SCOPE OF Services

Before You Rent Your Property

Free Market Analysis- One of our skilled property managers will look up the market's most recent rental comps through a variety of outlets to determine your property's rental value.

We use real market data through the Carolina Multiple Listing service of similar properties in your general area, specific area and your neighborhood.

Seeing the property in person to helps determine exact value.

We always try to set the highest rental amount possible while being realistic to get your property rented quickly.

Advertising Your Property For Rent

We use a Variety of Marketing Outlets Including but not Limited to:

• MLS - Marketing targeted specifically for other Realtors. This advertisement reaches a different scope of clients represented by other real estate agents. When properties are offered on the MLS, we offer a 15% one time co-broke fee. This gets paid only if another agent brings us the tenant who ends up signing the lease. We expense it out of your first month's rent and you never have to worry about it again!

Yard Signage

• Heavy Internet Marketing Powered Through Appfolio Property Management - Rentals.com, Rentbits.com, Oodle.com, Hotpads.com, Rentalads.com, Rentmyhome.org, Hometownrent. com, Vast.com, Googlebase.com, Condo.com, Cazoodle.com, Rentlizard.com, Tenant.com, MyNewPlace.com, Socialserve.com, Rentlinx.com, Apartment.com, OLX.com, RentJungle.com and over 100+ Rental Websites

• Web Marketing Integration -We can fill vacancies faster and easier with AppFolio's Web Marketing Integration. Eye-catching vacancy advertisements are posted to Craigslist, the #1 rental listing website, your website, and to dozens of sites on the internet, directly from AppFolio. Prospects can fill out an application accessible through our Craigslist posting, giving us the competitive edge.



Web Marketing Integration

<Vacancy Posting Email - In Manage My

Settings>

www.YourCompany.com

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Terms

Application Fee: \$35.00 Available On: 07/01/2012



Management Services

Managing the Tenant

Lease Signing - We use the North Carolina Residential Rental Agreement. This lease can only be used by licensed real estate agents. It is a more specific lease which has special language to protect the landlord from certain liabilities. This lease also "waives notice." This means if we ever had to file eviction on a tenant we can file with the magistrate immediately and do not have to provide a 10 day certified notice. Most leases are 12 month terms. We do negotiate all long term and short term leases. If the owner has a specific request they would like included in the lease we are not opposed to adding special terms.

Obtaining Security Deposit - Upon lease signing we also collect security deposits. The security deposit required is typically 1 month's rent. This is held in our trust account until the tenant moves out. Upon moving out, we will conduct a move-out inspection to determine if the tenant created any damages within the property that should be deducted from the security deposit.

Nonrefundable Pet Fees - If the owner is willing to allow pets in the property we require the tenant to pay a \$300 nonrefundable pet fee per pet. This fee is due upon lease signing and is credited to the owner on their first pay-out. The owner can do what they want with this fee and does not have to give it back upon the tenant's move-out. Applicants are also required to pay a \$75 application screening fee for their pets as well as register each pet on petscreening.com. All fees associated with applying and registering their pets are credited to AM Realty.

Move-In Inspection -Upon moving a new tenant into a property we conduct a move-in inspection. We physically walk through each room with the tenant and document any damages that were in the property prior to the tenant moving in. If the property was in brand new condition that is also noted on the move-in inspection form. If pictures are needed we obtain photos and store them in our software system with the appropriate property.

Collecting Rent -Rent is due between the 1st and the 5th of the month. If the tenant moves in halfway through the month their first months rent would be prorated from the date of move in to the end of the month. On the 6th if the tenant has not paid their rent they will be assessed a 5% late fee, receive a late notice and the owner is notified.

The tenants are allowed to pay their rent in a variety of ways:

- 1. Online Payments through Appfolio Property Management makes it easy for tenants to pa their rent. The faster they get the funds to us the faster we get them to you!
- 2. Credit Card Payments over the Phone
- 3. Check or Money Order

Resident Screening

Built in Resident Screening is centralized in AppFolio saving us even more time and helping to attract better residents. Applicants can easily be screened and results are returned within seconds, rather than hours. Our new easy-to-read Screening Report allows us the unique opportunity to choose the most qualified resident for your property.

TENANT SCREENING REPORT

| IAME | | | | | | | | | | |
|--------------|--------------------------------|---------------------|-----------|------------|-------------------------|-------------|-------------|-----------------------|------------------------|--|
| | | SSN | | 1 | 31-41-XXXX | | | | VERIFIED | |
| Less Halls | Deese | DOB | | | 0-10-1962 | | | | | |
| Juaitr | Reese | CURRENT ADD | RESS | 1 | 29 Horseshoe | Bend St Sar | Marcos, T | X 90519 | | |
| | | PREVIOUS ADD | DRESS | 2 | 0406 Rustwood | d Way Humt | ole, TX 773 | 38 | | |
| CREDIT SUM | MARY | | | | | | | | | |
| FICO Score | The credit report includ | es TOTAL TRADE | | TOTAL L | | DELINQUI | | ACCOUNTS | | |
| 519 | 17 potentially negative | 21 (11 Open) | 8 | 9 | 15 | 30+ DAYS | | | 3 | |
| 010 | item(s). | | | | | 60+ | 5 | | | |
| | | MONTHLY PAY | MENT | TOTAL P | | 90+ | 43 | | COLLECTIONS BALANCE | |
| | | \$534 🛞 | | \$14,43 | 7 | | | \$4,026 | | |
| | NEGATIVE TRADES SUMMARY | (17) | | | | | | | | |
| | CREDITOR | TYPE | DATE | STA | TUS | | HIGH | PAST DUE AMOUNT | GURRENT | |
| | CHASE | Revolving | 12-2010 | Cha | inged Off To Bad | Debt | \$7174 | \$7174 | \$7174 | |
| | UNIVERSITY OF PHOENIX | Installment Account | 11-2010 | Cha | irged Off To Bad | Debt | \$4199 | \$4199 | \$4199 | |
| | LVNV FUNDING LLC | Installment Account | 12-2010 | Cha | irged Off To Bad | Debt | \$2318 | \$2914 | \$2914 | |
| | TXU ENERGY | Installment Account | 10-2010 | Cha | irged Off To Bad | Debt | \$150 | \$150 | \$150 | |
| | WY HY FEDERAL CREDIT U | Installment Account | 11-2010 | Cha | irged Off To Bad | Debt | \$7698 | 3 - | \$7071 | |
| | AFNI, INC. | Collection Account | 03-2010 | In C | ollections | | \$191 | | \$191 | |
| | NCO FIN/22 | Collection Account | 01-2009 | In C | cllections | | \$952 | - | \$98 | |
| | COLLECTION CENTER OF W | Collection Account | 08-2008 | In C | ollections | | \$164 | : | \$164 | |
| | COLLECTION CENTER OF W | Collection Account | 08-2008 | In C | collections | | \$210 | | \$210 | |
| | ASSET ACCEPTANCE LLC | Collection Account | 04-2008 | In C | cllections | | \$936 | - | \$1,150 | |
| | | | | | | | | <u>91</u> | iowing 10 of 1 | |
| | | | | | | | | | | |
| EVICTION HIS | STORY | | | | | | | | | |
| ☆2 | 2 item(s) reported. | FILING DATE | JUD | GEMENT | ADDRESS | | Р | LAINTIFF | | |
| | | 06-01-2007 | | .00 | 3592 MADEIF CA 94550 | RA, LIVERN | | MELSTER*MA ENIFFER | RALIA | |
| | | 09-12-2006 | | .00 | 5418 TREEF | | N | IOHAMMADI'N | EDA | |
| | | | | | | | | | Showing 2 of 3 | |
| RIMINAL HI | STORY | | | | | | | | | |
| 80 | No criminal offenses reported. | 🖌 The nation | wide scan | of crimina | I and sex offen | der databas | es returned | no records for | this applicar | |



Online Rent Payments

We offer the option for our residents to pay rent online instead of mailing checks. Funds are deposited faster, the solution is completely integrated with our accounting records and it is very easy for residents and our staff, too.

| C S A Shttps://appfolio.com | | |
|--|-------------------------------|---|
| ELITE PROPERTIES INC. | | |
| ogged in as Heather Amberton (heat) 400 24th St, Unit 103, Santa Barbara, CA 931 Make a paym | 101 | Home Settings Log of Set Up Auto Pay |
| Current Bills | | Scheduled Payments |
| Parking Due 06/01/2010 Gardening Due 06/01/2010 | \$50.00 \$20.00 | Payment for 06/01/2010 Amount \$870.00 Scheduled For 06/01/2010 cancel this payment |
| Rent/Lease Income Due 06/01/2010 | \$800.00 | |
| Balance Due | \$870.00 | |
| Past Payments ② Payment on May 01, 2010 Includes Rent/Lease Income | | \$800.00 |
| Paid by: You | | |
| Payment on December 07, 2009 Includes Security Deposits Held Paid by: You | | \$600.00 |
| A Property Management • (555) 5 | 55-1234 • <u>www.qa.com »</u> | |
| | | |

Managing the Property

Policies - When managing the property we make sure your tenant is in compliance with the community rules and regulations, our management policies and your specific rules and regulations. If at anytime a tenant is in question of rule violation we quickly address the problem. Our clients know if they have a concern they can reach us and have an answer within 24 hours.

Maintenance - We do not upcharge maintenance! We have a skilled team of licensed and insured maintenance professionals to handle all requests and emergencies. *Our contractors specialize in:* HVAC Plumbing Electrical Painting/Handyman Services Flooring Replacement Professional Cleaners

Inspections- *We provide Semi-Annual Inspections in addition to move-in and move-out inspections* to ensure the property standards are being maintained. If our maintenance staff is at the property they are also conducting a visual inspection and letting us know if there is anything we need to be aware of.

Home Warranties - If you have a home warranty and would like for us to use it for maintenance needs we will be happy to utilize that for you.

Other Maintenance Professionals - If you have a special maintenance professional or company that you would like for us to use we are happy to use them. Please provide the names and numbers of the maintenance professionals.

Lawn Care - Lawn care is typically the responsibility of the tenant. However, if you have special needs for your lawn we would be happy to write it into the lease or offer special terms to the tenant.

Turning Units - We turn properties back to move-in ready status. If a tenant has created damage or left personal property behind we send in professionals to give estimates. Once estimates are obtained and authorized we quickly turn the property back to it's original condition. Touch up paint, new blinds, re-keying, carpet cleaning are just some of the services we can help get done swiftly so that you can begin receiving rental income again.

OWNER ATTENTION & PROPERTY ISSUES Move-Out P

Move-Out Procedures - Upon moving a tenant out we conduct a move-out inspection. If damage was created at the property beyond "Normal Wear and Tear" we deduct it from the tenant's security deposit. If by chance the security deposit does not cover the damage the tenant would be asked to pay the difference. If the tenant does not pay the difference he is sent to a collections company to collect the remainder.

Evictions - If an eviction has to be enforced we handle the process from start to finish. We file the paperwork with the magistrate, attend the court hearing, enforce the ruling, file the writ with the sheriff and secure the property.

Specialized Owner Attention

Prompt Payment Through Direct Deposit - As soon as your rental funds are received, we begin making our owner payments. Most owner payments are made between the 6th and 15th. As long as your tenant has paid us on time we pay you as quickly as possible. If your tenant has not paid on time we notify you. Our ACH automatic draft system allows your funds to post quickly to your account.

Detailed Owner Statements - We provide monthly owner statements directly from Appfolio Property Manager which details your rental income received, any expense made on the property, our management fee and your owner distribution.

Software System Access - Through Appfolio you have the ability in real time to check on the status of your property, tenants, expenses, income and there's even an app for it on your smart phone!

1099 Preparation - To help prepare you for tax time we provide a 1099 to all of our owners in January along with a 12 month cash flow statement. Your rental income must be reported to the IRS. We make it easy so that when you do your taxes all of your rental income is accurately stated.

NO SURPRISES - If there is a problem or issue with your tenant or property we promptly notify you. We like communication to be clear so that you never have to question your owner statement, property status or payment.