



PROPERTY OWNER'S HANDBOOK

WELCOME TO GREATER ORLANDO REALTY USA, INC.!

This "Property Owners Handbook" is designed to familiarize you with our administrative process. At Greater Orlando Realty USA, Inc we strive to provide the highest level of customer service in the property management industry. By becoming familiar with the information in this handbook we can better serve your needs as a property owner.

All relationships are established by written agreement between you and Greater Orlando Realty USA, Inc. All terms, conditions and provisions outlined in this handbook are subject to change or withdrawal at any time without notice. You should look solely to your individual property management services agreement for actual services rendered.

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OVERVIEW

The following section explains the many benefits and advantages of a full service, professional property Management Company.

PROPERTY PRESENTATION

- We present your property to the largest available rental market.
- We are always aware of current market conditions. This allows us to rent your property at its highest value.
- We use a broad range of advertising media, including signs, flyers, print media and the internet.
- We share our vacancy listings with other Real Estate offices. We pay a referral fee promptly to agents who support our property management services.

PROPERTY INSPECTIONS

Our main job is to protect your investment property. Our property manager performs visual inspections of the various properties we manage both at the time of move in and move out and keep a written record of what we find.

TENANT SCREENING

- We lease only to qualified, responsible tenants.
- We do a thorough credit and reference check before the lease is signed. This includes checking credit history with the credit bureau, verifying employment, checking all appropriate references including past landlords, and an eviction history.
- We take time with each new tenant to explain the benefits and responsibilities of leasing a home from us..
- We provide each new tenant with a Tenant's Handbook outlining all of the information they need to move into their rental home hassle free. We provide you with protection through the use of proper lease agreements, deposit forms, late notices, and other legal documents.
- We take fair and appropriate security deposits.

PROPERTY PROTECTION

- Our key-control procedures protect you and the tenant against unauthorized entry.
- We show tenants the basics on maintaining your home during their lease, including changing air filters, how to maintain different countertop surfaces, and much more.

REPAIR AND MAINTENANCE SERVICE

Timely, competent maintenance is the key to protecting your investment. Our goal is to provide you with this important service at a reasonable price using only the most qualified personnel.

All of our repair and maintenance services are performed by independent, outside vendors and contractors.

- Our maintenance responsibilities are defined in detail by the Property Management contract.
- You may reserve the right to schedule and control all, or a particular part of, the repair or maintenance responsibilities if you desire.
- Before any work is performed, the job request is reviewed. The job is assigned and a work order issued after the request has been approved by the property manager. Our maintenance personnel will not perform unauthorized jobs requested by a tenant. In addition, requests for maintenance work that is the tenant's responsibility, or for repairs caused by tenant negligence, will be charged to the tenant.
- Routine repair and maintenance will be performed as needed in our judgment and will be based on urgency and importance. For any major job, we will obtain written estimates and notify you before we proceed.
- We provide qualified, reasonably priced personnel who will complete the work professionally.
- Because of the large volume of work we give local firms, we have the necessary recourse to correct poor performance. This also allows for discounts which are passed on to the customer. Greater Orlando Realty USA, Inc does not benefit monetarily from the use of our preferred vendors.

THIS SECTION EXPLAINS THE POLICIES AND PROCEDURES WE HAVE IMPLEMENTED TO PROTECT YOUR PROPERTY INVESTMENT AND TO PROVIDE YOU WITH THE BEST POSSIBLE SERVICE.

INSURANCE

In addition to your normal home owners Fire and Extended Coverage insurance policy, we require you to maintain an “Owner, Landlord and Tenant” (OL&T) liability policy as well. This coverage protects the tenant, you, and us against a wide range of losses caused by unintentional hazards or unsafe conditions on your property. In addition, Greater Orlando Realty USA, Inc must be listed as a co-insured on your liability policy with minimum limits of \$100,000.

We will also recommend strongly to the tenant to have renters insurance to protect their belongings in case of catastrophe.

ACCOUNTING SERVICES

- We do all of the bookkeeping for you. Our computer system keeps complete, accurate records of every income and expense that affects your property.
- Our convenient monthly statements provide you with a full, itemized record of all transactions.
- Every transaction affecting your account balance is recorded and explained in detail. Accounting is done on single-entry cash basis with a separate income and expense ledger maintained for each property; just as if your property had its own checking account. If we manage more than one property for you, we open another income and expense ledger in your name (in addition to the property ledgers). This enables us to transfer funds among your properties without intermixing accounting transactions from different properties. Each property always has its own separate and complete accounting records.
- Copies of all work orders and receipts are kept on file throughout the year. Copies of receipts are included in your monthly statements.
- In addition to the monthly statements described in the next section, we also provide a complete summary of the account at the end of the year. This shows you a summary of all transactions throughout the year. These statements have been specifically designed to simplify the year-end tax preparation job for you or your accountant.
- As required by IRS regulations, we prepare and submit a 1099 MISC form showing the total gross rent income that we collected on your behalf during the year. A copy of this form will be sent with your year-end statement. At this time you do not need to enclose a copy with your annual Income Tax Return.

MONTHLY STATEMENTS

Our computer system enables us to provide you with a concise, accurate, and understandable statement of your account. It also allows us to get your statement and any rent proceeds to you quickly. Statements are normally sent within ten (10) days of receipt of the rent each month. Occasionally, a statement will be held for a few extra days because of a late rent payment in order that we may send you your full monthly rent proceeds.

Your statement will included a check for any funds due you above your minimum balance unless the amount due is less than \$1.00. Accounts that fall more than \$1.00 below the minimum balance will be invoiced with the statement. This invoice is due and payable upon receipt. Your prompt payment is appreciated.

Your statement shows every transaction we have posted to your account. Each transaction is described in detail. We will be happy to answer any questions you have about your account. Please report any discrepancies you find within 15 days from the time you receive your statement.

RENT COLLECTION

All rent is due on the 1st of each month and is considered late if received after the 5th of the month. Late notices are sent on the 7th or as deemed appropriate. Late rents are subject to a \$50.00 late fee plus \$5 per day thereafter until rent is collected.

MANAGEMENT FEES

Our monthly management fee is payable when the rent payment is received. It is automatically deducted from your account at the time the rent payment is posted. If any additional fees have been charged to the account during the preceding month, these fees will also be deducted from your proceeds.

VACANCIES

Vacancies are expensive for both of us. We make every effort to keep our vacancies to a minimum.

- We monitor our lease expiration dates carefully and we never allow a lease to lapse into an automatic month-to-month extension unless there are extenuating circumstances. This also gives us the opportunity to re-negotiate the rent on a renewal lease.

- Approximately 45 days before a tenant's Lease Agreement is due to expire we send a "Lease Renewal Notice". This notice explains our lease renewal procedures and the necessary rent increase. If the new lease is declined, the tenant is required to give us 30 days prior written notice. This prevents unexpected vacancies and gives us adequate time to prepare the property and to advertise and show it. It also helps prevent needless loss of revenue.
- If a tenant chooses to vacate, the property must pass a thorough check-out inspection before the tenant is released from the "Lease Agreement" and the security deposit is returned. This minimizes the preparation and turn-around time before your property is re-leased. The inspection will not be made until the tenant has removed all furnishings and other personal belongings. Once the inspection is complete the tenant is not allowed to re-enter the property.
- Vacancies are advertised weekly until rented. (See Property Presentation)
- We maintain careful control of your property while it is vacant. All prospective tenants will be accompanied by a representative Greater Orlando Realty USA, Inc to ensure that they are familiar with the key features of your property. We do not give keys out to prospective tenants.

LEASING

We want good tenants just as much as you do. We pride ourselves on the quality of tenants we are able to attract. Our extensive tenant screening and lease procedures help to ensure this.

- Applicants are required to complete a Rental Application and to provide credit information and references.
- A credit check is made of every prospective tenant. In addition, we report to the credit bureau's the tenant's rental account and how they pay. We explain to all applicants that prompt rent payments will help maintain their good credit rating.
- The holding fee is taken only after the application has been approved. This is an act of good faith on the tenant's part, and should the tenant not move into the rental unit, the holding fee is forfeited as liquidated damages.
- Once a tenant Rental Application has been approved, an appointment is made with the property manager to sign the actual Lease Agreement and proceed to a lease closing. We have found that this extra personal attention to the tenant's needs greatly reduces misunderstandings and eliminates many potential problems. Also, this gives us a chance to answer any questions and to carefully explain the tenant's responsibilities as well as our company policies and procedures.
- Before your property is released to the tenant, we make a thorough move in inspection, using the Property Condition Report. At the same time, it gives us one more chance to encourage our tenants to take pride in their new home.
- We require our owners to maintain the home in as good a condition as if they were living there. This includes interior and exterior painting, tree trimming, and upkeep of the appliances.

SECURITY DEPOSITS

As an additional protection, appropriate security deposits are always collected upon approval of a Rental Application by a prospective tenant. The amount of deposit is based on the monthly rental rate. We suggest \$50.00 more than the rent and \$350 more if there are any approved pets involved. The reasoning is that if the deposit is the same as the rent, some tenants have a tendency to try and use it as the last months rent. Under no circumstances will we allow the deposit to be used as rent.

All security deposits are kept in a special escrow trust checking account, as required by the Florida Real Estate Commission regulations, until they are either refunded to the tenant upon the successful checkout inspection of your property or are forfeited to cover damages caused by lease violations.

PETS

Should you choose to allow your tenants to keep pets on the property we require an additional security deposit of \$300.00 the deposit is fully refundable if there is no damaged to the property.

THE “GREATER ORLANDO” ADVANTAGE

Superior Tenant Screening – We want to ensure that our property owners get the caliber of renters they deserve. That’s why we utilize a 4 step screening process on each and every adult rental applicant.

- We pull a national credit report on each and every adult rental applicant.
- We do an “Eviction Search” throughout Central Florida to ensure that our applicant hasn’t been evicted in the preceding 7 years.
- We do a verification of former landlord references.
- We do a verification of the applicant’s employment or income.

Computerized Accounting – At Greater Orlando Realty USA, Inc. we use the top property management software in the industry. In most cases, we process rents the same day we collect them. Our property owners receive a detailed monthly statement each month showing all rental incomes and disbursements. We also provide our property owners with a year end summary statement to give to their tax accountant. We make property management easy for our customers.

Communication – We believe that the key to our success is in the personal relationships that we develop with our customers. Working for owners of rental homes and with their residents requires constant communication. At Greater Orlando Realty USA, Inc we believe that communication is the key to the success of any organization. To these ends, all of our property managers are equipped with cellular phones, computers and e-mail. We are available 7 days a week to communicate with the needs of our customers.

No Surcharge to Property Owners for Maintenance and Repairs – We assist our property owners and residents by having independent qualified maintenance technicians affect any necessary maintenance and repairs. To avoid a conflict of interest with our property owners, we will never assess a surcharge to our property owners on any maintenance or repair items as we believe in passing these savings along to our customers. We require that our tenants request all maintenance in writing and we assess the tenants an administrative fee for maintenance and repairs when necessary. We believe this will encourage the tenants to make their own repairs and keep your costs down. (See Maintenance responsibility addendum.)

Deduct Us From Your Taxes – The cost of services for leasing and managing your rental property through Greater Orlando Realty USA, Inc are tax deductible.

FREQUENTLY ASKED QUESTIONS

When you find residents for my rental home, how do you qualify them?

We strive to provide you with the caliber of residents that you want in your rental property. This includes:

- A complete national credit report on each adult resident.
- A Central Florida court search to see if the applicants have ever been evicted in the past 7 years.
- Verification from their former landlords.
- Verification of their employment.
- If necessary, we schedule an owner consultation to determine the final eligibility of applicants.

In addition to the normal financial qualifications, we always try to accommodate the housing needs of our residents to ensure that the home they rent is convenient to their work, shopping and desired school district. This will help to ensure that they will remain happy residents and remain longer in your rental property. At Greater Orlando Realty USA, Inc we believe that good residents are worth searching for!

How quickly does Greater Orlando Realty USA, Inc process the monthly rents and statements to property owners?

We pride ourselves on a quick turn around of your rents and statements. We generally process the rents and statements 8 to 12 days after receipt of the rent. Our multiple property owners can expect that we will process their rents no later than the 15th of each month. Florida law requires that we not disburse funds until we know that they have cleared the bank.

How often and how are property inspections conducted?

- The first inspection is done prior to the residents moving in. This is known as the “move-in” inspection, where we detail the condition of your property on our move-in inspection form.
- When the residents move out of your property we do another detailed inspection known as the “move-out” inspection. The move-out inspection is done to ensure that the residents return the rental home back to us in the same condition as when they first rented it. If damage is found, then we impose a claim on the tenants security deposit as required by the Florida Landlord/Tenant Laws, (F.S. 83), if no damage is found, then we promptly return the security deposit to the former residents.
- A copy of our move out instructions given to each tenant at the lease closing is enclosed in the owners hand book.

What if I want to sell my property, can Greater Orlando Realty USA, Inc help?

If your property was referred to us by another real estate agent, then you will be referred back to that agent for the sale of your property. If that agent is no longer available then we would be more than happy to assist you in selling your home.

How are rental collections handled?

Our collection policies are as follows:

- All rents are due on the 1st day of each month and late on the 6th day of each month.
- All residents who have not paid by the 5th of each month receive our first notice, a friendly reminder, placing them on notice. We also attempt to reach them by phone.
- Any residents who have not remitted their rents by the 7th will be served with the legal prerequisite paperwork to file an eviction against them, should they fail to remit the rents due.
- Owners can expect to receive their portion of the rent on or before the 15th of the month.

Note: All of the above items are included at no additional cost to you as a service provided by Greater Orlando Realty USA, Inc.

PROPERTY OWNERS EXPECTATIONS

What You Can Expect From Us:

The purpose of this section is to present the benefits our property owners can expect to receive from Greater Orlando Realty USA, Inc. In establishing a personal relationship with our customers, it is important that each party understands exactly what is expected of the other. Our primary objective is to attain the goals and objectives of our customers and their rental properties.

We believe that by familiarizing you with the administrative process of how we lease and manage your rental property, we can avoid surprises that could occur later on. **It is important that you realize that we will move forward with our administrative property management process as outlined herein, unless you otherwise direct us in writing.** Therefore it is to your benefit to review and understand the following services that are automatically provided and instituted by us for the benefit of you and your property.

The following is an outline of some of these benefits and services that you, as our customer, can expect us to automatically provide and institute on your behalf:

LEASING

- You can expect that we will place our attractive “Home for Rent” yard sign on your property, (if allowed) at least two weeks prior to any known vacancy, or immediately if you have just listed your rental home with us.
- You can expect that we will advertise your property via brochures, flyers, and on our website.
- You can expect that we may place your property in the Orlando Sentinel Newspaper, if we deem it necessary.
- You can expect that our agents will be available during regular business hours and on weekend appointments to schedule showings of your property to all prospective renters until your rental home is leased.
- You can expect that all rental applicants will be screened based on credit history, rental history, and employment history.
- You can expect that once the rental applicant process is approved, we will complete and execute the lease agreement and give the residents possession of your rental home.
- You can expect that we will conduct a “Move In” property inspection and complete our detailed property inspection data sheets of your property.
- You can expect to be notified by our company that your property has been leased. A copy of the lease agreement will be sent to you, once all parties have properly executed it and the residents have taken possession.

*****LEASE RENEWALS*****

- You can expect that we will attempt to renew the residents lease at least 45 days prior to the expiration of their lease agreement.
- You can expect that we will renew the tenants lease for another year at the same or at a slightly higher amount of rent, if possible. We will not renew the lease at a lower amount without your specific permission to do so.
- You can expect that we will place our home for rent sign and begin showing the property for lease as outlined above, in the event that the current tenants are not renewing their lease.

*****RENT COLLECTIONS AND DELINQUENCIES*****

At Greater Orlando Realty USA, Inc we do not tolerate the delinquent payment of rent. We are careful to explain this policy to new residents in order to avoid any misunderstandings that might arise later. Our rent collections & delinquencies policies are as follows:

- You can expect that we will make every effort to collect rents timely and when due on the 1st of each month,
- You can expect that we will mail your resident a “Friendly Reminder” or call them if rents are not collected by the 5th of each month.
- You can expect that we will “Hand Deliver” a 3-day notice, (Florida’s legal prerequisite to an eviction), between the 6th and 10th of the month.

*****RENT PROCESSING & ACCOUNTING*****

Our property management software is the top property management software in the industry.

- You can expect to receive a monthly computerized report showing all income and expenses of your rental property.
- You can expect to receive a year end summary statement for your tax purposes showing all of your yearly income and expenses and categorizing said income and expenses, along with your 1099 MISC.
- Our single property owners can expect that we will process your rental payments to you within 8 to 12 days of our receipt of the rent. Our multiple property owners can expect that we will process all of your rents no later than the 15th of each month. Florida Law requires that we not disburse funds to an owner until we know they have cleared the bank.