a Prospect's interest. Calls longer than 10 minutes are ineffective, and you will lose the caller's attention.
8. Thank them for calling every time.
9. Review the Telephone portion of the Shopper's Report and know the expectation. Develop your presentation with this report in mind.

# Email Lead Procedures & Techniques

Email correspondence is the number 1 method of communication when searching for a new home. This is very important to understand as the nature of emails sets the expectation of receiving a prompt response. Every lead that is received must get a prompt response back from us. Even if it is clear that we are not able to assist them, such as we are too expensive or do not take subsidized housing, we have to respond as it is the professional thing to do and it is our "QSQ", Welcome.

## Responding to an Email Lead

Email leads are unique in that the Prospect is expecting a response very quickly, even after hours. An email lead that is followed up on within 2 hours is 3 times more likely to become a renter. This can easily give you a leg up on your competition.

While the goal is to effectively and efficiently answer the Prospect's questions and to make an appointment, there is also very important information that we need to get for our lead management software. These items include:

- ✓ The Prospect(s) name
- ✓ Size of apartment
- ✓ Date apartment is needed
- ✓ Prospect contact info including both phone number and email
- ✓ Number of people living in the apartment
- ✓ Pet(s) living in the apartment
- ✓ Referral source/how they heard about us
- ✓ Appointment date and time

Most of these will be included in the email lead. However, be sure to ask about any that are not included.

## Keys to Success

Expect that your Prospect is shopping other communities in your area, whether by Internet, phone or in-person and they are going to lease with someone! Sell yourself by doing the following every time:

1. Be the first response!
2. Provide positive, on point, easily understandable information
3. Sell services, amenities, and location benefits that set you apart from the competition
4. Ensure the email is professionally written AND personalized
5. Use appealing adjectives ([thesaurus.com](http://thesaurus.com))

6. Refer to your company website (if from another source or ILS) for photos and/or a virtual tour
7. Include your contact information
8. Be sure to ask "Did you know that we are professionally operated by Denizen Management?" Many Prospects are leaving their current residence to find better management. So, this is a key item of note to ensure them that they are in the best hands.
9. Follow-up!



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# Show Procedures & Technique

Once a great impression is made with the phone or email and an appointment is scheduled it is time for the fun part – the Tour. The Concierge must continue the great impression and take the opportunity to demonstrate to the Prospect why they should choose to make their home with us.

Studies have shown that the Concierge is a huge factor in why people chose a particular place to live. While location is #1 on the list, the Concierge is consistently #2 as factors most effecting the decision to rent. How the Concierge connects with the Prospect, how well they listen, and how welcome and wanted they make the Prospect feel are all incredibly important factors, especially because these are “QSQ” of Listen and Welcome.

## Preparing for the Tour

As with most things in life, preparation is the key to success! It not only helps the Concierge to feel confident in their presentation, but it also makes the Prospect feel as though their time is important and that the Concierge is excited to meet with them. To prepare:

1. Walk the tour path and show apartment prior to the appointment
2. Have their account pulled up and handy before the Prospect arrives. Review it and make sure you are familiar with their information.
3. If you have a property message board, write a personal message welcoming them to the Community.
4. Know your competition. Shop them both in person and on the phone on a regular basis. It is important to know the competition's strengths and weaknesses in order to sell against them. Also know how your pricing compares to the competition.

## In-Person Presentation

- A. Greeting
  - ✓ Stand and greet everyone who comes through the door with a smile and outstretched hand
  - ✓ Introduce yourself and use the Prospect(s) name
- B. Guest Card and Information Verification
  - ✓ Have their account open and verify that you have all the information correct
  - ✓ Complete any areas not covered on the phone



- ✓ Ask for a photo ID for each adult: This is MANDATORY for EVERY tour. It is for the Concierge safety and is a Fair Housing violation if not followed. The ID must remain in the office until the conclusion of the tour.

#### C. The Tour

- ✓ First and foremost, every Prospect should receive the same tour. This ensure fair housing compliance and consistent salesmanship. Be sure to build a tour route, plan what to show, and stick to it.
- ✓ Create a rapport and use the Prospect(s) names during the tour
- ✓ Tour the common areas and amenities and point out any unique features of the Community
- ✓ Follow all guidelines in the Concierge Safety Policy while showing the unit
- ✓ While in the apartment point out Features and Benefits of the space that set you aside from the competition. Use the information collected on the guest card to hit the Prospect's "hot buttons"
  - Ex: "This particular floorplan has great closet space. There are both hanging racks and shelving, while still have enough extra floor space for overflow storage. Having this extra space definitely helps with staying organized."
  - Feature: Huge Closets - Benefit: extra storage and organization
- ✓ Use closing statements and ask leading questions: We would love to welcome you into our Community, can you visualize your furniture in this space?

#### D. Closing the Sale

- ✓ Reiterate how the Community and the apartment meet the Prospect's needs.
- ✓ Create a sense of urgency – Ex: "This is the only available unit of this style I have for your timeframe."
- ✓ ASK FOR THE SALE/DEPOSIT

#### E. Overcome Objections

- ✓ Ask what the Prospect is looking for that they haven't seen with us
- ✓ Use detailed descriptions to explain how we compare to the competition in regards to pricing, size, location, amenity package, etc. This is where having an intimate knowledge of your competition can help you.

#### F. Get Them Back to the Office

- ✓ If they aren't ready to close, still invite them back to the office to give them a packet of our information including a brochure with pricing information, marketing collateral, and your card or contact information. This is your hook to get them back to the office. Don't give them this information before the tour!
- ✓ You will need to go back to return their ID
- ✓ Explain the Rental Criteria for your Community
- ✓ Offer to set up a 2<sup>nd</sup> appointment

## Follow-up, Follow-up, Follow-up

If at first you don't succeed, try and try again. Persistence and patience sometimes will win out over the hard sale. Be sure to begin Follow-up right after each tour. View the Follow-up Policy and Shopper's Report for expectations.

## Keys to Success

1. Be yourself. Don't try and force a technique or presentation that makes you uncomfortable.
2. Use idle time during the tour, such as walking to or from the show unit, to build rapport and make conversation.
3. Ask open ended questions. People like to talk about themselves. Getting unique information about a Prospect not only helps you connect, but gives you information to help you remember them.
4. Work into the presentation information about Community staff and maintenance procedures.
5. Give the Prospect your undivided attention.
6. You won't make the sale if you don't ask. It doesn't have to be a "hard" close. Simply asking the Prospect the Community feels like home can be an attempt to close.



# Concierge Safety

The safety of our Employees and Customers is a top priority at Denizen Management. We want everyone who visits our sites, either regularly or only once, to feel safe and secure. Concierges meet and Tour new people every day and may be put into situations with unfamiliar people while alone. Unfortunately, not all people in the world are trustworthy and law abiding.

For this reason, it is important that all of us are always alert and safety-minded, which relates to our "QSQ" of Protect. There are measures that Concierges can and should take to avoid dangerous situations.

## Showing an Apartment

1. The Concierge should always obtain a photo ID from each Prospect. The ID should be locked in a safe place while Touring and given back to the Prospect upon return to the office.
2. If alone in the office when leaving to show, the Concierge should phone a co-worker or another property and let them know that he/she is stepping out to show an apartment. The Concierge should tell the person on the phone the exact unit(s) that will be shown.
3. If available, the Concierge should carry a 2-way radio and cell phone during the Tour.
4. Once at the unit, the Concierge should open the door and let the Prospect enter first.
5. The Concierge should always leave the apartment door open while inside.
6. The Concierge should always allow the Prospect to enter any room before them. Never turn your back to a Prospect.
7. Avoid confined spaces such as closets and small bathrooms.

## Best Practices

1. Always follow your instincts. If you are uncomfortable in any way, do not show the apartment and set an appointment for a time when someone can go with you. Make detailed notes on the guest card as to why you didn't show the apartment.
2. If possible, use the buddy system.
3. Carry mace, a whistle, or small air horn on your key chain.

# Answering The Crime Question

There are few questions asked in our industry that create more anxiety on the part of the Concierge than the crime and safety question. It doesn't have to. In fact it should be a sense of pride at Denizen Management as we have Protect as one of our "QSQ". Crime happens everywhere and does not discriminate. Knowing how to answer the question with confidence helps put both the Concierge and the Prospect at ease.

## Manage The Facts

The first step in handling questions on crime at your Community is to be confident. Knowing what to say in the right way. First you want to let them know that crime has no address and redirect the conversation to the features of your Community that will help put them at ease, such as the fact that we run a background check on all Residents and that the front doors have peep holes.

## Mind Your Wording

Many apartment professionals have gotten into trouble by creating a false sense of security. The FACT is that crime has no address. For this reason, always try to avoid the words "safe" and "secure". See the list below of alternative descriptions to use and try to create your own that will be applicable for your Community.

Do Not Use	Use Instead
Safe or Secure	Friendly or Comfortable
Security Alarms	Intrusion Alarms
Secured Entry	Controlled Access
Security Officer	Courtesy Officer

## Best Practices

- ✓ It is ok to point any safety features at your Community. If safety is a concern for a Prospect discuss things that will make them feel more comfortable, just be sure to mind your wording.
- ✓ Never answer the crime or safety question with, "It's very safe" or "We have never had any issues".
- ✓ Reach out to the local law enforcement and ask to set up a meeting with a local officer or the shift supervisor to discuss any history, issues, or insight they can provide. Ask them for tips on how to keep criminals at bay.

# Follow-Up

Statistically only 2% of all sales are made on the first contact, which means 98% of all of leases result from subsequent contact. Follow-up is key to success as a Concierge. Following up in a professional and informative way tells your Prospects that you care about them, their needs, and are able to meet their expectations if and when they become a Resident. It also speaks to our "QSQ" of Expect by delivering beyond just the Tour to Prospects who aren't even Customers yet.

## How To Follow-Up

Each Prospect has their own set of wants and needs. It is the job of the Concierge to understand and address those needs and wants to effectively sell the Community. One of the most overlooked wants is the Prospects preferred method of communication. Many people do not have time for a phone call or might not check their emails very often. A good rule of thumb is to return the Prospects communication the same way you received it, unless they specify otherwise or you are not getting a response.

When you think about it we apply this concept in our personal lives all the time. We respond to a text with a text and a call with a call, unless told otherwise. Your Prospect should be no different. If a Prospect asks you to call them and instead you email them back then you are already setting the tone that you do not understand their basic needs and wants.

## How Often to Follow-Up

Follow-up is key to keeping potential renters engaged and convincing them to lease. Industry standard is to:

- Perform 6 follow-ups if there is no reply from the Prospect
- Stop follow-up if they ask or state they rented elsewhere
- Continue follow-up indefinitely if they keep the conversation alive

## Timing of Follow-Up

As noted above 6 follow-ups is the industry standard, and we adhere to that as a minimum criteria. This is because national data shows that most closes are made after 4 follow-ups. Some Prospects will require more attention and follow-ups than others. However, these should be your minimum guidelines for when and how to follow-up.

1. **24hrs After:** After the initial visit/call perform a follow up to say thank you for their interest.
2. **48hrs After:** Call (not email or text) to follow up to see if there are additional questions and to see if they are ready to commit.
3. **1 Per Week:** Vary your follow-up methods to increase your chances of getting a response and be sure to complete at least 1 follow-up per week until the minimum of 6 follow-ups have been reached.
4. **After Move Date:** Perform a final follow up stating that you see their move in date has passed and that you will be closing them from your follow up list. "Hopefully you will keep us in mind for any future needs".



# The Application

Having a standardized qualification criteria and application process have a big impact on many areas of our business. A lack of these standards or a deviation from them, can have both legal and financial implications on not only the Community, but the entire Company. A Fair Housing complaint or future collection problems are just a few of the complications that can arise from policy deviation.

## Qualification Standards

Knowing the qualification criteria and effectively communicating them to Prospects is extremely important. While guarantees or opinions SHOULD NEVER be given as to whether or not an application will be accepted based on verbal information, the Concierge needs to be able to describe the factors having an impact on the approval or denial of an application.

The factors that are taken into consideration are the same for every Community at Denizen Management. However, the parameters for what is acceptable may vary from site to site. Each Community should have a list of qualification standards and that information should be presented for Prospects to sign and displayed in the rental office. Factors taken into consideration when processing an application are as follows:

- ✓ Credit History – including both open and closed accounts, civil judgments and liens, payment histories, and inquiries. Denizen does not utilize the Beacon score system.
- ✓ Criminal History – including a comprehensive National background check looking at all criminal offenses, both misdemeanor and felony.
- ✓ Employment and Income Verification – Applicants should be gainfully employed or have permanent, regular form of income. We cannot discriminate based on where the income comes from as long as it is guaranteed.
- ✓ Rental History – Applicants must have VERIFIABLE rental history, unless this is their first apartment. Legitimate rental verifications are written documents and are on letterhead or another approved document. Verbal verifications are NOT acceptable. Handwritten notes or personal emails also are NOT acceptable. If ever in doubt about the authenticity of a rental verification, reach out to your District Manager.

How to effectively answer the qualification standards question: Give them a copy of the rental qualifications standards and say, "We use a company called Ament to process our applications. They review the items noted in our standards document. Each application is looked at, taking into consideration those factors. application."

Proprietary & Confidential

**Rental Qualification Standards (Form)**

**Fair Housing**  
Denizen Management complies with the Federal Fair Housing Act. We do not discriminate on the basis of race, color, religion, national origin, sex, familial status or disability, or any other basis protected by applicable state, Federal or local fair housing laws.

**Applications**  
Each person that will occupy the apartment who is 18 years of age or older must complete an application and sign the lease. A third-party resident screening company that performs a second-party credit check and analysis of future rental payment performance excludes each application. The score is based on historical analysis of prior renter's indicators and subsequent payment performance. Based on the score, your application may be fully accepted with normal security deposits, declined, or accepted with conditions including a Guarantor (co-signer), additional security deposits and/or additional verification. Applications containing untrue, incorrect, or misleading information will be declined.

Please note that all applications must include written verification of income (see "Employment History" below). All applicants in the United States on a VISA must list the number on the application for residency. Applicants without a social security number may need to provide a Guarantor who is a United States citizen.

**Credit History**

- o Credit reports will be run on each applicant and will be considered in the overall credit approval process. Any applicant with any credit history can disqualify an applicant from renting the apartment at this community. An unsatisfactory credit report is one that reflects past or current bad debts, late payments or unpaid bills, liens, judgments or bankruptcies. If an applicant is declined for poor credit history, the applicant will be given the name, address and telephone number of the credit reporting agency that provided the report. An applicant declined for unsatisfactory credit is encouraged to obtain a copy of the credit report from the credit-reporting agency.
- o Applicants, who meet all other qualifying criteria but do not have credit, may be required to pay an additional deposit and/or re-qualifying with a Guarantor.

**Employment History**

- o Employment must be verified. This is normally done by each applicant providing his or her two most recent pay stubs. In the case of new employment, applicant may present a signed offer letter on company letterhead stating the income.

*RENTAL QUALIFICATION STANDARDS (FORM) – can be retrieved on employee login website*

## Items Needed with the Application

Getting back an application is only the 1<sup>st</sup> step in obtaining a rental. Simply a completed application isn't considered a rental. In order to consider it a new sale, the application must be accompanied by the application fee and paystubs. Once those items are received, the application can be processed and a specific unit may be reserved off the market for **24hrs**. Upon approval the Prospect must pay all remaining fees (administration fee, holding fee) within 24hrs or the unit must be placed back on the market for other renters to select. A comprehensive list of needed items are as follows:

1. Payment of the application fees via check, or electronic payment through the Community website. Application fees vary by Community and are set by the District Manager. Application fees are never refundable. They cover the cost we pay for the screenings. Application fees do NOT reserve a specific unit. No unit is to be held off the market for more than **24hrs** unless all fees are paid to reserve it.
2. Payment of the administrative fee and holding fee in a SEPARATE payment from the application fees. The type and amount of these fees also vary by Community and are set by the District Manager. Once these fees are paid the Prospect may reserve the unit of their choice. Once a unit is reserved these fees are non-refundable. See Cancellation Policy.



3. COMPLETED applications, Prospective Resident Lease Application (Form), for all occupants over the age of 18 years or older are required even if the person only wishes to be an occupant rather than a lease holder.

**Prospective Resident Lease Application (Form)**

Proprietary & Confidential

1. Applicant Name _____	2. Spouse Name _____
Home Phone _____	Home Phone _____
Cell Phone _____	Cell Phone _____
Driver's Lic. # _____	Driver's Lic. # _____
Date of Birth _____	Date of Birth _____
Soc Sec No. _____	Soc Sec No. _____
Email _____	Email _____
3. Present address: Apartment Number _____ Street Name _____ City _____ State _____ Zip Code _____	
Circle one: Lessor or Other _____ Length of current address (in months) _____	
List name and address of landlord or management company on the line provided below: _____ Monthly Payment _____	
4. Previous address (if above is less than two years): _____	
4. Applicant's occupation: _____ Employed by: _____	
Address: _____ Phone: _____ Work email: _____ Start date: _____	
Immediate supervisor: _____ Gross monthly income: _____	
Other income (e.g. alimony, child support, other job, etc.): _____ Source: _____	
5. Spouse's occupation: _____ Employed by: _____	
Address: _____ Phone: _____ Work email: _____ Start date: _____	
Immediate supervisor: _____ Gross monthly income: _____	
Other income (e.g. alimony, child support, other job, etc.): _____ Source: _____	
6. Other occupants of apartment: _____ Relationship: _____ Date of Birth: _____	
7. Emergency: _____ Relationship: _____ Phone: _____	
8. Number of autos owned or used by all occupants: _____ Color: _____ Year: _____ Plate Number: _____ Issuing State: _____	
9. Pets: Number of Dogs: _____ Weight: _____ Number of cats: _____	
10. Has an eviction ever been filed against you? If so when? _____	

Initial here \_\_\_\_\_





Page 1 of 2

*PROSPECTIVE RESIDENT LEASE APPLICATION (FORM) – can be retrieved on employee login website*

4. Contact information for any rental references must be provided. As with employment verification below, make sure rental verifications are legitimate.

**Prospective Resident Rental Verification (Form)**

Proprietary & Confidential

\_\_\_\_\_ has an application in process for a rental at our community (\_\_\_\_\_) Your community (\_\_\_\_\_) was given as a current/previous apartment community. We would like your help in determining if the above mentioned individual(s) will meet our qualifications. Please complete this verification form and return back to us at (\_\_\_\_\_) For questions please call us at (\_\_\_\_\_)

1. Is this person(s) a current or previous resident?	<input type="checkbox"/> Current	<input type="checkbox"/> Previous
2. How long did he/she live there?	From: _____	To: _____
3. Are they currently under lease? If so, what is the expiration date?	_____	
4. Did the residential(s) give proper notice of intent to vacate prior to lease termination?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
5. Monthly rental rate:	_____	
6. Number of months paid late:	_____	
7. Mandates NSF payments:	_____	
8. Did the residential(s) adhere to the rules and regulations and/or terms of their lease?	_____	
9. Do you know of any damage to their apartment? If so, what were they?	_____	
10. Would you rent to them again?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Please list any additional comments below. Thank you for taking the time to fill out our form!

Signature: \_\_\_\_\_ Title: \_\_\_\_\_  
Phone#: \_\_\_\_\_ Fax#: \_\_\_\_\_ Date: \_\_\_\_\_

I authorize the above listed community to collect all information requested above:  
Printed Applicant Name: \_\_\_\_\_  
Applicant Signature: \_\_\_\_\_





*PROSPECTIVE RESIDENT RENTAL VERIFICATION (FORM) – can be retrieved on employee login website*

5. One Month of current pay stubs or another form of income verification is required. Other acceptable forms may include a w2, a tax return, an official offer letter, or a bank statement. Be cautious about accepting letters or emails from employers verifying employment or income. Most companies today that are legitimate will have standardized forms for such requests and letters or emails can be bogus. If in doubt, ask a District Manager to review what is provided.
6. Applications require signatures. If the applications are not signed, we cannot accept them. The signature gives us legal authorization to run their credit and background, verify their income and employment, and check references.
7. Completion of the Community Information section is required. The payment amounts accepted for all fees are important to fill in. The apartment address being reserved also must be included.
8. Remember that all these steps and more are outlined for you in the Application Checklist (Form).

**Application Checklist (Form)**

Name _____	Apt # _____	M/I Date _____	Proprietary & Confidential
Account # _____			
<p>1. Completed Application Received Verify SSN, zip Code, &amp; Signature      Proof of Insurance: By Party DAPI</p> <p>2. Proof of Income Received  <input type="checkbox"/> Income Meets Requirements (x Rent  <input type="checkbox"/> Income Does Not Meet Requirements</p> <p>3. "Rental Receipt" given</p> <p>4. Application Fee (transaction printout in file)  <input type="checkbox"/> \$35 Per Person  <input type="checkbox"/> \$100 Administration Fee</p> <p>5. Deposit Paid (Email or transaction printout in file)  <input type="checkbox"/> \$ _____ Deposit Alternative code 100  <input type="checkbox"/> \$ _____ Deposit Alternative code 200  <input type="checkbox"/> 1 Month's Rent Deposit</p> <p>6. Everything in RM Call _____ Appl _____ Walk-in _____ Follow-up _____</p> <p>7. Run Credit Check  <input type="checkbox"/> Approved - <input type="checkbox"/> Denied - <input type="checkbox"/> Other _____</p> <p>8. Rental Verification  <input type="checkbox"/> Good - <input type="checkbox"/> Bad - <input type="checkbox"/> N/A _____</p> <p>9. Notes: _____</p>			
<p>Reviewed by Manager <input type="checkbox"/> Approved - <input type="checkbox"/> Denied <input type="checkbox"/> Approved w/Conditions _____</p> <p>10. Changed to Customer Status <input type="checkbox"/> - Lease Signed Date Entered <input type="checkbox"/>  Initials _____ Date _____</p> <hr/> <p><b>AFTER ACCEPTANCE</b></p> <p>1. Call Resident and Congratulate them! Remind them of "Rental Receipt" Information and their soon to be arriving lease.</p> <p>3. Create Folder  Any Pets? N Y # _____ \$ _____ fee + \$ _____/mo each Asset Protect Insurance? N Y \$ _____/mo  Garage/Court? N Y # _____ \$ _____ each Storage/Other? N Y # _____ \$ _____ each</p> <p>4. Money Due at Move-In Days _____ Rent \$ _____ Gar. \$ _____ Pet \$ _____ API \$ _____ Other \$ _____  Total Due at M/I \$ _____</p> <p>5. Type Lease and send for signature. Ensure Keys are Made, and Schedule Lease Signing Time _____</p> <p style="text-align: center;">WE ARE <b>QUE</b> DENIZEN MANAGEMENT</p> <p style="text-align: right;">denizen QUE THE RESIDENT EXPERIENCE</p>			

*APPLICATION CHECKLIST (FORM) – can be retrieved on employee login website*

# Security Deposit Option Policy

Security deposits in our industry play two important roles: a financial insurance policy against any lost monies for the Community and a good faith gesture that the Customer is committed to renting an apartment. That makes security deposits an Owner "QSQ" of Financial and Protect. For those reasons, security deposits are a must and are not something that is ever waived.

There are many different forms of security deposits. The type and amount of a deposit can vary greatly from Community to Community and from applicant to applicant. Denizen Management always strives to be competitive in the marketplace, so we give our Customers options. Customers must choose between a Traditional Security Deposit or a Deposit Alternative.

## Traditional Security Deposits

When most people think of security deposits, the traditional deposit is generally what comes to mind. Traditional security deposits are refundable and usually are a higher amount than other types of deposits, which will be discussed below.

The amount of a traditional security deposit is determined in a variety of ways:

1. The size and class of an apartment
2. The rent structure for a Community
3. The credit worthiness of an applicant

At Denizen Management, our communities charge **one full month's rent** as a traditional deposit.

Once the Application is approved, all Prospects will pay a **nonrefundable** Holding Fee equal to a Tier 1 Lease Term Deposit. The Holding fee will remain as a credit on the account and will be applied to the Applicant(s) amount due at move in.

## Deposit Alternative Option

To keep move-in costs low and be competitive in the market, Denizen Management has partnered with Lease Term Solutions to offer the option of a deposit alternative. A deposit alternative is basically an insurance policy or a bond that is purchased by the applicant on behalf of the Community. Deposit alternatives are always **nonrefundable** and **non-transferable**.

If an applicant chooses a deposit alternative, they will pay a one-time fee rather than a refundable deposit. This amount will vary and is paid directly to Lease Term Solutions and is NOT deposited into the Community's bank account. When the Prospect pays online they agree to all terms as a part of the payment and a receipt email will be sent to the Community email address. This should be printed out and retained, as per the File Structure Checklist (Form). Lease Term Solutions deposits these fees into an account for each Community that grows funds, from which the Community can draw against to cover damages for the purchaser at the time of move-out.

The amount of the fee is based on pre-determined amounts set by the District Manager and the applicant's credit worthiness as determined by Am Rent. The fee gives the Community coverage for damages up to a certain amount (usually 1 months average rent) depending on the Community. Once a claim is made by the Community on behalf of the purchaser, the claim is paid out of the funds and Lease Term Solutions acts as a collection agency to seek reimbursement from the purchaser. The Prospect pays this fee only online via:

1. **Online:** Prospect must pay online at, [Penroll.com](http://Penroll.com), they agree to all terms as part of the payment. A receipt email will be sent to the Community email address. This should be printed out and retained, as per the File Structure Checklist (Form).
2. To make enrollment easier for the Prospect, the Community may provide use of their office or business center computer, or iPad. This is also available on all Smart Phones.

**Denizen Management**  
Sample Property

**lease term**  
SOLUTIONS™

This Addendum (this "Addendum") is an addendum to the Apartment Lease Contract (the "Lease") executed by the undersigned Resident on the date stated below, and is hereby made a part of the Lease.

**1. Apartment:** This Addendum applies to the Apartment Unit named below.

**2. Non-Refundable Fee Payment:** Prior to execution of the Lease, Resident is required to either (a) post the required Security Deposit; or (b) pay a Security Deposit Alternative Fee in the amount stated below in lieu of the refundable Security Deposit. Resident has elected to pay the Security Deposit Alternative Fee and shall pay such Fee to LeaseTerm Insurance Group, LLC as directed by the owner or authorized management agent (the "Manager").

**3. Character of Payment:** Resident acknowledges and agrees that the Security Deposit Alternative Fee is NON-REFUNDABLE. It is not a security deposit and is for the sole benefit of the Manager. Resident will not be given credit for, and the Security Deposit Alternative Fee will not be applied in reduction of, any amounts owed to Manager under the Lease. If Resident does not perform Resident's obligations under the Lease, Resident will owe Manager the full amount of any and all losses of rent, damages, claims, fees, expenses and other amounts (including attorney's fees and expenses, if applicable) for which Resident is responsible under the Lease. Acceptance of the Security Deposit Alternative Fee by LeaseTerm Insurance Group, LLC on behalf of Manager does not constitute a waiver by the Manager of any right to recover the entire amount owed by Resident under the Lease. The Resident shall remain fully liable to Manager for all obligations under the Lease.

I agree to pay the Non-Refundable Security Deposit Alternative Fee. I have read this Addendum and understand that it is incorporated into the Lease and is in addition to the terms and conditions contained in the Lease. If any terms of this Addendum conflict with the Lease, the terms of this Addendum shall be controlling.

<input type="checkbox"/> Resident 1	First Name: (please print)	<input type="checkbox"/> Resident 2	First Name: (please print)
Apartment Unit	Last Name: (please print)	Last Name: (please print)	
Lease Execution Date:	Signature	Date	Signature
LeaseTerm Protection	<i>/ /</i>		

Please make payment to LeaseTerm Insurance Group, LLC. We cannot accept cash payments.  
Community Code: 11.1

LeaseTerm Insurance Group, LLC DBA LeaseTerm Insurance Solutions in California  
LeaseTerm Solutions  
PO Box 729322  
Atlanta, GA 31329

*LEASE TERM SOLUTIONS ADDENDUM – can be retrieved via Lease Term Representative*

WE ARE



Review the Lease Term Solutions User Guide to learn more about how to utilize, implement, and administer the program. Each Community also has marketing material to assist us in selling the program to our applications.

## Security Deposits & Denied Prospects

If a Prospect is denied through our AmRent applicant screening, the District Manager may decide to override the denial and allow the Prospect to move in. The Prospect must pay a 1 month's security deposit AND the deposit alternative (code 202).

## Creating the File

When an application is received, a file must be made for them. This will become their Resident file, if approved. If denied they are to be placed with other denied files and retained on-site for 7 years (just as a Past Resident file would be). It is important for Fair Housing and Company audits that resident files are consistent and compliant, as this is a "QSQ" of Knowledge. Denizen Management has streamlined the process of creating a file by implementing a File Structure Checklist (Form) that must be used in ALL Resident files.

FILE STRUCTURE CHECKLIST		Proprietary & Confidential
Name _____	Unit _____	M/I Date _____
Account # _____		
<b>Left Side:</b> <i>Screener &amp; Communication</i> <ul style="list-style-type: none"> <li><input type="checkbox"/> File Structure Checklist</li> <li><input type="checkbox"/> Communication Cover Sheet</li> <li><input type="checkbox"/> Communication Documents           <ul style="list-style-type: none"> <li>• Emails</li> <li>• Letters</li> <li>• Faxes</li> <li>• Other</li> </ul> </li> <li><input type="checkbox"/> Application Checklist</li> <li><input type="checkbox"/> Completed Application</li> <li><input type="checkbox"/> Proof of Income</li> <li><input type="checkbox"/> Welcome Letter</li> <li><input type="checkbox"/> Copy of App &amp; Admin Payment</li> <li><input type="checkbox"/> Copy of Deposit Payment</li> <li><input type="checkbox"/> Copy of Rental Verification</li> <li><input type="checkbox"/> APEnroll Insurance Email</li> </ul>		<b>Right Side:</b> <i>Lease Contracts</i> <ul style="list-style-type: none"> <li><input type="checkbox"/> Renewal Lease(s)</li> <li><input type="checkbox"/> Apartment Lease Form</li> <li><input type="checkbox"/> Inventory and Condition Form</li> <li><input type="checkbox"/> Animal Addendum</li> <li><input type="checkbox"/> All-In-One Utility Addendum</li> <li><input type="checkbox"/> Bed Bug Addendum</li> <li><input type="checkbox"/> Mold Information and Prev.</li> <li><input type="checkbox"/> Lease Contract Buy-Out Agm.</li> <li><input type="checkbox"/> Enclosed Garage Addendum</li> <li><input type="checkbox"/> Community Policies Addendum</li> <li><input type="checkbox"/> Addendum for Rent Concession</li> <li><input type="checkbox"/> Renter's Insurance Addendum</li> <li><input type="checkbox"/> No-Smoking Addendum</li> <li><input type="checkbox"/> Other: _____</li> <li><input type="checkbox"/> Other: _____</li> <li><input type="checkbox"/> Other: _____</li> </ul>
Notes _____ <hr/> <hr/> <hr/>		
 DENIZEN MANAGEMENT	 WE ARE QUE	 denizenQUE THE RESIDENT EXPERIENCE

FILE STRUCTURE CHECKLIST (Form) – can be retrieved on employee login website

# Processing the Application

Once all information and payments are obtained, the application may be processed. Enter all information into Rent Manager.

1. Utilize the Qualification Worksheet when processing applications. This is your guide.
2. On the General tab of the Prospect screen, click in the Application date on the upper right and complete the information. Click Save.
3. If the application being processed is from a Prospect that has already been entered, go to the Prospect screen and find the correct name in the list on the left-hand side of the screen.
4. Right click on the name and chose Screenings from the drop-down menu.
5. Input all requested information and click submit.
6. The report will generate and populate on the screen. The AmRent decision is located in the middle of the first page of the report.
7. Decisions are either Green for approved, Yellow for Review or Conditional, or Red for denied. YOU ARE NOT DONE AFTER ONLY REVIEWING THE DECISION.
8. AmRent only looks for rental history filings that have been made through the court system. Am Rent does NOT complete a rental verification for you. That must be completed by the Concierge separately from the Am Rent report.
9. LOOK AT THE COMPLETE AmRent REPORT. It is a wealth of good information. At the end of the day, AmRent is a computer program and there can be mistakes or inconsistencies. The way something is filed can affect how AmRent forms the decision. Just because Am Rent renders a decision, doesn't mean it is always correct. General Managers need to be comfortable and should agree with the decision.
10. If the Concierge doesn't agree with the AmRent decision, then they should ask a District Manager to review the entire file, including any rental verifications.
11. Any deviations from the AmRent decision must be approved by a District Manager – even an approved application that the Manager wants to deny. The District Manager will review the file and put a comment in the Resident History/Notes Tab affirming the decision or deviation.

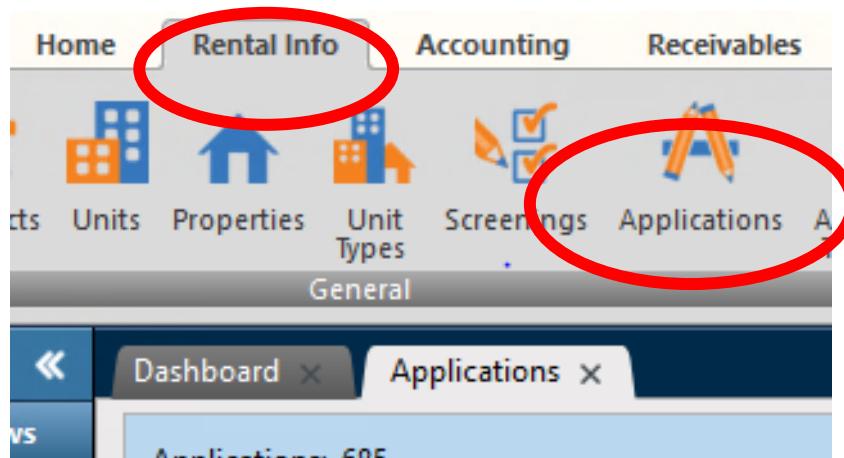
# Online Rental Applications & Pay Stub Retrieval

Prospects can complete a Rental Application online for all our Communities. The Online Rental Application is designed to obtain all necessary Prospect Information, such as proof of income, and rental verification. The Prospects may also upload copies of paystubs.

When a Prospect completes an Online Rental Application, the General Manager will receive an email. The Prospect will also show up on the Recent Online Applications tile. Be sure to set your tile per the Recent Online Applications Dashboard Tile Settings on the Rent Manager dashboard for property staff.

To see the application, please follow these steps:

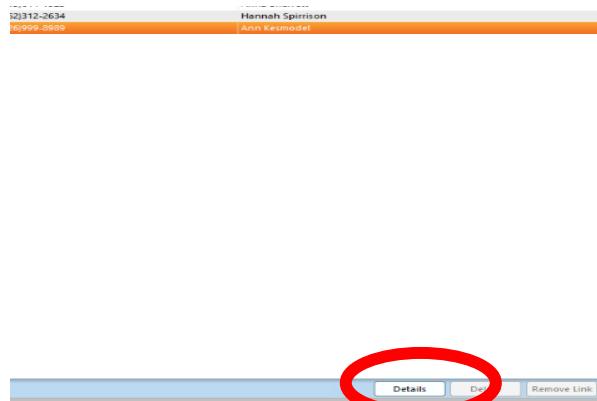
1. Click on Rental Info then Applications



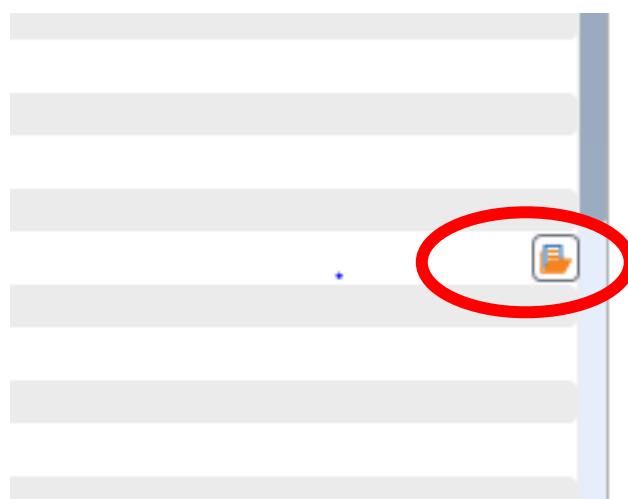
2. Find the name of the applicant in the list. You can also search in the Search field at the top.

The screenshot shows the 'Applications' screen with a search bar at the top containing the text 'Search: ann'. A red circle highlights the search bar. Below the search bar is a table with two columns: 'Property Short Name' and 'Applicant Name'. The table lists various properties and their corresponding applicants. The first few rows are: MEZZ (Joanna Fiorini), HEIGHT (Roxxanne Moore), WINC (Seann Jones), WINC (Suzanne Porter), LWC (Stephanie McCann), WPINES (Sashanna Berry), L2 (Ann Glinski), HEIGHT (Nydia Swann), WPINES (SaVannah McCain-Thompson), BEACON (Shareda Bannister), MIAMI (Anna Sharrett), L2 (Hannah Spirrison), SUNS (Ann Kesmodel).

3. Click on the name to highlight it and click Details in the lower right-hand corner.



4. This will give you a list of all fields, including access to any uploaded files. Prospects are now able to upload their pay stubs and pictures of their pets. These files will not be accessible in History/Notes. This is the only way to get to these files that are attached.
5. If there are files uploaded, you will see an attachment that looks like this in the far right-hand side of that field. Double click on the file folder icon. The attachment will open in a pdf.

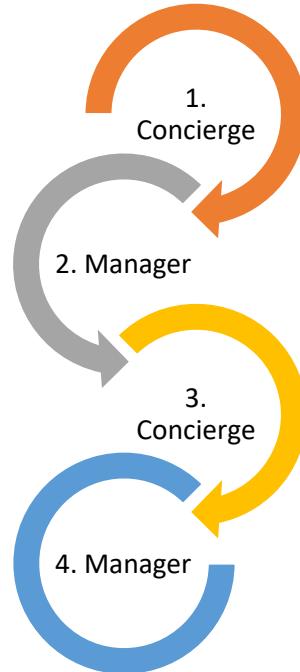


6. As noted above, print the application in list form and any attachments. If a PDF of the application is needed, it can be found under the History/Notes tab on the Prospect's account.

## Approval & File Flow Process

All Prospect files must be reviewed and approved by the General Manager on Site. Only General Managers are allowed to sign lease documents. Below is the general workflow of a file through the leasing and approval process:

1. Applicant applies, Concierge builds file, screens applicant, and uploads left side of file to History/Notes tab.
2. File given to General Manager for approval, reviewed for accuracy, and changed to Customer status.
3. File is given back to the Concierge for lease creation, Resident signs lease.
4. File is given back to the General Manager for Move-In processing and lease signing.



## Customer Notifications

All applications must be run within 24 business hours of receipt. Notification of application decision should be sent to the Prospect as soon as it is received. The General Manager must review ALL screenings and approve applicants.

### A. Approved Applications

- Call or email the Customer and congratulate them on their accepted application.
- Send them the Welcome Letter with all pertinent information such as required insurance coverages, utility contacts and account requirements, address, and balance owed at Move-in (and upload to Property Management Software).
- Finalize a move-in date and discuss the Lease Signing. This can be done either in-person or electronically, but it should be done prior to move-in.
- Remind the prospect that to continue to hold the apartment the Holding Fee must be paid within 24 hours of application approval.

## B. Denied Applications

- Send the applicant the AmRent Denial letter in the Property Management Software via email and standard mail. This is a legal obligation required by the Fair Credit Act.
- Go the Prospect Screen in Property Management Software and find the correct name in the Customer list on the left-hand side.
- On the General Tab, change the status of the Prospect in the upper right corner to Lost – Rejected. Click save.
- DO NOT DISCUSS SPECIFIC REASONS FOR DENIAL OR GIVE SPECIFIC CONTENT OF THE AM RENT REPORT. Simply tell the Prospect that their application did not meet the qualification criteria provided them at the time of application and direct them to the Denial letter for directions on how to obtain a copy of the report used for the determination.
- If the Prospect continues to push, advise them that a District Manager will reach out to them and forward the request to the District Manager.
- It is important to note that an applicant, as a person, is NEVER denied. Their APPLICATION is.

## Best Practices

1. Consistency is key. Deviation from the policy can cause big problems down the road.
2. Use good judgment. If ever in doubt about an application, ask the District Manager to review it.
3. Don't succumb to the temptation of approving a questionable application just for the rental. A questionable rental today could equal an eviction later.
4. Good rental collections and low delinquency start with the application process!



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## Customer Transition

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# Customer Transition – Future to Current

Setting a positive tone of residency with a Resident right from the beginning increases your chances of retaining that Resident exponentially. With a little preparation and attention to detail, the stress of moving can be greatly reduced for the customer and can pay off later with a renewal. This is a crucial step in the leasing process as it encompasses all of our Resident "QSQ's".

## Move-in Preparation

### A. The Lease

1. Have all paperwork prepared, reviewed, and signed at least 48 hours before the physical move takes place.
2. The Lease – READ IT KNOW IT LIVE BY IT. We ask our Residents to abide by this legal, binding document and all of its conditions. All Denizen employees are also bound by this document and it the basis for everything we do. What addendums are utilized may vary by property. The District Manager approves the appropriate addendums for their properties.
3. To prepare a Lease, go to [www.bluemoonform.com](http://www.bluemoonform.com) and click Sign In. Enter the license, user name, and password.
4. Click create Lease at the upper left of the screen. Put in all required information and click Save on the upper right.
5. Choose the appropriate Lease addendums for your property from the menu on the left of the screen. Fill in all required information and click Save.
6. Go to View Lease and click. Check the box next to E-Signatures and then click Print Lease.
7. Input the recipient's email address and your email address and then click Send.
8. If you are printing the Lease instead of sending it electronically, simply click the Print Lease button on the View Lease page without checking E-Signatures.

### B. Utilities

1. Contact all Utility companies to verify that the Resident has ordered their service and confirm with a verification or account number noted in the Customer History/Notes Tab.
2. Order disconnection of the utilities in the apartment as of the day the Lease starts, if necessary.

### C. The Apartment

1. Walk the unit 48 hours prior to the scheduled move-in and inspect for any issues that need addressed.
2. If there are outstanding items, note them and get with the General Manager for remedy.
3. Make sure to have keys ready and check to make sure that they work. 2 keys for the apartment and any common areas and 2 mailbox keys.

### D. Move-in Day

1. Have the keys, move-in gift, and balance due prepared and ready for the appointment.
2. Upon arrival of the customer, congratulate them on their new home and collect the balance due.
3. Present the Resident with the Move-in Condition Form (printed from Blue Moon) and the apartment keys. Explain that the Form is to be completed as soon as possible and have them sign a blank copy to retain in the file until they return their copy.
4. Walk the Resident to their apartment and present it to them. Show them how to operate any mechanicals or equipment, as necessary.
5. Explain how to access any amenities.
6. Ask if they have any questions and answer as needed.

## Best Practices

1. Don't skip the pre-move inspection or wait until the last minute. Things can happen such as broken pipes or burned out bulbs in a short period of time and the goal is to deliver a perfect apartment.
2. Be prepared and organized. It helps keep the move process smooth for the customer.
3. If you have a move scheduled for a day you are off, make sure that everything is prepared and that your co-workers are aware of the appointment and where the file and keys are located.
4. Don't expect someone to move into an apartment that you wouldn't move your daughter or mother into. If you keep this standard in mind, the details won't get missed.

# Payment Handling Future & Current Customer

To prevent the mishandling of a Prospect or Resident payment, and to protect both the Company and Resident from any fraud a policy had been developed for Future & Current Customer payment options. This includes application fees, admin fees and rent payments.

## Forms of Payment

1. Personal Check/Certified Check – delivered to the Leasing Office or Rent Drop Box made payable to the Property.
2. Online – as a one-time or recurring monthly payment through Tenant Web Access (TWA)
3. Cash Pay – using a CashPay card accepted at several retail locations such as Wal-Mart, Kroger, etc. Please visit the Leasing Office for a CashPay Card and a list of convenient locations. This is used if Residents do not have a checking account or debit/credit card.
4. Cash or Money Orders are never to be accepted as a form of payment.
5. NO Receipts, handwritten or otherwise are to be given for any payment. A handwritten receipt is not a confirmation that the Owner has received the funds. A handwritten receipt of payment is not valid until the check has been scanned and deposited into the bank account.
6. If a Resident is requesting proof of payment, they can obtain a receipt in the following ways:
  - a. Bank Statements - Residents can check their bank/credit card statement if they pay by personal check or credit card.
  - b. TWA – Resident can set up an account and check their balance, review transactions & submit work orders. Encourage them to set up an account even if they do not want to pay their rent online.
  - c. Cancelled Check – they will receive a cancelled check from their bank or can request one in the event they need it.

# The Lease

The Lease is one of the most important things you will do in sales. The uniqueness of real estate as a product and the complicated legalities that go with it require specific legal and financial protection. The ONLY thing that ensures the economic stability of a property is the Lease. The Lease protects the Community against criminal activity, non-paying Residents, damages to the Community, and much more.

When a Community is bought or sold, the new Owner is buying the land/buildings and the Leases. The land/buildings are what is known as a fixed asset. Meaning it has value, but cannot become cash quickly. The Leases are what is known as liquid assets, meaning they can be turned into cash quickly. Owners rely on the validity and consistency of their Leases to adequately project and secure their future revenue stream. It is your job as a Concierge and our job as a management company to ensure the proper handling of all Leases. That is why The Lease encompasses all of the Owner "QSQ's".

## Read it, Know it

Many interactions you have with Residents will involve interpreting their Lease. They will have questions like; "when is the rent due, how much is the late fee, when is my Lease up, how much is it to break my Lease, etc." Denizen Management ensures that all of our Leases are very similar in nature. There are only a few sections that will vary by Lease, such as rates and dates. Knowing EVERYTHING that is in your communities Lease is not only your obligation to the Community, but to your career as well. It is a primary function of the job, so full understanding of the Lease is necessary for career growth.

## Addendums

The Lease is the initial document that establishes the terms of a rental. Addendums are modifications or additions to the main Lease. They are just as important as the main Lease. They ensure proper adherence to pet policies, Community rules, proper mold response, and much more.

Each Community is required to print the following addendums with every new Lease and renewal Lease:

- ✓ Inventory and Condition Form
- ✓ Animal Addendum
- ✓ All-In-One Utility Addendum

- ✓ Bed Bug Addendum
- ✓ Mold Information and Prevention
- ✓ Lease Contract Buy-Out Agreement
- ✓ Community Policies Addendum
- ✓ Renter's Insurance Addendum
- ✓ Package Acceptance
- ✓ Crime/Drug Free Housing
- ✓ Short-Term Subletting Prohibited

In addition to these addendums the Community may require their own. Property specific addendums may be:

- ✓ Non-Smoking Addendum
- ✓ Garage Rental Addendum
- ✓ Concession Addendum
- ✓ Asbestos Addendum
- ✓ Lead Paint Addendum
- ✓ Short Term Lease Addendum
- ✓ Etc.

## Best Practices

1. Never modify a Lease by hand. There should be no hand written adjustments made on any Lease, unless directed to do so by the District Manager. If directed to do so, ALL parties must initial next to every change.
2. Never back date Leases. It is the responsibility of the Lease to get their document signed in a timely manner.
3. List EVERY person living in the apartment on the Lease, either as an Occupant or Leaseholder.
4. Ensure an application is received on EVERY person over the age of 18 residing in the apartment.
5. ONLY General Managers are authorized to sign Lease documents.



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## Resident Retention

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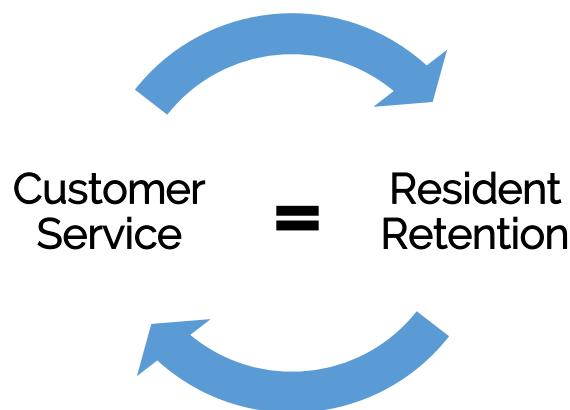


# Resident Retention

The definition of a quality, unique, and exceptional Community staff is the achievement of high Resident retention, which is a direct result of QUE Customer Service. Our industry uses hundreds of strategies to retain current Residents and make sure those Residents feel like family. This is vital to the success of our Communities as our bottom-line is often made or broke by our success at keeping our current Residents.

## The Golden Rule

The golden rule of successful Resident Retention is great Customer Service. This is because great Customer Service equals Resident Retention because the Resident will not want to lose that level of service. In turn Resident Retention equals Customer Service because with less units to turn our Community Teams can focus on providing better Customer Service.



## Benefits to the Resident

- Moving Expenses:** Moving costs can easily topple a thousand dollars with deposits, utility transfers, and movers.
- Sense of Community:** Long-term Residents often gain a sense of Community from their surroundings, become more engaged, and feel happier.
- Less Stress:** Moving is the 3<sup>rd</sup> most stressful life event. So, it should only be done when necessary.

## Benefits to the Owner/Community

1. **Income Stability:** One of the key benefits to increased Resident retention is stability of income for the property owner.
2. **Marketing:** A long term Resident shows that you have done your job well. However, several dozen long term Residents show that you know how to do your job for a Community as a whole. These Residents are your spokespeople and will drive people to your Community through their own word of mouth and online reviews. It's free, positive and honest advertising. Conversely, a lost renewal will cost you additional advertising dollars to rent the open unit.
3. **Grow Your NOI:** We are not talking about just your Resident numbers. What we mean here is your NOI numbers. Your net operating income needs to increase during tough economic times. By increasing your retention rates you are also increasing your NOI.
4. **Turnover Costs:** A decrease in Resident turnover means avoiding turnover costs. You will avoid things like replacing carpet, blinds, appliances, and repainting. These are costly replacements and If you can avoid this, you will save thousands a year.
5. **Vacancy Loss:** In addition the high cost of Resident turnovers, money spent on advertising for new Residents, and the general process costs for moving a new Resident into your Community there is also the loss of rent you take. The loss of a Resident could mean the loss of rental income for several months or even years. A large amount of vacancies also means a large amount of lost income.

Resident Retention is not only an important part of your job, but it is also a part of every "SQS" with Denizen Management.



# Renewal Policy

Renewals are one of the best ways to measure Customer satisfaction. They are also one of the most controllable items for a Community staff. When a property does a good job of renewing their Residents, good things happen for everyone: the staff is paid a bonus, the Resident is saved the time, expense, and hassle of moving, and the turnover expense is reduced- thus NOI is increased.

Being successful at renewals takes effort not just at renewal time, but all year long. Renewals should always be a top priority of the General Manager and the entire staff. Following a specific schedule of touches and having a systematic approach is imperative.

## General Policy and Process

1. Each property should keep a Renewal Binder for the year. A LEASE EXPIRATION REPORT should be printed for every month of the year and placed by month in the binder. Depending on the size of the property and/or the number of expirations, the manager may randomly assign renewal subjects to the sales staff.
2. For each Resident in a month, the team should have a Renewal Contact Sheet for documenting all correspondence and communication with the Resident.
3. 1<sup>st</sup> renewal Contact will be a 6-month Satisfaction Survey sent to each Resident 6 months after initial move-in. This will be sent out by the District Manager. See the attached survey. The most important question on this survey asks if the Resident's Lease were up today would they renew. If the answer is "yes," staff needs to contact them immediately and have them sign their renewal.
4. 2<sup>nd</sup> Contact is a Lease Renewal Letter that should be sent 90 days prior to renewal. This letter gives the Resident an opportunity to let us know if they need anything in their apartment. Any work orders requested should be completed in a timely manner.
5. From the time your letter is delivered through the day that either a signed Lease or a notice to vacate is received, the Resident should be contacted at least weekly either via phone or in person.
6. Update the Renewal Binder as Residents renew or give notice. Lease Expiration Reports need to be reviewed monthly for changes in occupancy with evictions and buyouts. When a renewal reaches the 60 day out mark, and are still pending, the General Manager should charge their Month to Month fees, according to the renewal report, in the recurring charges.
7. All renewals or notices to vacate should be put into the Property Management Software within 24 hours of receipt.

## The Resident Experience

The fundamental essence of the Brand is to establish the Company as a Customer Service or "Service Based" organization rather than an asset management based organization. Though the focus is as a service organization, Denizen provides robust, first-in-class Accounting and Administrative Services, including: accounting, financial, technology, training, maintenance, human resources, marketing and asset management.

"What does great look like?"

Whenever you go to a hotel, restaurant, or any other Customer Service based business you have an idea in your head about what great Customer Service is. The goal for all Denizen Employees is to strive to provide the best Customer Service at all times. That is what we call The Resident Experience.

We even take our Resident Experience a step further by recognizing exceptional Employees and Communities through differentiating them as a DenizenQUE Community.

## The *denizen*QUE Brand Standard

As a third party management company, Denizen Management offers the *denizen*QUE brand to all properties that meet its brand standard, regardless of Community class. It is imperative that each Community operating as *denizen*QUE maintains the brand standard to the benefit of *denizen*QUE and all properties operating thereunder.

If a Community does not meet the standard, it will operate under Denizen Management and marked as such. Subsequently, if a Community meets the *denizen*QUE Brand Standard, it will be afforded the option to be operated as a *denizen*QUE Community. Once a Community is afforded the *denizen*QUE brand, it must maintain the brand standard or the brand will be revoked, and the Community will be operated under Denizen Management.



## Financial Standards

1. Ninety Percent (90%) or greater **Occupancy** (stabilized)
2. Three Percent (3%) or less **Delinquency**
3. Forty Five Percent (45%) or greater **Renewal**
4. Consistent and sufficient **Cash Flow** to
  - a. The ability to pay Operating Expenses when due under the Denizen Management Module (1) One – Accounting Operations, weekly
  - b. Fully funded all required Reserves, monthly
  - c. Sufficient capital or resources to make necessary Capital Improvements to maintain the Community Condition

## Community Condition

1. All Units meet the Denizen Management's Turn and Condition standard
2. All Building exteriors are in good or better condition and well maintained
3. All Amenity, Common Areas and Grounds are in good or better condition, clean and well maintained

## Customer Service

1. Stable, fully trained Community Team
2. The Community implements and adheres to "*The Resident Experience*" standards
3. All Work Orders are completed within no more than 48 hours
4. Ninety Percent (90%) or greater positive reviews on all managed sites and paid advertising sources
5. The Community offers all of the Integrate Platform Services, including a Community Web Page that meets the *denizenQUE* standard. This includes providing for all of the *denizenQUE* branding material and peripherals



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## Sales Goals & Measurement

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# Sales Goals & Measurement Policy

The main focus of Denizen Management is on the Resident Experience and providing QUE Customer Service, but we are operating a sales and service organization. Regardless of how good a service we offer there are challenges to closing sales and retaining Residents. For that reason, we must always remain focused on productive sales, because Focus is one of our "QSQ's".

The best way to get results for anything is to measure it. Sales are no different. As a matter of fact, most good Sales Professionals are driven by being given a challenge through goals. It is very important that our Sales Professionals know exactly what is expected of them and how they compare to the expectation.

## New Sales

With so many rental options today, it has become more and more difficult to win business. Renters have become more savvy and selective. They are much more apt to place more emphasis on service, experience, and lifestyle than the traditional factors of price and location.

While we measure closing ratio at Denizen Management, we find that there other key drivers in the success of a property as well:

1. Closing Ratio – 30% minimum, or as set by the District Manager.  
This can be monitored and measured by running the property Prospect Box Score report in the Property Management Software, or by a number of reports in the Prospect Management Software.
2. Lead Entering – 100%. This is the most important measurement to understand specific property needs as far as marketing and staffing.
3. Seasonalization – This is the management of the timing and schedule of expiring Leases to coincide with high traffic seasons. Everyone knows that traffic is the slowest in December, so limiting the number of expiring Leases in November and December can keep the occupancy stable and eliminate large swings in operating funds from month to month. This measurement is also very property specific, as traffic patterns and demand vary from property to property. The District Manager sets the seasonalization schedule at budget time.
4. Concessions – This is measured on the monthly financials as actual vs. budget. While we want to collect as much money as possible, sometimes concessions are necessary. However, concessions shouldn't be a regular offering and should be kept to a minimum. Higher than budget concessions could indicate other issues that need to be addressed.



## Renewals

Renewals are a measurement of Customer Service and Resident contentment. They are possibly the number one indicator of a property's operation and they should always be the top sales priority. If renewals are going well, the need to for sales greatly decreases as does the property expenses.

1. Renewal Percentage – 40% minimum - This is the percentage of Leases that are renewed vs. total number expiring in any given period. This is measured using the Lease Expiration Report and Monthly Renewal Worksheet.
2. Renewal Increase – the lesser of a 3% increase or Market Rent (at stabilized Communities) – This is measured using the Monthly Renewal Report.
  - a. If a Resident is more than 15% below Market Rate on their unit, their increase must be 5-10% at management discretion.
3. The District Manager may require higher or lower renewal rates to assist in stabilization of the Community or to bring a Resident that is drastically under market to a more reasonable rate.

Not to be confused with the Renewal measurement is Turnover Rate. While it is closely related and we would like for the turnover rate to be the percentage not renewed, that isn't always the case. The Turnover Rate measures the percentage of apartments that are actually turned over, or re-occupied, in a given timeframe (usually an annual number).

This measurement is important because it tells us how to build the turnover budget for the year. It can also indicate to us a problem with certain units or floorplans. For instance, if the turnover rate is extremely high on a particular apartment, it could be an indicator that you have a problem with someone living adjacent, the condition of the unit, or many other possibilities.

We use the Move-in/Move-out report to measure turnover rate. To run this report in Rent Manager go to Reports – Occupancy – Move-in/Move-out report – input the property and date range and click View Report. Then, take the total number of move-outs and divide it by the total number of units in the Community. To drill down and investigate whether or not there are issues with a certain unit or floorplan, look at the units that have been moved out of in the time period. If any unit or units of the same floorplan appear more than once, you may want to schedule an inspection of the unit or reach out to recent Residents and inquire as their reason for moving.

## Setting Supplemental Goals

While the goals discussed above are measured on a regular basis, sometimes there may be a need to set a more specific goal as a means to reach a particular outcome.



For any desired result, whether in life or business, goals can be set to help achieve it. When setting goals, you must:

- ✓ Determine the Need(s)
- ✓ Use historical data and/or reports to understand activity and what to expect
- ✓ Decide the timing of the goal – weekly, monthly, etc.
- ✓ Be as specific as possible
- ✓ Measure progress and results regularly
- ✓ Reward results
- ✓ Correct underperformance

## Best Practices

1. Communicate goals effectively, making sure all team members understand the desired result.
2. Gain buy-in from all team members. Not only understanding, but believing in the goal is key to success.
3. Be specific and detailed.
4. Don't be afraid to change it up mid-stream, if necessary. Sometimes things happen out of our control and being able to react quickly and adapt can make the difference between getting the desired result or not.
5. Make measurement fun by using visual tools – Thermometer signs, pull tabs, ringing a bell, etc. can be a fun way to keep people engaged.
6. Measure results regularly at Morning Huddles and do an overview of results at the end to discuss what worked and what didn't, obstacles that needed to be overcome, what you would do differently next time, etc.
7. Reward positive and coach on the negative. Rewards don't have to be big. For example: If working towards a certain rental or move-in goal, have a prize chest from which the Sales Professional can choose something with each new rental.

# Team Huddles

Communication is the key to all successful relationships; professional or personal. Many companies with excellent missions, products and services fail due to lack of recognition of the importance to communicate effectively with their Employees; and with one another.

Denizen Management believes in its Employees and places a high value on developing successful Teams and Team Members. That is why it is one of our Employee "QSQ's", Share.

## Why the word Huddle?

The word huddle is a commonly used sports term, like in football. Sport teams use huddles as a quick planning session (deciding the next play), which is exactly what we want to accomplish.

The Team Huddle is a quick meeting at the beginning of each day in which the Team, under the direction of the General Manager (the quarterback), gets on the same page as to the goals to be accomplished.

Football teams have 30 seconds to huddle to call the next play. Team Huddles should be short, about 15 minutes. They do not require the same time as would be for a full sales or maintenance meeting.

## Time Huddle Schedule

Every morning at 9:15 a.m.

## Who Comes to the Huddle?

This is a required all staff meeting, which includes all of the Team Members; General Manager, Assistant Manager, Concierge, Service Technicians, Custodians and Grounds.

Everyone on a Community is a Team Member, and critical to the success of the same. Management, leasing and maintenance have to work as a Team to provide the high quality service our Residents, and Owners deserve; which requires the participation and respect of all Team Members and their roles.

No successful Team has ever won a championship without this credo (formula of belief).

## The Team Huddle Agenda

1. Leasing
  - a. Current Occupancy vs. Goal Occupancy
  - b. 30-Day Trend Occupancy vs. Goal Occupancy
  - c. How many Move-Ins/Leases are needed to achieve the Occupancy Goal
  - d. What leasing appointments are set and when?
2. Renewals
  - a. Current Renewal Percentages vs. Goal Renewal Percentage
  - b. Assignment of outstanding Renewal calls
  - c. Summarize any new Lease applications or Renewals received yesterday
3. Maintenance
  - a. Review upcoming Move-Ins and the Turnover status
  - b. Any Common Area priority needs
  - c. Status of outstanding Work Orders assigned yesterday
  - d. Assignment of new Work Orders

## Best Practices

1. Build a great Team
2. Focus on the positivity and solutions with a can do attitude
3. Learn to keep it short, 15 minute window
4. Any Team members that are not able to attend in person should be placed on a conference call.

# Mystery Shoppers

Sales efficiency can be measured using many tools, such as reports, closing ratios, or physical occupancy numbers. However, the most effective way to measure a Concierges effectiveness is through mystery shoppers. These are individuals trained to visit Communities under the guise of a Prospect and report back on their experience. This is done to ensure that our Communities and Employees are adhering to all the Resident "QSQ's".

## When Shops Are Conducted

A mystery shopper will be sent near 6 months of employment on all new Concierges, to randomly selected Communities/Employees on a quarterly basis, for performance deficiency, or upon Supervisor request.

Any Employees that fail to meet the minimum Company standard of 75% will receive a second shop on the following quarter. Any Employee that fails two shops in a row will receive a third shop that will be filmed and/or be subject to dismissal.

## How To "Ace" A Mystery Shop

Shoppers are looking for very specific things on their visit. The only way to really understand all they expect is to thoroughly review a blank shoppers report.

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<p><b>A Note About Our Scoring System</b></p> <table border="1"> <thead> <tr> <th>Technical Score</th> <th>Excellent</th> <th>Very Good</th> <th>Good</th> <th>Fair</th> <th>Poor</th> </tr> </thead> <tbody> <tr> <td>100-95%</td> <td>94-85%</td> <td>84-75%</td> <td>74-65%</td> <td>64-50%</td> <td></td> </tr> <tr> <td>Customer Experience Score</td> <td>Excellent</td> <td>Very Good</td> <td>Good</td> <td>Fair</td> <td>Poor</td> </tr> <tr> <td></td> <td>5 stars</td> <td>4 stars</td> <td>3 stars</td> <td>2 stars</td> <td>1 star</td> </tr> </tbody> </table>				Technical Score	Excellent	Very Good	Good	Fair	Poor	100-95%	94-85%	84-75%	74-65%	64-50%		Customer Experience Score	Excellent	Very Good	Good	Fair	Poor		5 stars	4 stars	3 stars	2 stars	1 star																		
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*BLANK SHOPPERS REPORT - can be retrieved on employee login website*

Once you have reviewed the blank shoppers report it is a good idea to familiarize yourself with the Shopper Prospect Checklist. This is a step by step checklist to help salespeople get a rhythm down on their Tours.

Prospect Calls, Greeting & Identifying Needs Checklist	
<b>Phone Calls</b> <ul style="list-style-type: none"> <li>Answer with community name &amp; my name</li> <li>Get prospects name &amp; use in conversation</li> <li>Ask for prospects phone number</li> <li>Ask for additional contact info (address/e-mail address)</li> <li>Ask how they heard about our community</li> <li>Determine needs (size, move-in date, #of occupants, price range, pets, specific needs)</li> <li>Suggest they visit community website or company website</li> <li>Describe apartment features and/or amenities</li> <li>Create a sense of urgency</li> <li>Invite them to visit the community</li> <li>Try to set a specific appointment</li> <li>Offer directions to the community</li> </ul>	
<b>Greeting</b> <ul style="list-style-type: none"> <li>Stand &amp; greet with a smile</li> <li>Shake their hand</li> <li>Introduce myself</li> <li>Get prospects name &amp; use during conversation</li> <li>Ask them to sit down (gather additional information)</li> <li>Offer refreshments (water, coffee, tea or hot chocolate)</li> <li>Professionally dressed &amp; wearing name tag</li> <li>Remember phone call &amp; have previous info. On prospect ready available</li> </ul>	
<b>Identifying Needs</b> <ul style="list-style-type: none"> <li>Complete guest card</li> <li>Determine how they know about the community</li> <li>Identify size, move-in date, #of occupants, phone#, price range/budget, pets, where they currently live, e-mail address</li> <li>Ask why they are moving</li> <li>Determine any specific needs or preferences (location, color, etc.)</li> <li>Create rapport while determining needs</li> <li>Request proper ID before touring community</li> </ul>	

*SHOPPER PROSPECT CHECKLIST – can be retrieved on employee login website*

## Best Practices

1. All Prospects should be treated equally, despite if you suspect they are a shopper or not.
2. Fair Housing rules and regulations should be maintained at all times by all Employees.
3. Salespeople should know EVERY aspect of their product. This includes, square footage, various layouts, availability, utility breakdown, nearby attractions, ceiling height, competition, etc.
4. ALWAYS ask for monetary funds, like a deposit or application fee.



DENIZEN  
MANAGEMENT



## General Policies

WE ARE



# Daily Leasing Schedule & Checklist

Concierges are called upon to wear many different hats during the day. That is part of what make sales and property management so enjoyable. However, if preparation isn't good, the day can easily spiral out of control and the Concierge can find themselves feeling buried and unproductive.

As a way to help stay organized and give the Concierge the best chance for success, there are things that should be done on a daily basis. These simple preparations can help to always keep you one step ahead of the game and help you to juggle the tasks of the day.

## First Things First

Starting the day off the same way and with helpful tools, keep the Concierge on track throughout the day and assist in maintaining order. These items should be done every morning:

- ✓ Check your calendar and know what appointments you have and at what times and have the previously started Guest cards out and ready for the appointment.
- ✓ Walk your show units/model and make sure that both the path to the apartment and the apartment itself sparkles. Take a sparkle bucket with you in case a little freshening up is necessary.
- ✓ Print off a current Availability report and Delinquency report and have them on your desk for quick and easy reference.
- ✓ Check messages and complete any necessary work orders or convey any messages to the General Manager.
- ✓ Complete any property specific Clubhouse checklists such as restocking coffee supplies or freshening up the bathrooms.
- ✓ Attend the Morning Huddle.

## Throughout the Day

- ✓ Check emails and respond as necessary
- ✓ Respond to all Internet leads and enter them into the Prospect Management Software
- ✓ Document all Resident interaction throughout the day by adding notes into the History section of Rent Manager.
- ✓ Update all Internet advertising such as Craigslist or any paid advertising sites.
- ✓ Perform follow-up on all leads, see Follow-up Policy

## Before Closing

- ✓ Visit your model and/or show apartments and make sure that all lights and mechanicals are shut off. Lock up the unit.
- ✓ Make sure all of your leads for the day are entered into the Prospect Management Software, including all calls, emails, and physical traffic.
- ✓ Return all calls received for the day.

## Best Practices

1. Showroom Quality: your desk, office, amenity areas, and show/model apartments should ALWAYS be in showroom condition. This means minimal clutter, no offensive odors, no dust, no burned out lights, etc. Just as you don't want to shop at a department store you can't walk through, your Prospect doesn't want to rent from a disorganized or dirty Community.
2. Your leads are your lifeblood. Even the ones that call and say "that's too expensive" are telling you something about your marketing. Document them in the Prospect Management Software.
3. Change up your routine. This will help keep you engaged so that you do not get into a groove and begin missing the little details.
4. If you are not a detail oriented person, find someone you know who is. Ask them to walk with you through your office and common areas and point out eyesores.

# Lease & Service Policies

The Concierge is the front-line representative for the Community. Often, they are who the Resident speaks to first. While there are matters that need to be addressed with the General Manager, most questions and concerns the Concierge should be able to answer, as it is a Resident "QSQ" of Service. Below you will find some of the most common policies addressed to Concierges.

## Cancellation Policy

**If the Prospect has already signed the Lease and not moved in:** Applicants are responsible for the rent of the unit for the term of the Lease or until the apartment is re-rented, whichever happens first. There is NO refund on the Holding Fee or Deposit Alternatives. The only exceptions to this policy are as follows:

1. Military orders are received before the originally scheduled move-in date.
2. Per the Lease Section 16, "Delay of Occupancy," the applicant may cancel if there is to be a delay in occupancy due to construction or previous occupant hold-over and proper notice was not given to the applicant. See the Lease for a more detailed description of the terms.

**If the Prospect cancels and has not signed the Lease and not moved in:** Applicants are able to cancel at any time with no lease obligation. However, all application fees, Administrative fees, and Holding fees will NOT be refunded.

**There is NO cancellation permitted** if the Resident has signed the Lease and moved into the Apartment. The Resident must follow the Buy Out Policy.

## Holding Fee

The Holding Fee is an Owner "QSQ" of Financial. With this policy in place, we will expect the Customer to sign the Lease, move In and pay all related fees. Customers will feel more committed to sign the lease and move in if they have paid a Holding Fee that is nonrefundable.

All applicants must submit and a Holding Fee within 24 hours after **approval** from the General Manager. The process for submitting the Holding Fee to hold an apartment are as following:

1. The Applicant will place a Holding Fee, paid to the Community with a personal check, cashier's check or online payment **equal to the amount** of the Tier 1 Lease Term Deposit at your Community.
2. This Holding Fee takes the Apartment off the Market.
3. Upon payment from Applicant, the Holding Fee should be put in the Applicants account as a payment and held as a credit until move-in.
4. If Holding Fee has not been paid within 24 hours, the apartment must be made available to rent for other applicants.
5. The Holding Fee is Non-Refundable if the Customer cancels.
6. Customers will have 30 days to take possession of the Apartment once it becomes available for occupancy.
7. Move in Charges will be reduced by the Holding Fee Amount.

Be sure to communicate to the Prospect that at time of approval, they will need to submit the appropriate Holding Fee. This is kept as a credit on account until time of Move In.

**EXAMPLE:** Holding Fee = \$99.00

#### Move In Day 2/01/19

Rent Due :		\$ 599.00
Deposit (Traditional Deposit)	plus (+)	<u>\$ 599.00</u>
	equals (=)	\$1198.00
Less Holding Fee	minus (-)	<u>\$ 99.00</u>
Amount due at Move In:		\$1099.00

## Transfer Policy

Residents are permitted to transfer both between apartments in the same Community, as well as between apartments in different Denizen communities with the following provisions:

1. Resident must have lived in the current apartment at least 6 months
2. Resident must not have any late payments within the last 6 months
3. Resident must re-qualify if the rent on the new unit is priced higher.
4. The General Manager must inspect the current apartment. During the inspection, GM must take at least 4 pictures of the apartment to include, kitchen, bedroom, bathroom, living room. These need to be upload and included with the Transfer Request Form.
5. Resident must pay the transfer fee prior to the physical move. The amount of the transfer fee varies by Community. Refer to your Property Price Sheet.
6. All Transfer Requests must be sent to the District Manager for approval. Include the Transfer Request Form and uploaded photos of Residents apartment.

7. If household occupants or size changes with a new prospect, the new prospect must complete an application, provide pay stubs and pay for screening.
8. A new deposit (Traditional or Deposit Alternative) is required 24 hours after approval by District Manager. A new Non-Refundable Pet Fee is also required prior to move in.

Provide the Resident with the Transfer Request (Form) and the availability of apartments that they may be interested in. The Resident will need to complete the Transfer Request (Form) and the Notice to Vacate (Form). Once these forms are completed the General Manager can proceed with processing the request.

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<b>Transfer Request (Form)</b>																			
<b>Requirements to Transfer</b>																			
<b>Payment History</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> Account must be in good financial standing.</li> <li><input type="checkbox"/> All rent, utilities and other receivables paid in full prior to move.</li> <li><input type="checkbox"/> Payment history must be satisfactory with minimal late payments.</li> </ul>																			
<b>Resident History</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> Resident History should be satisfactory with no complaints on file. If unsatisfactory the transfer will be denied.</li> <li><input type="checkbox"/> Number of occupants must be within occupancy guidelines for desired unit.</li> <li><input type="checkbox"/> Current apartment must be inspected and found to be in satisfactory condition prior to authorization of transfer.</li> </ul>																			
<b>Screening Qualifications</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> If the transfer is to an apartment with higher rent the resident must be re-screened and qualify for the new unit. If a lower rent unit, screening will not be performed.</li> <li><input type="checkbox"/> A new screening will also take place if an additional lease holder is added to the lease.</li> <li><input type="checkbox"/> If the new screening comes back as denied, transfer will be denied - even though Payment History is satisfactory.</li> </ul>																			
<b>Transfer Process</b> <ol style="list-style-type: none"> <li>1. 30-Day written notice must be provided for current unit and rent paid through the full 30 days.</li> <li>2. Transfer fee of \$____ will be due if the transfer is occurring during an active lease.</li> <li>3. There will be a transfer fee if lease has been completed.</li> <li>4. Updated application(s) and proof of income must be provided.</li> <li>5. A new deposit may be required. Some deposits may be transferred to the new apartment based on deposit requirements.</li> <li>6. You will be responsible for getting the renters insurance and electric transferred to your new address and providing documentation of such to the leasing office.</li> <li>7. A new 12 month lease for the new apartment must be signed on your move in date. You will pick up keys and begin paying rent on that day.</li> <li>7. Once your old unit is completely vacated and cleaned, return your keys to the leasing office and they will refund your deposit within 30 days if applicable.</li> </ol>																			
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 DENIZEN MANAGEMENT	 WE ARE QUE THE RESIDENT EXPERIENCE																		

*TRANSFER REQUEST (FORM) – can be retrieved on employee login website*

Proprietary & Confidential

**Notice to Vacate (Form)**

Community \_\_\_\_\_ Lease End Date \_\_\_\_\_  
 Name \_\_\_\_\_ Telephone # \_\_\_\_\_  
 Notice Date \_\_\_\_\_ Address \_\_\_\_\_  
 I, the undersigned, hereby serve notice that I intend to Vacate the above apartment  
 On (month) \_\_\_\_\_ (day) \_\_\_\_\_ , (year) \_\_\_\_\_  
 If you have fulfilled you all the terms of your lease you will receive a security refund promptly.  
 However, in order to receive a complete refund, the following points require your adherence. Please  
 remember that your liability is not limited to the amount of your security deposit:  

- You will be responsible for any and all costs incurred by any other party due to your  
 failure to follow the rules on the individual leases.
- This notice cannot be rescinded. The can date of moving be changed except by  
 written consent of Denizen Que Management Company. Extending your move out date  
 may result in additional fees.
- You are responsible for all utility bills incurred up until the date you move.
- You are responsible for the last month's rent in full. Your security deposit may NOT be  
 applied toward the last month's rent.
- Failure to return all keys, storage unit, parking etc. leased for your apartment  
 will result in an automatic charge of up to \$50.00 for each key. Your apartment will not  
 be considered vacant and you will be responsible for rent until all keys are returned.
- Given this notice, we will relieve you of any liability that you have incurred under your  
 present Lease Agreement.
- You are responsible for contacting your renter's insurance provider to transfer or cancel  
 your policy.

We would appreciate any suggestions you might have on how we could improve the community,  
 please take a moment and fill out on the backside of this notice.

Lease Termination Fee Due on or Before Vacate Date: \$ \_\_\_\_\_  
if not paid within 30 days, this notice is null & void, at which time a new notice is required

Reason for move: \_\_\_\_\_ Do you rent W/D \_\_\_\_\_ Furniture \_\_\_\_\_  
 Move to information: Apartment or Community: \_\_\_\_\_  
 Forwarding Address: \_\_\_\_\_

Resident Signature \_\_\_\_\_ Date: \_\_\_\_\_  
 Received by Management \_\_\_\_\_ Date: \_\_\_\_\_

 WE ARE  denizenQUE THE RESIDENT EXPERIENCE

*NOTICE TO VACATE (FORM) – can be retrieved on employee login website*

## Buy-Out Policy

Residents have the right to end their Lease, per the terms of the Lease, the Buy-out Addendum, and the Rent Concession Addendum. The following steps must be taken:

1. The Resident is required to give a full 30-day written notice to vacate that must end on the last day of a month and pay through the notice.
2. The Resident must pay a fee equal to two (2) months of rent on or before the day of move-out.
3. Any concessions given for that Lease term must be repaid. For example, if the Resident received their first month rent free, then they will need to repay the concession on top of the (2) months of rent for the buy-out fee.
4. The Resident is eligible to receive a deposit refund, if there are no damages present in the apartment. The deposit cannot be used towards the buyout or concession repayment fees.

## Month-to-Month Policy

Residents are permitted to go Month-to-Month, *after the completion of the initial Lease term*. Denizen Management doesn't offer month-to-month residency to first time Residents and we prefer to limit the number of month-to-month Residents as much as possible, as they increase the Community's exposure to unplanned vacancy. Month-to-month fees vary from Community to Community and are added



to the full market rate of the unit. Refer to the Property Price Sheet for Community specific rates. Please note the following:

1. Month-to-month Residents must ALWAYS pay the full market rent on their unit, the full month-to-month fee, and receive no additional discounts or concessions. If they wish to pay less they are welcome to sign another Lease.
2. Your total month-to-month Residents should be limited to no more than 5% of your entire Community. If your number goes beyond 5% it may be a good idea to increase the fee. Discuss this with your District Manager.
3. Legally the Resident must receive a notice of rent increase at least 30 days in advance of any increase. This is done with the Renewal Letter that is sent 90 days in advance, see Renewal Policy.
4. Any Resident who fails to renew prior to their Lease expiration automatically rolls onto a month-to-month status and their rate increases to that listed on the Renewal Letter.
5. Month-to-month Residents MUST receive an increase to the new market rate on their unit EVERYTIME the Community's rental rates or MTM fees increase, or at least once annually.
6. A Resident on Month-to-Month may give a 30-day Notice to Vacate anytime after their initial Lease expires. All notices to vacate must begin on the first day of the following month.

## Short Term Lease Policy

Denizen Management offers 12-month Leases and we don't generally offer short term Leases. However, the District Manager can approve short term Leases during certain months to assist with the seasonalization of a Community. Short term Leases are permitted at the sole discretion of the District Manager and short-term fees must apply. If a short-term Lease is approved, the rent should be full market and no concessions should be offered. The short-term fees vary by Community. Refer to the Property Price Sheet or District Manager for specific rates.

## Zero Tolerance Noise Policy

Customer satisfaction and comfort is our number one priority. The ability to enjoy one's home in a quiet and relaxing environment is a key factor in satisfaction. While apartment living will always come with some sound resonance, no customer should have to withstand unreasonable noise created by inconsiderate neighbors. After receiving valuable feedback from our Residents, we have realized that having a specific policy regarding noise is essential to providing a quality living experience.



## General Policy

ONE STRIKE AND YOU ARE OUT.

## Necessary Steps

1. All Team members need to be able to explain the policy to all current Residents and Prospects. This should be used as a marketing and customer satisfaction tool.
2. Residents should be advised that if they experience any noise issues, they should report it to the office as soon as possible (even after hours) and call the local police department.
3. The office Team should then investigate the complaint and document all findings.
4. If the complaint is substantiated with a police report, the General Manager should contact the Resident at fault and issue them a 30-day notice to vacate for Breach of Lease: Quiet Enjoyment.
5. If the Resident does not vacate within the allotted time frame, the Manager should then file the eviction with the eviction attorney.

## Work Orders

Work orders are a regular part of our day to day operations. They ensure that the Community is well maintained and help to prevent future issues. In fact, they are so important that they have their own Resident "QSQ" here at Denizen Management, Service. However, work orders also come with some legal obligations.

1. Any and all work orders received must be generated and provided to your maintenance Team on the same day.
2. It is a violation of Fair Housing laws to complete work orders in any order that your Team wants. They MUST be completed in the order in which they were received. The ONLY exception is an emergency work order.
3. Work orders that are not completed within 30 days are a breach of our Lease obligations to the Resident. If a work order remains outstanding for more than 30 days, the Resident may place their rent in escrow with the local court. This will result in a letter to the Owner as well as hefty legal and inspection fees to get the funds released.

Make sure your Residents understand that we HAVE to complete requests in the order in which we receive them and assist in holding the maintenance Team accountable for meeting Company guidelines, see Work Order Management Policy.

## Resident Referral Program

One of the best marketing techniques that a Community can deploy is the Resident Referral Program. If a Resident is valued and is happy in their home, they may refer the Community to their friends and family. In exchange they will be paid a Resident Referral for each person they refer that rents. The amount of the referral varies by Community and must be approved by the District Manager. For the Resident to receive their referral the following must be met:

- ✓ The new Resident must have noted on their application that they heard about us through the referring Resident.
- ✓ The new Resident must have paid the first full months' rent.
- ✓ Referrals are always paid as a rent discount using a Resident Credit Authorization (Form).
- ✓ Other restrictions may vary by Community based on General Manager and District Manager decisions.
- ✓ The referring Resident must be a Current Resident at the time of move-in. No past Residents will receive referrals and referrals can never be applied to move-out charges.



# Occupancy Standards

The total number of occupants in our Units can affect several aspects of our business such as fire/health codes, utility usage, HUD compliance, and much more. For this reason, each Community must set an Occupancy Standard that is compliant with this policy, local, state, and federal laws as well as HUD guidelines. This is also an Owner "QSQ" of Knowledge and Cash Flow.

# Setting Occupancy Standards

Due to the unique nature of each Community and the variations among area laws, each Community must set their Occupancy Standards by floorplan. This is to be completed by the General Manager and approved by the District Manager using the Occupancy Standards (Form). This must be completed within 30 days of a take-over at a new Community and revised annually to accommodate changes in regulations. Once completed it is to be retained on-site in the Communities QUE Binder and a copy provided to the corporate office for retention.

OCCUPANCY STANDARDS FORM – can be retrieved on employee login website



## Baseline Standard

Denizen Management's occupancy standard is two (2) people per bedroom, unless bedroom is large enough to have 50 square feet per person per bedroom. Children under one (1) years of age are not calculated.

## Recording Occupancy

Every person in every Unit must be accounted for in our Property Management Software. That means leaseholders, occupants, children, EVERYONE. Each person can be added under the Contacts Tab by clicking the "Add" button. You can then change the "Type" to help track if they are a child, emergency contact, etc.

## Best Practices

1. Always check your local laws before completing your Occupancy Standards.
2. Always follow the rule: Two (2) people per bedroom, unless bedroom is large enough to have 50 square feet per person per bedroom. Then discuss with District Manager.
3. Children under 1 are exempt from occupancy count, but not from being recorded in the Property Management Software.
4. Update the Occupancy Standards (Form) annually.
5. When in doubt discuss the issue with your District Manager.



WE ARE



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