

Landlord Leasing Transaction Guide

This document will serve as an outline for an agent representing a Landlord in the leasing of a rental property. The information, steps and procedures in this document are meant to be comprehensive for all types of rental properties. Every single step may not be required for every type of transaction. Just ignore those items that do not apply for a particular property type or situation.

This document starts at the point when your customers(a property owner) has decided they want to lease (rent) a property they own. It will guide you through the transaction until you can receive your commission check.

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Transaction Phases:

There are 5 phases to a Landlord leasing transaction. Listing, Offer, Negotiation, Approval and Possession.

Listing - When a property owner comes to you asking you to find a Tenant for their property, you must have them sign a listing agreement which spells out which property, how much they want to lease it for, how long they want the lease to be and what they are willing to pay for commission.

Offer - This is when an agent collects and completes the forms and paperwork needed to present to the Landlord so that the property owner (the Landlord) can approve the Tenant. This document will refer to multiple occupants as Tenant.

Negotiation - Once the Landlord has reviewed all the documents, they can either accept the Tenant's offer, reject the Tenant's Offer or negotiate on any of the terms in the Contract to Lease. Should there be any changes to the Contract to Lease, make sure both parties initial any changes and date the initials so everyone knows when they were accepted. It may be necessary for a new Contract to Lease to be made up that incorporates all the changes to have a cleaner, easier to understand document.

Approval - This is when the Landlord approves the Tenant. If there is a condo association or homeowner's association, the Tenant will be expected to complete their rental approval application process. As the Listing Agent, having the association's contact information and application available to give to the Leasing Agent or the Tenant will greatly help to facilitate the transaction.

Possession - This is the day that the Tenant takes possession of the property. On this day, the Tenant will exchange "Cash For Keys". That is to say, the Tenant delivers the rest of the funds required to take possession of the property and they are then given the keys to the property. Once the Tenant has possession and the Walkthrough form is submitted to the transaction management system, Castelli's accounting department will release your commission check.

Parties involved:

Party/Person	Responsibility
Listing Agent (Yourself)	You are the agent helping the Tenant find a place to lease. It is your task to help educate the Tenant, make sure all required documents are completed and delivered in a timely manner and to verify that other parties are completing their tasks on time.
Landlord	The owner of the property that is looking for a tenant.
Tenant	These are the people looking for a place to rent.
Leasing Agent	This is the agent who is working with the Tenant that wants to lease your listing. We are permitted to work with a Tenant who wants to make an offer on a listing that you have. You just need to make sure you disclose this fact to all parties involved.
Condo/Home Owner's Association	If the property is governed by an association, be whether it is a Condominium or a Home Owner's association, this body of people will generally have the right to approve the Tenant to lease the property given the guidelines outlined in their association's documents. Very often you will have to work through the company they have hired to manage the property.

Most Commonly used Forms and Documents are:

Document Name	Found At	Completed By	Sent TO	Description
Exclusive Right to Lease Agreement	Transaction Desk, Form Simplicity	Yourself, signed by the Landlord	Office transaction management system.	This is the contract where the property owner gives the listing agent permission to find a tenant and the compensation given for this.
Contract to Lease	Sent to you from the Leasing Agent	The Leasing Agent, signed by the Tenant and the Landlord. This is part of the offer.	The Tenant, the Leasing Agent, Office transaction management system.	This is the contract used to outline how the Tenant wants to structure their lease of the property. When signed by both parties, Tenant and Landlord, it is a binding, legal contract.
Deposit Check equal to one month's rent plus Castelli Fee.	The Tenant's financial institution or money order issuer	Tenant	The Tenant, the Listing Agent and Office transaction management system.	The deposit funds are collected when the Tenant signs the Contract to Lease. Proof of the deposit (copy of the check or escrow letter) is to be included with the documents sent to the Listing Agent. Generally, it is from these funds that the real estate agents commissions are paid. When working with a Landlord, you'll have to collect the Castelli Transaction Fee separately from the Landlord.
Castelli Real Estate Contract Info and Escrow Deposit	Transaction Desk, Form Simplicity	The Leasing Agent	Office transaction management system when the Contract to Lease is sent to the Listing agent.	This is the form sent to the transaction management system that summarizes the terms of the contract and any related escrow deposit made into Castelli's escrow account

Document Name	Found At	Completed By	Sent TO	Description
Escrow Deposit Letter	Office transaction management system or Title/ Closing Company	Office transaction management system or Title/ Closing Company	The Tenant, the Listing Agent.	This letter is proof that the Tenant have deposited funds into an escrow account as required by the contract. Very often a copy of the check or money order from the Tenant is sufficient.
Lease	Transaction Desk, Form Simplicity	Yourself, signed by the Landlord and Tenant.	The Tenant, the Listing Agent and Office transaction management system.	This is the document that structures how the property is rented to the tenant, and how much they will pay for the use of the property
Condo/ Homeowner's Association purchase/leasing Application and associated documentation	The Association or their Management Company	The Tenant should completely fill this in, supply all required documentation and submit all this with the required fee to the association/ management company for leasing approval.	The Association or their Management Company	When a property is governed by an association that requires they approve the Tenant, this is the application and instructions that must be completed and all requested documents attached so that the association can go through the process of approving the Tenant to lease this property.
Condo/ Homeowner's Association Leasing Approval	The Association or their Management Company	The Association/ Management Company.	The Tenant and Listing Agent.	This is the document that shows the Tenant have been approved to lease the property.
Possession Funds	The Tenant's financial institution or money order issuer.	Tenant	Listing Agent or Landlord.	This is the cashier's check or money order made out to the landlord that the Tenant brings when they take possession of the property.
Castelli Real Estate Check Request Form	Transaction Desk, Form Simplicity	The Leasing Agent	Office transaction management system.	This form is completed and sent to the transaction management system when the walkthrough has been turned in. The listing agent's check will not be released until until the completed walkthrough has been turned in.

Document Name	Found At	Completed By	Sent TO	Description
Walk Through Inspection	Transaction Desk, Form Simplicity	The Leasing Agent	The Tenant and Office transaction management system.	This form shows any issues that may exist in the property at the time of possession. When the Tenant leave the property, they can use this form to not be held accountable for pre-existing issues.

Information needed to complete a Rental Listing Agreement:

Exclusive Right to Lease Agreement	Section	Description	Found At
Owner's name, Listing Agent's name.	Top of page 1	The name of the property owner and the agent listing the rental.	BCPA.net and Listing Agent (you)
Authority to Lease Property	1	Enter the start date and end date of the listing agreement.	Landlord and Listing Agent (you).
Description of Property	2	(a) Enter the address of the property. (b) Enter Landlord's personal property to be leased with the property. This includes appliances, furniture, etc. (c) Check this box if the property is currently occupied and when the lease expires.	Landlord.
Rental Rate and Terms	3	(a) Rental period and rate. (b) Advance rents, deposits and fees. This is where the Landlord tells you how much deposits are and where they are to be held. Almost always it's a non-interest bearing account. (c) Taxes. (d) When is the association application to be made.	Landlord.
Broker Obligations	4	Check the appropriate boxes for each item.	Landlord and Listing Agent (you).
Owner Obligations	5	Mostly informational for the Landlord. Enter how many of each key type the Landlord will give to the Listing Agent for the purposes of showing the property.	Landlord.
Compensation	6	Almost always check the box for 100% of first month's rent. How is the Castelli Transaction Fee to be paid. Protection Period, how many days after the listing expired is the agent due a commission if the Landlord should lease to anyone that was communicated with while the property was listed with the agent. Usually 60 days.	Listing Agent (you).
Cooperation and Compensation with other Brokers	7	Almost always 1/2 Month for tenant's agents who represent the interest of the tenant and not the interest of the Owner and 1/2 Month to transaction brokers for the Tenant.	Landlord and Listing Agent (you).

Exclusive Right to Lease Agreement	Section	Description	Found At
Early Termination	8	Should the Landlord want to cancel the listing before the end of the period in section 1, what fee will the Landlord pay to the Broker.	Landlord and Listing Agent (you).
Dispute Resolution	9	It is always recommended that the Landlord and Listing agent initial this section	Landlord and Listing Agent (you).
Brokerage Relationship	10	Almost always check the box for Transaction Broker	Listing Agent (you).
Additional Clauses	11	If there is anything that the Landlord feels needs to be said that isn't already in the Listing Agreement. This should be discussed with the Broker or Sales Manager prior to entering on the document.	Landlord and Listing Agent (you).

Information needed to complete a Lease:

Contract to Lease	Section	Description	Found At
Listing Agent's Name	Page 1	The names of the Listing Agent filling in the Lease form.	Listing Agent (yourself)
Term and Parties	I	<ol style="list-style-type: none"> 1. What is the term of the lease in Months. 2. Starting date and ending date of the lease. 3. Landlord and Tenant's names. 4. Landlord and Tenant's contact information (Email and Phone). 	Contract to Lease and Listing Agreement.
Contract to Lease		Description	Found At
Property Rented	II	<ol style="list-style-type: none"> 1. Unit number of the property being rented (if it's a SFH, leave blank). 2. Property Address. 	MLS, Contract to Lease.
Rent Payments and Charges	IV	<ol style="list-style-type: none"> 1. Amount of each monthly payment of the rent. 2. The day of the month it is due. 3. If the lease is for 6 months or less, then also enter the amount of taxes also being paid with each payment. 4. If the tenancy starts on a day other than the first day of the month, prorate based on a 30 day month (always). 	Contract to Lease and Landlord.
Deposits, Advance Rent and Late Charges	V	Complete each area for the type of payment as in first month, last month, security deposit, pet deposit, late charges, bad check charges	Contract to Lease and Landlord.
Security Deposits and Advance Rent	VI	<ol style="list-style-type: none"> 1. If rent and communications to the Landlord are to go to someone other than the Landlord Directly, enter their name and address here. 2. Verify each option for the checkboxes for rules for common areas, pet deposit, smoking. 	Landlord
Maintenance	IX	<ol style="list-style-type: none"> 1. Please a checkmark by the party responsible for each type of maintenance item. if items doesn't exist at the property, lease that checkbox blank. 2. Enter the amount for Major item cost to exceed. 	Contract to Lease and Landlord.

Contract to Lease	Section	Description	Found At
Utilities	X	Enter the utilities that the Tenant is NOT responsible for. In condos or apts, usually Water, Sewer and Trash Removal. In single family homes and most townhomes, leave blank. This will depend on the property and Landlord	Landlord
Assignment and Subleasing	XVI	Only check this box is tenant is allowed to sublease or assign the lease. Very rare.	Landlord.
Approval Contingency	XX	<ol style="list-style-type: none"> 1. Check the box showing who is to pay the association application fee (almost always it's the tenant). 2. Check the box showing who is to pay the association security deposit (sometimes the Tenant, sometimes the Landlord, depends on the situation). 	Landlord.
Lead Based Paint	XXI	<ol style="list-style-type: none"> 1. Check this box is the property was built before 1978. 2. Rarely does the Landlord have any knowledge of the presence of lead based paint, almost always check (a)(ii). 3. Rarely does the Landlord have any reports on the presence of lead based paint, almost always check (b)(ii). 	Landlord.
Tenant's Personal Property	XXV	Rarely do Landlords want to accept the responsibility of holding or disposing of a Tenants personal property that may be left in the unit when possession is given back to the Landlord. Almost always check this box.	Landlord.
Who completed the form	Page 6	Almost always the Listing Agent unless they have an associate do it for them.	Listing Agent (yourself)
Early Termination Fee	Page 7	Check the appropriate box as to whether the Landlord will allow the Tenant to get out of the lease before the full term and what the termination fee would be.	Landlord.
Florida Residential Landlord and Tenant Act	Pages 8 - 18	Each of these pages are to be initialed and included in the lease so that both parties are made full aware of the Act governing tenancies here in Florida	

Transaction Steps:

This is an outline of the tasks needed to be done from writing up a Contract to Lease, presenting it, getting it accepted and seeing the transaction through to possession. There can be less or more items depending not the requirements of the property and the type of property being leased.

Done	Task
	Have Landlord sign Exclusive Right to Lease Agreement.
	Collect keys to the property.
	If possible, arrange for a sign to go up on the property.
	Take pictures of the property.
	Get association contact information and application to give to perspective Tenant.
	Enter listing into the MLS
	Submit Castelli Listing Sheet, Listing Agreement to the Transaction Management System.
	If appropriate, put a lock box on the property.
	Show property as requested.
	Receive Contract to Lease and associated documents.
	Present Contract to Lease and associated documents to the Landlord for their approval.
	Communicate Landlord's decision to the Leasing Agent, Yes, No, Negotiate.
	If yes, create Lease and get Landlord's signature on Lease and Contract to Lease.
	Send Lease and Contract to Lease to the Leasing Agent.
	If appropriate, send association application to the Leasing Agent.
	Update the MLS listing to Pending.
	Submit the Lease, Contract to Lease and Castelli Contract Info and Escrow form to the Transaction Management System.
	Verify the Tenant has submitted the association applicant to the association.
	Verify the Tenant has been approved by the association and get approval form.
	Verify that the tenant has arranged to have utilities turn on in their name.
	Schedule date and time for walkthrough with yourself, tenant, Leasing Agent and/or landlord.
	Verify the Tenant is to bring possession funds (rent proration, security deposit, last month's rent, pet deposit, etc.) in cleared funds made out to Landlord or Landlord's designee to walk through and the that Leasing agent has a check for Castelli Real Estate.

	Tenant pay condo security deposit, key deposit, moving in deposit, etc. to Assoc if applicable
	Listing Agent to bring door key, mailbox key, gate access device/code, laundry key, storage key, etc. to walk through.
	Walk through on day of move in.
	Walk through form signed by tenant and landlord or designee.
	Signed walk through, etc. to Transaction Management system.
	Lockbox off property.
	Sign down from property.
	Get Commission.