

# AFFORDABLE RENTAL ASSOCIATES, LLC

1020 W National Ave • P O Box 04313 • Milwaukee, WI 53204 • (414) 643-5635 • Fax: (414) 755-6964

info@affordablerentalsmilwaukee.com

www.AffordableRentalsMilwaukee.com



Dear Property Owner

You bought a few rental houses and tried to do everything yourself. That was ok for a while. But now you're finding more and more that a **lack of reliable, affordable maintenance and not having the time to do everything necessary is keeping you from realizing your goals.** Worse, you don't have the time for family and fun – the reasons you got into this in the first place. You don't see selling or conventional property management as your answer, at least not yet. No, you just want some help.

**We have all been there.** Affordable Rental Associates, LLC (ARA) was formed in 1997 by a group of experienced owners who needed a full range of skilled workers they could not afford individually, yet collectively were able to hire and fully utilize at a **significant savings over using contractors.** ARA is similar to the rural farmer's coops; each member controls their own businesses yet having access to resources available typically only to much larger firms. ARA now provides a full range of maintenance and management support for property owners using the same staff that we use on our properties.

Everything ARA does is "cafeteria style." You decide what gets done and **pay for only the services you use.** You **remain in full control of your properties** including whom you rent to. If you choose to have your tenants to pay rent at the ARA offices, their money orders or **rent checks made out to you.** We bill you for services provided rather than take your rent and give you what ever is left.

**And the cost?** Maintenance is billed time and material based on actual usage. Materials are at cost and labor rates of \$14 to \$32 per hour depending on skill level of the worker ranging from **unit clean outs to painters, skilled carpenters, heating technicians and certified lead workers.**

Need management support? We will take all your calls, list your vacancies, produce your collection notices and provide an office for your tenants to pay their rent in checks or money orders made out in your name. **No tenants calling your home** and **avoid the risk of giving out your home address** as the physical address required under ATCP 134 and Milwaukee's recording ordinance. The cost is \$10 per unit. **Evictions** are just \$229 each including the summons, service and attorney. Need a manager to visit your property or meet with tenants, inspectors or the tax assessor? Managers are available on a time and material basis just like maintenance.

There are **no long-term contracts** and **we also provide short-term, vacation and medical emergency** management and / or maintenance. If **our services might be the solution you are looking for** give us a **call**, meet our staff and see our **fully computerized office** or receive additional information.

Sincerely

Tim Ballering  
Managing Member

## A LA CARTE MANAGEMENT SUPPORT SERVICES

Affordable Rentals offers the following services to allow you to spend less time while managing your properties better. More information on these services is included in this package.

### **Rent-A-Worker** (for more information see [www.rent-a-worker.com](http://www.rent-a-worker.com))

We offer experienced property maintenance workers who have the tools they need to get the job done and are covered by worker's comp insurance as well as income tax withholding.

Use one or more workers for a few hours, a day or a few days.

Full range of skills from clean outs to painting, carpentry, drywall, general maintenance, windows, flooring, heating, lawn care and debris removal. These are the same crews that work on our properties.

Avoid the financial risk of using "sub contractors" that may later be deemed by the IRS to be employees or are not covered by workers comp.

Property owners may supervise the jobs if they desire, and may specify the worker they want.

The cost for general maintenance, unit prep, painting and handymen range from \$15.00 to \$22.00 an hour based on skill level. Lead carpenters, heating techs and lead abatement workers are available for \$18.50 to \$31.50 per hour. Any materials we provide are billed to you at our cost.

### **Management / Office Support for \$10 a unit**

For \$10 per unit per month we take all your calls plus provide an office that your tenants can pay their rent by checks or money orders made out to you.

No more calls at home, work or late at night.

By using our office as your legally required process address you avoid tenants showing up on your doorstep.

Reduce the time and dangers of collecting rents in person.

### **Vacancy Listings**

For \$10\* per week we will list your property on our vacancy listing and the web, take the calls and arrange showings either with our key out system or by making appointments with the person of your choice. *\*When bundled w/management support. Not available separately*

### **Eviction & Notice Process Service** ([www.EasyEvict.com](http://www.EasyEvict.com))

We serve papers in Milwaukee County for \$25. Need an eviction? \$229 includes the court filing fee, process service and attorney.

Don't want to leave home? Submit your notice for service via the Internet.

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# Affordable Rental Associates, LLC Simple Owner Contract

This contract is between Affordable Rental Associates, LLC [ARA] and \_\_\_\_\_,

DBA \_\_\_\_\_.[Owner/ARA Member] Dated \_\_\_\_/\_\_\_\_/\_\_\_\_

- Overview:**
- ARA does not manage your property rather we provide office and maintenance support to owners who actively participate in the management of their properties.
  - Owners' rents are collected in the owners' names.
  - The owner decides the work ARA performs and may perform work themselves or use contractors.
  - The ARA basic monthly fee covers office cost.
  - Maintenance and additional items not specified below are billed at material at cost, labor at cost plus 20%.
  - In exchange for the work ARA performs, the Owner agrees to pay their account within 10 days of end the month.
  - This is a month-to-month contract.

**Term:** This contract between ARA and the Owner is month-to-month, based upon a calendar month. First month's unit fee are not prorated. The Owner may terminate the contract with one-week notice. ARA may terminate or modify with 14 days notice. *(ARA keeps owners with service, not by craftily worded long-term contracts. Owners keep us by paying on time and being fair to their tenants)*

**Fees:** The base monthly fee is \$10 per unit. This fee covers answering your calls, providing a physical process service address, preparation of paperwork and notices. If an Owner wants a field manager to go to the property for collections, showings, inspections or other purposes the field manager's time is billed to the Owner under the same terms as maintenance. (see below). Optionally ARA will perform full collections for an additional \$10 per unit per month.

**Rents:** The Owners' tenants may pay rent at the ARA office or by mail in check or money order only, made payable to the Owner. Rent checks will be held for the Owner for pick up or ARA will deposit the checks into the Owner's account at Associated Bank at no charge. (At this time Associated offers a zero balance free checking account, which owners can have their rents deposited and then write a check to themselves for deposit into another bank)

We accept credit card payments from tenants. There is a 3% charge to the owner for such payments.

**Maintenance:** The Owner remains the manager of their property and may elect to have any maintenance performed by themselves, outside contractors or ARA. All materials provided by ARA are at cost. Any labor/workers provided are billed at approximately 20% above our total cost for that employee. ARA does not bid jobs. *(Current rates billed to customers from \$14.00 to \$31 based on employee skill level.)*

Jobs performed by ARA are assigned to workers by the office staff based on the scope of the job and the skill level of the worker. The Owner is encouraged to set the scope of work and review jobs in process. The Owner may specify a specific worker for a job, but that may delay the work being scheduled.

ARA does not perform regular inspections of the properties unless specifically requested by the Owner. This is billed at the same terms as maintenance above.

ARA retains the right not to perform maintenance services for Owners with past due accounts.

**Vacancies:** Each vacancy is billed \$10 per week. This fee covers answering for rent calls, general advertising and showings with key out system or by appointment with the owner or current tenant. An Owner who elects to have a manager to physically show the unit will be charged for the manager's time. ARA runs general for rent ads without addresses and provides a handout of vacancies, including addresses, to prospective tenants who come to our office.

An owner may place their own ads at their expense, using our phone number. We will answer these calls at no additional charge to the owner. If a prospective tenant calls asking what we have for rent they are instructed to come to our office for a free listing. If a prospective tenant asks about a specific property they are given information only about that property. Before owner advertises independently of the advertising provided by Affordable Rental Associates, LLC, the owner needs our permission to use Affordable Rental Associates' company name and notify us in advance so we may properly handle the resulting inquiries.

Each rental application we process for criminal and eviction court records, owner and employment verification is billed \$10 per application. A TransUnion credit report is an additional \$8. We run one application at a time. We will automatically reject applicants with evictions or drug sale convictions. We will contact you on applications that appear to be acceptable for your final decision. In home visits as a final screening step are available. The charge is based on the actual field manager time.

**Evictions:** Owners make the final decision on collections and when or if an eviction will occur. You are billed for the summons, currently \$89.50, an attorney fee of \$35 and process service of \$20. Once the writ is obtained, if the Owner wants a physical eviction to occur they shall provide the office with a check made out to the Milwaukee Sheriff for \$130. (We have you provide the check so that any refund from the Sheriff is directly to you and as a final authorization for us to have the tenant moved.) You will be responsible for the Eagle Movers bill of \$130 per hour, one-hour minimum. You may make your own arrangement for a different mover

**Billing:** Billing statements are generated once per week, usually on Friday afternoon. We ask that questions about the bill be made within 14 days so that the employee who performed the work has a better recollection of the job. All bills are due within 10 days of the end of the month in which they were billed. Accounts over 30 days will be charged 2% per month on the unpaid balance plus a \$39 late fee. (*We don't want to be your lender, but we do accept credit cards*)

**Indemnity:** The owner shall indemnify and hold harmless Affordable Rental Associates, LLC, its managers and employees from any and all claims arising due to the acts, negligence or omissions of the owner or the owners' agents.

**Prices subject to change:** We bill for most material and services, excluding labor, at our cost. If we get a price increase that increase is forwarded to the Owner.

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Affordable Rental Associates, LLC

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Owner

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Owner

**"As required by the Wisconsin construction lien law, Affordable Rental Associates, LLC hereby notifies owner that persons or companies furnishing labor or materials for the construction on owner's land may have lien rights on owner's land and buildings if not paid. Those entitled to lien rights, in addition to the undersigned Affordable Rental Associates, LLC, are those who contract directly with the owner or those who give the owner notice within 60 days after they first furnish labor or materials for the construction. Accordingly, owner probably will receive notices from those who furnish labor or materials for the construction, and should give a copy of each notice received to the mortgage lender, if any. Affordable Rental Associates, LLC agrees to cooperate with the owner and the owner's lender, if any, to see that all potential lien claimants are duly paid".**