



PROPERTY MANAGEMENT

OWNER MANUAL



LA LUX

property management

Welcome

Thank you for choosing LA Lux Property Management to manage your income property. We know you have many options for choosing a management company + we're honored you've chosen us!

We have prepared this Owner's Manual to assist you in further clarifying many of the procedures for our services. The information provided in this document is subject to change. Landlord and tenant laws, personnel, policies and procedures change accordingly. LA Lux works diligently to improve services as well as remaining current with all landlord + tenant legislation. It's our job to protect both you and your asset and we'll do that by remaining current on all tenant/landlord legislation and by supporting fair housing laws + regulations while taking responsibility for the day-to-day operations, repairs, maintenance, upkeep of your property and the security + safety of your tenants.

We pride ourselves on being responsible + reliable so you can feel comfortable knowing you're being taken care of at all times.

We look forward to a long + successful business relationship!



LA LUX

property management



Contact Info

Mailing Address

3156 Foothill Blvd. Suite J
La Crescenta, CA 91214

Phone Number + Email

(603) 714 - 1476
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Website

laluxpm.com

Social Media

 @laluxpm

Meet Our Team



Kierstan Cudjoe
Resident Concierge

Gina Beaudoin
Office Assistant



Claudia Sanabria
Housekeeping

Hugo Bautista
General Contractor



Kevin Figueroa
Maintenance

Ryan Lindquist
Maintenance



Jarrel Cudjoe
Creative Director



Kali Lamarine
Chief Executive Officer

Kali has been working in the real estate industry for 10+ years and has been managing portfolios with Single Family Homes renting upwards of \$50k/per month + Multi-Family properties with up to 30 units. Clear communication, follow-up & 5 star customer service are pivotal in the successful management of properties for investors, owners + tenants. Kali's ability to manage expectations, build positive relationships with tenants & manage difficult situations with her firm but fair conflict resolution skills has lead to increased profits & protection of assets for owners + investors, as well as keeping tenants happy. Kali has helped her investors build & renovate properties all throughout LA while staying on budget & making design + construction decisions that will yield the highest possible profit.

About Us

LA Lux Property Management offers high-end property management services throughout Los Angeles where we focus on customer relations to bring the highest quality service to investors, owners + tenants. Our full-service management includes prepping your property for listing, finding and verifying potential tenants with a comprehensive & diligent screening process & monthly management + accounting to maximize cash flow, minimize expenses and protect your investment. We understand and stay current on complex rental laws pertaining to your property and keep you in compliance.

LA Lux Property Management is a full-service property management company with a centralized office in La Crescenta, CA, servicing properties throughout the Greater Los Angeles area. LA Lux Property Management (DRE# 02216813) also offers real estate sales.

LA Lux Principal

Kali Lamarine is the sole Owner for LA Lux Property Management Inc. and has held a real estate license (DRE# 02027113) since 2017. She has worked in the real estate industry since 2013 & has experience with real estate management, sales, leasing, property management & real estate development.

Mission Statement

LA Lux is committed to delivering exceptional property management services that enhance the luxury living experience for our tenants through unwavering dedication to quality, innovation, and personalized attention to detail. We are dedicated to providing our owners with a seamless management experience by maintaining & protecting their properties with uncompromising standards of quality, professionalism, and reliability.



Scope of Management

Property Owners authorize LA Lux to perform the following services:

- Rental Analysis
- Marketing + Advertising
- Showings
- Tenant Screening
- Lease Preparation + Execution
- Day-to-Day Management
- Coordinating Maintenance & Repairs
- Lease Enforcement
- Monthly Accounting + Disbursements

Fees

LA Lux believes in transparent pricing, so we've compiled our standard fees below:

Management Fee

Our standard management fee is \$75 per door + 2% of the monthly rent. We've found this model most accurately prices management for properties, however, there are times when this fee is adjusted to account for more complex or less complex management.

Commission

LA Lux charges 5% of the first year's rent to secure a tenant for your property. If another agent represents the tenant, we split this cost with the outside agent.

Late Fee

We charge our tenants a late fee of \$100. If there is a tenant already in the unit, we will abide by the late fee noted in their lease agreement. LA Lux retains 50% of the late fee for the additional work needed when a tenant does not pay on time and the other half is forwarded to the owner.

Evictions

LA Lux does not charge the Owner to appear in court on their behalf, but there are fees to enlist an eviction attorney which vary. Should we need to move forward with an eviction on your behalf, we will discuss those details, who the attorney is and what their fees are with you at that time.

Company Policies

It is critical that LA Lux follow all local, state and federal legislation and guidelines. Our company takes pride in our industry, and we further implement guidelines and policies of several organizations, such as the National Association of Residential Managers (NARPM), the National Association of Realtors (NAR) + the Apartment Association of Greater Los Angeles (AAGLA). Additionally, we train all personnel by requiring them to read our own Management Policy and Procedures Manual and to stay in compliance with all laws and regulations.

Department of Real Estate Requirements

The California Department of Real Estate (DRE) requires licensing for all persons conducting Property Management and Real Estate Sales in our state, and furthermore, any operations personnel who have access to our trust accounts, must also be licensed. LA Lux requires all personnel that are Brokers, Property Managers, Branch Managers and Real Estate Agents to have a California Real Estate license.

Legislation

LA Lux adheres to the laws and guidelines of federal, state and local legislation, and incorporates this into all documentation, policies and procedures. Here are some of the agencies and acts LA Lux follows:

- > Equal Opportunity – LA Lux is an Equal Opportunity employer.
- > Fair Housing (HUD) – LA Lux supports and follows Fair Housing laws and guidelines
- > SCRA Act – Serviceman’s Civil Relief Act, which has replaced the Soldiers’ and Sailors’ Act of 1940.
- > URLTA – Uniform Residential Landlord-Tenant Act.
- > FCRA – Fair Credit Reporting Act
- > FTC – Fair Trade Commission.
- > EPA – Environmental Protection Agency.

Lead-Based Paint

Lead-based paint became a major issue in the 1990s that prompted mandatory requirements for residential housing and still continues today. LA Lux follows all mandated federal and state guidelines for lead-based paint. All properties built prior to January 1, 1978 require disclosures to all tenants. Tenants sign lead-based paint disclosures prior to renting a property and LA Lux provides them with the required EPA Pamphlet, Protect Your Family from Lead in the Home. Property owners and/or Property Managers must also notify tenants, in writing, of any scheduled work necessary for lead-based paint on the property. Legislation now provides that owners and managers must use certified vendors to work on lead-based paint.

Mold

LA Lux regards mold issues as a top priority in property management. Owners should be aware that mold is another leading issue in the property management industry and failure to act if tenants report or discover mold can lead to costly lawsuits. Several cases regarding mold have resulted in millions of dollars in damages being awarded to tenants.



Bed Bugs

Bed bugs can be a serious issue in rental units, and owner(s) must disclose the existence of them, and eradicate them in compliance with state law if they infest the property.

Assembly Bill 1482

California state law requires the owner to disclose to the tenant if the rental property qualifies for the Tenant Protection Act of 2019 (AB 1482) and whether the tenant qualifies for annual rent caps and just cause eviction. LA Lux will enforce any tenant rights protected by state law. AB 1482 is a newer State law that went into effect on January 1, 2020.

--> Requires a landlord have a "just cause" in order to terminate a tenancy.

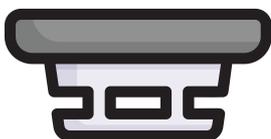
--> Limits annual rent increases to no more than 5% + local CPI (Consumer Price Index), or 10%, whichever is lower.

--> It applies to some units that are not already subject to the City of Los Angeles's Rent Stabilization Ordinance (RSO).

--> It does not replace, amend or remove the Rent Stabilization Ordinance (RSO). If a unit is already covered by the Los Angeles City's RSO eviction and rent increase regulations, the units remain subject the City's laws and the statewide law does not remove or replace the RSO tenant protections.

Water Heater, Smoke & CO2 Detectors

California state law requires water heaters to be strapped properly, and carbon monoxide and smoke detectors to be installed in a manner consistent with state law. LA Lux will comply with these regulations.



Legal Action

Although LA Lux works diligently to avoid the necessity to begin a legal action, such as an unlawful detainer or eviction proceeding, it can happen. In the event any legal action is required, LA Lux will contact the owner prior to taking action, discuss the situation and obtain owner authorization.

Co-Signers

LA Lux does not normally accept guarantors. All applicants should have the ability to rent on their own on their own merits. However, there are occasions that may warrant taking on a co-signor on a property. LA Lux will notify the owner, discuss the reasons + obtain owner authorization prior to any approvals.

Security Deposits

Security deposits will be collected via tenant portals through our management software, Buildium. We require all funds paid in full prior to taking possession of the property. It is company policy to collect one month's rent as the security deposit for an unfurnished property and two month's rent for furnished properties. There are times when an applicant may have ample income, but a low credit score, which we may approve, as long as we collect two month's rent for an unfurnished property + three month's rent for a furnished property.

Move In Inspection

LA Lux requires tenants to provide a list of items with photos within 3 days of move-in for any condition of the premises that they want to document as pre-existing. These will be used at move out to verify normal wear + tear already present at the time of move in from potential damage or excess wear + tear of the tenants doing + responsibility

Pets

If pets are allowed on the premises, LA Lux requires the following:

--> Applicant must submit their pet information to Petscreening.com. There is a small fee per pet (\$20 for the first pet, \$15 for each additional pet and \$0 for service/comfort animals).

--> The site requests the following information: Type of Breed, Weight, Vaccination History, (If Applicable) Certification of Service/Comfort Animal from a Legitimate Source.

--> Based on this data, the site generates a "paw" score from 1 (worst) to 5 (best).

--> Below are the charges we apply to properties with pets (these amounts go direct to you, the Owner, for the additional wear + tear and potential damage that can be caused by pets):

Small Dogs

Increase deposit by \$500

\$50 pet fee charged per month

Large Dogs

Increase deposit by \$1000

\$100 pet fee charged per month

Cats

Increase deposit by \$250

\$25 pet fee charged per month

LA Lux will review requests for other pets and discuss with owner prior to approval. Custom increases in deposit + monthly fees can be decided at that time if the owner approves.

LA Lux does not charge a separate "pet deposit" and instead does an increase in deposit, because when using a pet deposit, the landlord must show proof that the damage being deducted from the pet deposit was due to the pet specifically. This is hard to

prove. With an increase in deposit, we can ensure that we're able to use the increased amount for any damage at the property without having to prove it was because of the pet.

Many tenants have or want pets and it is estimated that 70% of all households have a pet. While many property owners prefer not to have pets in their property, it can greatly limit the amount of leads we receive for your property and lessen the potential tenant pool for your property. Many times, if an owner does not allow pets, a potential renter may get a pet without permission. While we can service a 3-day notice to the tenant for breach of lease, if they don't vacate, we have to go through eviction & don't have an increased deposit or monthly pet fee.

It's important to note that there are certain breeds that may be restricted by your insurance. Please notify LA Lux of any restrictions on your insurance policy prior to listing your property so we can field potential applicants.

Service, Comfort and Emotional Support Animals are not considered pets by Federal law, and owners cannot discriminate against handicapped/disabled persons with a service, comfort or emotional support animals. Fair Housing legislation does not allow owners or property managers to collect additional deposits or fees of any kind for these animals.

Tenants are required to carry insurance that covers their pet.

Tenants will sign a pet addendum as part of their lease agreement.

Any tenant who leaves pet waste behind on the property will be charged \$100/per pick up, per area.

LA Lux can terminate an authorized pet based on nuisance to other residents ie: excessive barking - tenant may remove the pet permanently or send to a pet daycare during the day. As long as the tenant resolves any issues surrounding their pet, the pet may remain in the residence.

Collecting Rent

Rents are due on the 1st of the month. Our software, Buildium, sends rent reminders starting on the 25th of the previous month. We give tenants a 3-day grace period (this INCLUDES weekends + holidays) to make their rent payment. If rent is not received by the 3rd of the month, a late fee is charged on the 4th with a reminder email to the tenant to make their rent payment. A "3-Day Notice to Quit or Pay" will be posted on the 5th if rent payment has still not been made.

Notice to Quit or Pay Rent

If LA Lux does not receive rent by the 5th of the month, we prepare and deliver a timely 3-Day Notice to Quit or Pay, as the law allows. LA Lux makes every effort to mail and post notices properly should legal action be required. If LA Lux determines the tenant is not going to pay rent during the notice to pay or quit period, or shortly thereafter, we will contact the property owner and work out a plan of action leading to possible eviction.

Other Notices

All tenant violation notices will be served in person at the property + mailed. LA Lux conducts all other notices such as a notice to enter the property or a notice to perform an inspection electronically. If a tenant requires a notice to be posted on their door + mailed, LA Lux will charge the tenant \$25 per posting + mailing.

At the end of the year, LA Lux is required to file 1099's for income received over \$600. Please note that this amount is for "total income received", and not the yearly total of owner disbursements. The Internal Revenue Service dictates the "total income received" requirement. Please note that the security deposits are not included in this amount.

It is required that you supply LA Lux with a W9 with the necessary Social Security/Tax ID information so the 1099 is accurate. We will send the 1099 for the rent by January 31 for the previous tax year. If there is a change in your tax information such as a new trust or address, please notify us + supply us with the correct documentation. If you need another W9 change form, please contact us.

LA Lux also issues 1099s for disbursements to vendors for work over \$600. Therefore, owners do not have to issue 1099s for work completed and paid through our trust account. Owners are responsible for issuing 1099s to any vendor paid through the owner's personal account.

The last statement of the year will reflect "total amounts" for income and expenses that have transpired throughout the year, such as management fees, leasing fees, landscape, utilities, repairs and maintenance, etc. The amounts will not reflect any funds issued through the owners personal account. Owners can submit their last statement to their tax professional along with other information for income tax reporting. LA Lux does not issue statements to the owner's tax preparers.



Trust Funds

When you enter into a management agreement, LA Lux assigns an account for you and your property. We recognize the importance of accurately collecting and disbursing funds. Our software, Buildium, is designed to handle the many aspects of property management and accurate record keeping, and complies with the requirements of the Department of Real Estate.

Banking

LA Lux maintains trust accounts with Enterprise Bank & Trust. All rents and security deposits reside in this account. Each owner is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. After rents are received, we forward the owner proceeds after our management fee and any monthly expenses have been deducted. All security deposits remain in this trust account & are accounted for separately from operating funds in Buildium. Once a tenant vacates your property, we disburse the balance of this security deposit back to the tenant within 21 days after any deductions for damage beyond normal wear and tear and other tenant caused expenses.

Monthly Statements

You will have access to our management software, Buildium, through your Owner Portal to view monthly reports. There are many reports that we can provide to you, including (but not limited to):

Disbursement of Monthly Funds

LA Lux disburses available funds to owners no later than the 10th of each month. LA Lux does not disburse funds on the weekend or holidays, and we do not issue owners checks or ACH payments unless there are sufficient funds in the owner's account. It is required that you maintain a reserve fund in your rent account to cover any unexpected repairs or maintenance. LA Lux disperses rent proceeds via ACH direct deposit – proceeds directly disbursed into an owner's bank account and provides the monthly accounting report via the Owner Portal through Buildium.



Buildium®

Accounts receivable summary

Summary of all transactions affecting the Accounts Receivable balance as of a specific date.

Budget vs. actual

Compare budgeted amounts to actual income and expenses.

General ledger | Consolidated

Debit and credit transactions by property during a specified time frame.

Management income

Income and expenses paid to the management company by property during a specified time frame.

Balance sheet | Consolidated

Assets, liabilities, and equity by property as of a specific date.

Cash flow statement | Consolidated

Changes in cash by property during a specified time frame.

Income statement | Consolidated | Detailed

Income and expenses by property during a specified time frame.

Property statement

Beginning and ending cash balances by property during a specified time frame.

Rental owner ending balances

Rental owners' ending asset balances, including property reserves and held liabilities by property as of a specific date.

Trial balance | Consolidated

Debit or credit balance by account during a specified time frame.

Rental owner statement

Rental owners' beginning and ending cash balances by property during a specified time frame.

Vendor ledger

Bills and payments charged to specific vendors during a specified time frame.

Leasing Process

WALKTHROUGH: LA Lux will walkthrough your property and suggest potential cost effective improvements to maximize rent value + provide quotes for the work with our vendors + maintenance team. If there was a tenant in the unit previously, we will complete a thorough move out inspection to include a full report with notes + photos.

MAINTENANCE + REPAIRS: LA Lux will oversee all work to ensure it is completed correctly, on-time + within budget. We will gather any invoices + photos for items that should be charged to a previous tenant via their security deposit + complete a final accounting + return funds as needed. We will also schedule a cleaning service to prep the property for showings + move in.

MARKET ANALYSIS: LA Lux will complete a Comparative Market Analysis to determine highest possible rent to be achieved while confirming property is priced right for the market. Our goal is to minimize down-time to keep cash flow moving.

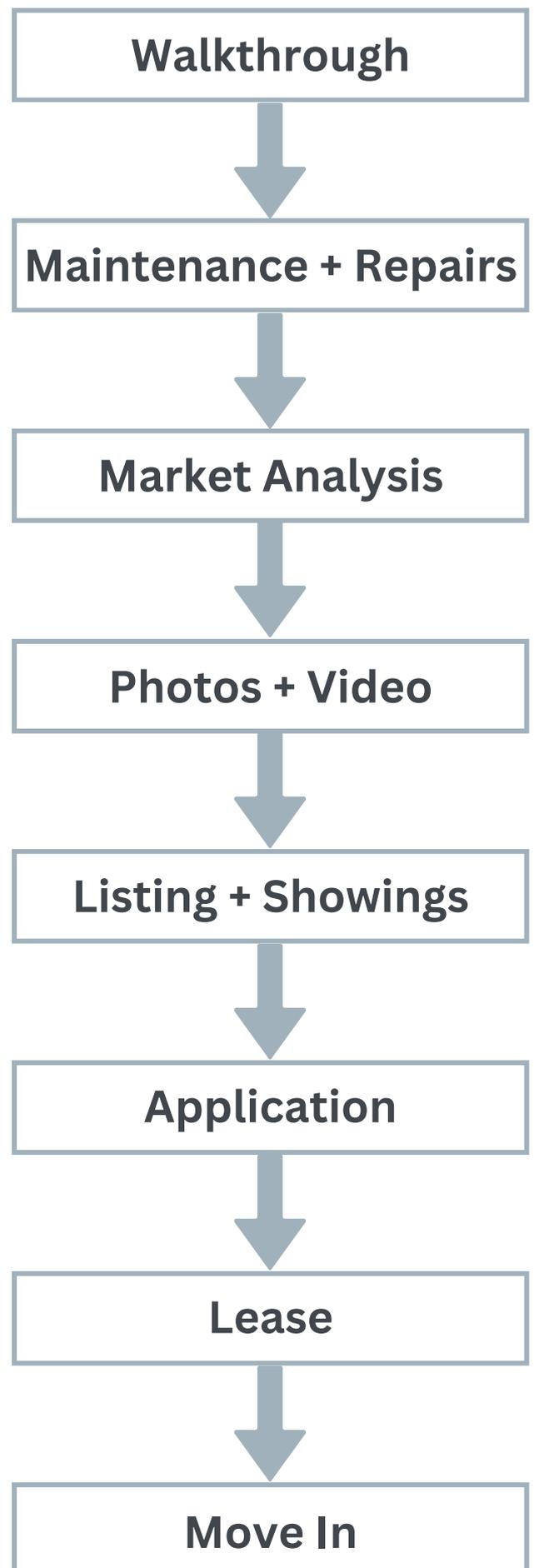
PHOTOS + VIDEO: LA Lux will schedule photos + video for marketing purposes with our in-house creative director. We may recommend staging or virtual staging as appropriate.

LISTING + SHOWINGS: LA Lux will list + market your property on the MLS + other rental sites including: apartments.com, Zillow, Trulia, HotPads, etc. We will market on our website, social media + to our database of over 5,000 potential renters. Follow up with leads + conduct showings.

APPLICATION: LA Lux will secure a viable tenant through a complete online application with extensive credit + background check, financials + ID. We require a minimum credit score of 650 and 2.5x the rent in income. We follow up with current landlord + verify employment. Our application provides eviction + criminal records. Any tenants with pets are required to register their pet through PetScreening.com.

LEASE: LA Lux will execute the lease agreement + collect move in funds.

MOVE IN: LA Lux will conduct move in with the new tenant. We ensure the tenant has met our insurance requirement + transferred any utilities into their name prior to move in.



Maintenance

LA Lux requires all tenants to report maintenance issues immediately. This is so we can best protect your property from larger, more serious maintenance issues. We want to know right away if a toilet is leaking so it's not left for a long period of time to cause damage the floors, creating a larger expense.

Tenants submit their maintenance requests through our management software, Buildium, so we can keep a record of all maintenance issues and resolve them quickly. This also allows us to track on-going maintenance issues, such as drain clearings which could mean a hydrojetting for the property may be needed to prevent repeated expenses & future damage.

Once a tenant submits a maintenance request, our team assigns it to one of our vendors. If it is a simple job, the vendor goes out to the property, makes the repair & we pay the invoice on your behalf. For more serious or complicated repairs, we will contact you, the owner, present multiple bids for the work to be done and discuss the options with you.

Vendors

LA Lux has an extensive list of vendors we use regularly for our properties. Because of the volume of business they receive from us, we usually get the best + sometimes discount pricing in return. We pass those savings directly onto you, the owner. LA Lux does not participate in any mark ups or benefit in any way from using these vendors. If you have your own vendors you'd like to use for your property, we are happy to coordinate with them for any maintenance or repairs on your property. LA Lux requires all vendors to carry their own liability insurance policy & we keep record of these policies + maintain current copies. All of our contractors are licenses + insured.

Tenant Responsibility

LA Lux holds tenants responsible for maintenance issues they cause. Tenants are provided with details in their lease agreement, ie. items that cannot be placed in the garbage disposal. If it is determined that a tenant has placed these items in the disposal which caused damage, we require the tenant to pay for the repair.

Emergencies

Tenants have emergency numbers they can call for after-hours & weekend emergencies. Tenants are advised to call 911 for true emergencies, however, should there be an emergency such as a pipe burst, they are given instructions on what to do and who to call. We will notify the property owner as soon as practical. The nature of the emergency determines the action needed by LA Lux.

There are times when we must act quickly in order to prevent great financial risk to the owner. For example, when a property is flooding, action is necessary, particularly if the property owner is not immediately available. In the event that we cannot reach you, we will use our best judgement to get the situation under control until we are able to discuss options with you.



New Management Checklist

- Signed Management Agreement
- Copy of Owner's W9
- Copy of Owner VOID Check for Rent Proceeds
- Tenant Directory (phone numbers, emails, etc.)
- Copies of Most Recent Bills to be paid by LA Lux + Online Logins
 - Mortgage
 - Gardener
 - Gas
 - Water
 - Security
 - Insurance
 - Pool
 - Power
 - Trash
 - Internet
 - Property Tax
 - RSO + SCEP
 - Pest Control
 - Cleaners
 - Other: _____
- Copy of Parking Map (Multi-Family Properties)
- Recent Rent Roll (Unit #, Tenant Name, Bed/Bath Count, Rent, Monthly Charges, Move In Date, Past Due Balances, etc.)
- Copy of Tenant Leases
- Notices to Tenants (Rent Increases, Complaints, 3-Day Notices, Late Rent, etc.)
- Form 590 for out of state owners
- Copy of Keys, Remotes, Fobs, codes, etc.

1. Which utilities are paid by owner?

2. Tenant Complaints or Difficult Tenants?

3. Are there any lawsuits that you are currently litigating, or in the past with a current tenant? Have there been any threats of lawsuits in the past 12 months? YES NO

Notes: _____

4. Are there any evictions pending or need to be filed? YES NO

Notes: _____

5. Are there any tenants claiming that they are dealing with mold now or in the past 12 months? YES NO

Notes: _____

6. Are there any recent or upcoming city inspections? YES NO

*If yes, please provide a copy of the inspection report.

Notes: _____

7. Is the property under rent control (RSO)? YES NO

*If yes, please provide a copy of the most recent RSO Certificate

8. Do you allow pets at your property? YES NO

10. Please list any pending maintenance for the property:

Ownership Information

Name: _____

Address: _____

Phone Number: _____

Email: _____

Name: _____

Address: _____

Phone Number: _____

Email: _____

Insurance Information

As property managers, we must be added as an additional insured + covered for liability on your policy. This is a standard practice and will not increase your premiums. Please provide us with a copy of your revised insurance Declaration Page.

Insurance Provider: _____

Policy Number: _____

Agent's Full Name: _____

Phone: _____

Email: _____

Have you had any claims in the past 12 months? YES NO

*If yes, please explain: _____

THANK YOU



Thank you for giving us the opportunity to serve you!

Contact Us

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