



Property Management Owners Handbook

This handbook is designed to help familiarize you with our company's administrative processes. It is our sincere belief we can better serve you if you have all the information you need to make qualified and knowledgeable decisions about our services.

A Step Above Real Estate & Management, Inc. has helped many hundreds of people like you realize strong financial rewards in the lucrative field of investment properties. We are experts in our field. We have grown from managing several dozen homes to managing hundreds, and we still give each client and each property the individual attention and care that makes us unique.

All relationships are established by written contract. The items in this handbook are representative of the services provided. However, each client relationship can be different. All terms, conditions and provisions outlined in this handbook are subject to change, without notice. Your property management services agreement is the document which governs the services provided.

The following index outlines the benefits, services and what you as our client can expect from **A Step Above Real Estate & Management, Inc.**

Property Presentation.....	Page 2
Renting & Leasing.....	Page 2
Tenant Screening.....	Page 3
Rent Collection.....	Page 5
Property Protection.....	Page 5
Accounting.....	Page 6
Maintenance & Repair.....	Page 7
Inspections.....	Page 9
Insurance.....	Page 9
Security Deposit.....	Page 10
Vacancies.....	Page 10
Sales.....	Page 11
Guarantee.....	Page 11
What you can Expect from us.....	Page 12
Communication.....	Page 13
Rates.....	Page 14
Why Choose Us.....	Page 15
What to look for in a Property Mgmt Company.....	Page 17
FAQ's.....	Page 18

Property Presentation

We work extremely hard to present your property to the largest available market. We start by doing a walkthrough of your property and will advise you on certain items we feel need to be addressed before we look for a tenant. These items, in our opinion, may be the difference between a higher rent, a better quality of tenant, or a more successful advertising and marketing plan. After we photograph your house, we begin with a MLS listing, internet advertisement, positioning of a "For Rent" sign (if allowed) on your property and listing the property with the RentSarasota.net website. In addition to other in-house websites and feeder sites we email your property information to other property management companies and real estate agents. We have additional 'pay per listing' websites that we will utilize if you so desire. Since we use these high end sites often, we do get a discount on the marketing and will pass that savings along to you. To minimize the loss of rent, we begin marketing efforts as soon as the property is listed with our company. For existing clients, these marketing efforts will begin as soon as vacating notice is received.

Key Points:

- 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.
- Our computer system enables us to maintain an exhaustive list of all the features that make your property desirable and special.
- We minimize your rent loss by advertising a vacant property globally over the world wide web, certain large businesses throughout the area, through the Association of REALTORS Multiple Listing Service, on our web sites on the Internet, Realtor.com, the Virtual Listing Service and, in some cases, Rent.com, Rentals.com, Rentalhomes.com and HomeRentals.net.
- We use a broad range of advertising media, including signs, flyers, classifieds and the Internet.
- We share our vacancy listings with other Real Estate offices. We pay a referral fee promptly to agents who show and rent our homes.

Rental and Leasing Services

We will assist our clients in evaluating the property to be rented and we can suggest ways to prepare your property for maximum showing appeal and tenancy. We will also provide a comparative market analysis of other rentals in the surrounding area. Once you are ready to rent the property, A Step Above Real Estate & Management, Inc. will enter it into the Regional Multiple Listing service (MLS) where it can be viewed by all Realtor members in Sarasota, Manatee, Charlotte, Pinellas, Hillsboro and surrounding counties AND the general public, thru realtor.com.

If allowed in the community and approved by the client, we will also place our company sign in the yard to attract drive-by traffic. Should a client desire specialized advertising, that can be arranged also. All calls and showings are handled by our office staff. When a perspective tenant is identified, they are required to complete an extensive application and provide employment and tenancy references. All applicants over the age of 18 are screened carefully; the following investigations are made prior to approval:

- Credit
- County records (Criminal, Sex Offender)
- Employment
- Ownership/Rental history (Evictions Report)

Once a perspective tenant has been qualified, they provide a deposit and sign a contract to lease. The move-in date is determined at that time, dependent upon any HOA or Condo Assoc. applications and approvals. Our lease is prepared by an attorney and includes all items and disclosures required by law. During the lease signing, we review each section of the lease with the tenants and provide them with keys to the home and an '**A Step Above**' **Tenant Handbook** that covers all aspects of their tenancy, as well as work order requests and other forms. The interior and exterior condition of the home is documented and signed off by all adult tenants within three days of move-in. We strive to establish a positive relationship with the tenant and provide them with all the information they require for a successful tenancy initially, so it reduces the issues and phone calls later.

Resident/Tenant Screening & Selection Criteria

Once we have received an application for renting your property, we begin the screening process. We utilize an Internet based screening service. This service provides us with a complete credit history, a criminal background check, a check of public records for evictions, bankruptcy, liens, also a check of the Terrorist database and the National Sexual Offenders database. This screening service then evaluates the applicant using this information and provides us with two numerical scores. First is the "Beacon" score that is a reflection of credit worthiness. Second is the "Predicator" score which is a score that reflects the ability of the applicant to fulfill the provisions of the lease based on credit, past rental history and other items.

Unless authorized in writing by the property owner, we will not rent a property to any adult applicant who does not meet the following criteria.

Financial:

1. *No record of "skipping" or breaking of a lease.*
2. *No record of eviction.*
3. *No record of more than five (05) late payments to any of their creditors, medical bills will not be included in this list.*
4. *No record of bankruptcy in last seven years, unless good credit has been established since the bankruptcy.*
5. *Ability shown through employment verification of financial means to pay rent.*

Background:

1. *No derogatory landlord reference*
2. *No conviction for a felony within the last 10 years.*
3. *No conviction for a felony involving physical violence or property destruction (no time limit)*
4. *No conviction for any drug related offence within the last 10 years.*
5. *No conviction for any financial related offence (ie: bounced checks, ID fraud etc.)*
6. *No listing on the Florida State Sexual Offenders Database** (Fair Housing may apply)*

Once these reports are received, we will advise you of our recommendation which usually fall into one of the following categories:

- ◆ **Approve with normal security deposit**
- ◆ **Approve with additional security deposit**
- ◆ **Approve with cosigner**
- ◆ **Reject**

Based on our recommendation to either approve or reject the application, you then make the final decision. We feel the best manner to handle applications is to be based on the data associated with the property monetary requirements as well as the applicant's history. We, of course, may offer other suggestions depending on additional data that may or may not show up on any of the required data. **You will have the ultimate say-so in placing a tenant in your home.**

TENANT SCREENING Key Points:

- We lease only to qualified, responsible tenants.
- We are experienced in judging credit worthiness.
- 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 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.

LEASING Key Points:

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.

- The security deposit is taken only after the application has been approved. This is an act of good faith on the tenants' part, and should the tenant not move into the rental unit, the deposit is forfeited to you 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. This is done with the tenant. We find this helps develop a good working relationship with the new tenant. 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.

Rent Collection

All rent is due on either the 1st or 15th of each month and is considered late if received after the 3rd business day after the due date. Late notices are sent on the 5th day and removal proceedings are initiated if the tenant does not make immediate arrangements for rent payment. Notice of non-payment (3 day notice) will be sent to any tenant on the 7th late day of each rental month. If no arrangements are made after the non-payment notice, or if the full rent is not received by the 10th day after rent is due, the legal paperwork for removal of the tenant will be processed.

At A Step Above we do not tolerate the delinquent payment of rents. 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:

RENT COLLECTIONS & DELINQUENCIES Key Points:

- A. You can expect that we will make every effort to collect rents timely and when due each month.
- B. You can expect that we will mail your resident a "Friendly Reminder" if rents are not collected in a timely manner each month. We also will attempt to phone the tenant.
- C. You can expect that we will "Hand Deliver" a 3-day notice, (Florida's legal prerequisite to an eviction), between the 10th and 15th late day.
- D. You can expect that we will turn delinquent residents over for an eviction to be filed on or shortly after the 15th late day of the month.

Monthly Statements:

Your online statement shows every transaction we've posted to your account since the beginning of the year. Each transaction is described in detail. If you find a discrepancy, please submit a request online to have it reviewed.

We will be happy to answer any questions you have about your account.

Property Protection:

Can we make sure that your property is not damaged? No, there are no guarantees, however by properly screening applicants we can cut down on the risk of that happening. Our main job is to protect your investment property. We do this in two different ways. Our property manager makes frequent driving tours by the various properties we manage. Exterior inspections are very important, because a property that is well maintained on the outside is normally being taken care of on the inside, too. In addition, we make regular preventive maintenance inspections of the interior of the property quarterly.

Every six months, we will make an announced preventive maintenance inspection with the tenant. Any items needing repair will be fixed (at the tenant's expense, if warranted).

PROPERTY PROTECTION & INSPECTION Key Points:

- Our comprehensive screening procedures assure you of desirable tenants.
- We maintain and update an inventory of all the personal items that are part of your property.
- We constantly perform spot checks and announced routine inspections.
- Our key-control procedures protect you and the tenant against unauthorized entry.

Accounting and Record Keeping

A Step Above Real Estate & Management, Inc. has state-of-the-art computer software that maintains complete and accurate records on each property. This database tracks all work orders, bill payments, rental payments, management fees, special notes, and any other income or expenses associated with your property. You will be able to log in and review each property we manage for you.

Our computerized system keeps complete and accurate records. Each expense or income item is logged and filed as soon as possible. A copy of all repairs and expenses are kept in your property binder. You may request to review your binder at any time. At the end of the year, a statement is prepared and forwarded to simplify the job of tax preparation.

At the end of the year, if requested, we will also prepare and send you a copy of the INS Form 1099 (MISC) showing the total gross rent income we collected for you.

ACCOUNTING SERVICES Key Points:

We pride ourselves on our thorough, accurate record keeping. Our computer system allows us to provide services that would be difficult or impossible with a conventional manual accounting system

- We do all the bookkeeping chores for you. Our computer system keeps complete, accurate records of every income and expense that affects your property.
- Our convenient online system provides you with a full, itemized record of all transactions.
- Our end-of-year statements simplify the job of tax preparations for you and your accountant.
- Because we are computerized, we can meet your individual needs, including budgeting, itemized summaries for tax preparation, and other unique services.
- Every transaction affecting your account balance is recorded and explained in detail. Accounting is done on single-entry cash basis. Each property always has its own separate and complete accounting record and binder.
- Copies of all work orders and receipts are kept on file throughout the year.
- In addition to the online statements, we also provide a complete summary of account at the end of the year. These statements have been specially designed to simplify the year-end tax preparation job for you or your accountant. Our computer system enables us to get this vital information to you in a timely manner at the end of the year.
- As required by Internal Revenue Service 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.

RENT PROCESSING & ACCOUNTING Expectations:

At A Step Above Real Estate & Management, Inc., our property management software is one of the top property management software solutions in the industry.

- A. You can expect the ability to log in to review a monthly computerized report showing all income and expenses of your rental property.
- B. 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.
- C. 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 20th of each month. **Florida Law requires that we not disburse funds to an owner until we know they have cleared the bank.**
- D. You can expect that we will make your mortgage payments and/or homeowners association payments, if you so direct (additional fee may apply) and provided that adequate funds are available in your property trust account. You can expect that we will not make these payments if adequate funds are not available in your trust account. We require, at all times, one month's payment be held in trust.

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- E. You can expect that in the last month payable of a tenants lease, we will hold funds in your trust account to protect you by ensuring that adequate funds are available to make your rental home "rent-ready", thereby ensuring faster lease ups and less vacancy time.

Maintenance and Repairs

Over the years it has been proven that the major headache for most property owners is maintenance requests from tenants. By using our company, you avoid that headache.

Maintenance requests will only be accepted in writing from the tenant. Our use of the Buildium Online Property Management Software allows tenants to login to their account 24 hours a day/7 days a week to request a maintenance call. We will then ascertain whether the repair can be handled by the tenant, by our company, or if we will have to call in a licensed contractor. Any repair (not charged to the tenant) over \$500 will only be completed after receiving permission from you, the owner. Note that emergency repairs or repairs to bring the property to code will be handled immediately.

If a contractor is required, we have a pool of tradesmen; all licensed, bonded and insured who will be completing any repair beyond the scope of our personnel or the tenant. We protect the value of your investment by keeping the property to the standards you expect.

MAINTENANCE Key Points:

- We provide qualified, reasonably priced personnel who will get the job done right.
- We are maintenance experts. Since we deal with this daily, we know what repairs should cost and how long they will take to complete.
- Because of the large volume of work we give local firms, we have the necessary recourse to correct poor performance.
- We help avoid costly repairs through routine preventive maintenance inspections.
- We protect the value of your investment by maintaining your property at current neighborhood standards.

REPAIR 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 best qualified personnel.

In addition, it is our aim to prevent major repair bills. We accomplish this through constant supervision, routine inspections, regularly scheduled maintenance, and by selecting those tenants who will take pride in their leased home.

At A Step Above Real Estate & Management, Inc. we believe that it is a conflict of interest for us to profit from the misfortunes of others. Therefore, we will not assess a surcharge to our property owners for maintenance & repairs to their properties. To ensure quality service and perhaps reduce the amount of maintenance requested, we require our tenants to submit all maintenance requests in writing. We believe this will encourage residents to make their own repairs. This allows us not to increase our management fees and will keep your maintenance costs down by involving the tenants in the repair expenses.

However, rental homes must be properly maintained in order to preserve the value of the property and maintain a positive relationship with the residents. Florida also has laws that require landlords to comply with certain basic maintenance and repair items.

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

What you can expect:

- A. You can expect that A Step Above Real Estate & Management, Inc.. will not effect repairs to your property in excess of \$500.00, without first obtaining your approval. NOTE: This excludes emergencies and repairs that are required by law (city, county, state or federal) or by deed (homeowners and condo associations) to be effected to your property.
- B. You can expect that if your property is vacant, we will effect items necessary to improve the property's show-ability to prospective renters. This means faster lease ups and less vacancy for you. Examples would include: lawn service, carpet cleaning, maid service, pool service, utilities and painting when necessary. In the event that any of these repairs were due to the former rental residents tenancy, you can expect that we will spend all of their security deposit first (not your money) to put your property back into it's pre-rented condition.
- C. You can expect that we will institute minor maintenance & repair items (\$500.00 or less) as requested by rental applicants to secure a lease to quality residents for your rental property. To avoid the possibility of major liability to you we also request authorization to change the locks between each tenancy.
- D. You can expect that during the residents tenancy, we will institute minor maintenance & repairs (\$500.00 or less) when deemed by us to be necessary for the preservation of your property and/or the continuation of the residents tenancy, usually occurring at the renewal of their lease.
- E. You can expect that we will only use repairmen, vendors and tradesmen that are properly licensed and insured to handle the type of work being performed on your property.

REPAIR Key Points:

- 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.
- We ensure the quality of the work performed by making spot checks and follow-up inspections. You are further protected because each job is fully documented in writing and backed with receipts by our comprehensive work order accounting system.
- 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 from three different companies and notify you before we proceed.

MANAGEMENT PROPERTY INSPECTIONS

Our main job is to protect your investment property. We do this in two different ways. Our property manager makes frequent driving tours by the various properties we manage. Exterior inspections are very important, because a property that is well maintained on the outside is normally being taken care of on the inside, too. In addition, we make regular preventive maintenance inspections of the interior of the property quarterly.

MANAGEMENT Key Points:

- The right for us to make routine, announced inspections is part of the tenant's Lease Agreement. Tenants are notified in writing of a pending property inspection. The inspection is done with the tenant present.
- Tenant's who are doing a good job receive a letter congratulating them. Those who are not receive an Inspection Failure Report listing the conditions that must be corrected within 10 days. If not, we begin making the corrections at the tenants expense.

Insurance

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

In addition to your normal home-owners Fire and Extended Coverage insurance policy, we request you 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. A Step Above Real Estate & Management, Inc. must be listed as a co-insured on your liability policy, with minimum limits of \$100,000.00.

We must have proof of insurance coverage before we can manage your property. If you do not currently have OL&T coverage, we can arrange to purchase a competitively-priced policy for you. We will also recommend strongly to the tenant to have renters insurance to protect their belongings in case of catastrophe.

MORTGAGE PAYMENTS

If you wish, we will make the mortgage payment on your property for you. This additional service is offered for a small service fee. If you choose for us to do this for you, we require you to maintain, at all times, one month's mortgage payment in the escrow account. Mortgage Payments will be deducted from the account on the first of the month. This is not contingent on the tenant's rent payment. If there are insufficient funds in your account, Florida law prohibits us from making the payments.

Security Deposit

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 less than the rent. 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 deposits are kept in a fully insured, non-interest bearing account in the state of Florida. All deposits are kept in accordance with Florida Real Estate Commission regulations. Once the tenant moves out, the condition of the property will determine how much of the deposit will be returned to the tenant, and how much will be forfeited to pay for damages above and beyond normal wear and tear.

Management Fees (see rate sheet for leasing and 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. However, since one of our jobs is keeping your property occupied, we will not take our management fee as long as your property remains vacant, however, if you wish us to do drive-bys and/or check the house during these periods, there will be a 50. fee per month.

Vacancies

Vacancies are expensive for both of us. We make every effort to keep our vacancies to a minimum. We are members of the local rental association within our Association of REALTORS. We maintain an extensive computer database of the features that make your property special. This enables us to quickly produce an attractive listing of your property to be given to prospective tenants and local leasing personnel. We are also members of the National Association of Residential Property Managers.

VACANCY Key Points:

- Our computer system enables us to monitor our lease expiration dates carefully. We never allow our leases to lapse into an automatic month-to-month extension unless there are extenuating circumstances. This also gives us the opportunity to renegotiate 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 the tenant opts to go month-to-month, there is an automatic 10% increase in the rent.
- 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, and the tenant is not allowed to re-enter the property once the inspection is complete.
- We maintain careful control of your property while it is vacant. Only one key for a showing is issued at a time. We will also use a lockbox on most properties. Leasing agents must be a licensed real estate agent and present a business card to sign out a key or acquire the combination to the lockbox. All prospective tenants must be accompanied to the house by an agent. We do not give keys out to prospective tenants.

Sales

When it is time to increase or sell your investment portfolio, we can also assist you!
All agents at A Step Above Management, Inc. are licensed real estate professionals that can take care of the transaction, We have certain agents that specialize in investment purchases and 1031 exchanges throughout Florida.

INVESTMENT ASSISTANCE

We have a large pool of willing, potential investors, including other property owners and our tenants. This will be a great help if you find you must quickly dispose of a property for tax purposes.

We keep abreast of current market conditions and active investors at all times. We share this information by phone, letter and newsletters.

We can help you spot undervalued properties, often with a mortgage payment lower than the rent, for an immediate positive cash flow.

Our extensive resources let us help you select an investment property that will meet your exact goals of the highest possible return and tax advantages.

Guarantees provided to our investment clients signing a property management agreement:

- We will enforce all lease terms such as those regarding pets, maintenance and/or property damage.
- Respond immediately to any emergency issues
- When a tenant is in residence, we will enforce on-time rental payments and address any checks returned for insufficient funds.
- Post late notices
- Initiate eviction actions, if required
- Hold security deposit in an escrow account
- Prepare and deliver notice of claim on security deposit when tenant vacates, if necessary
- Provide proper disbursement of security deposit following the tenant move-out

PROPERTY OWNERS EXPECTATIONS

What You Can Expect From **A Step Above Real Estate & Management, Inc.**

The purpose of this section is to present the benefits our property owners can expect to receive from A Step Above Real Estate & Management, 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 A Step Above Real Estate & Management, Inc. 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

- A. 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. In addition we will use a lockbox for ease of showing.
- B. You can expect that we will place your vacant property in our main web site "www.RentSarasota.net", in FL. Virtual Listing Service, and in the West Florida Multiple Listing Service.
- C. You can expect that we may place your vacant property in the Sarasota Herald Tribune, if we deem it necessary. Note: All advertising costs are included as a service A Step Above Real Estate & Management, Inc..
- D. You can expect that our agents will schedule showings of your property 7 days a week to all prospective renters until your rental home is leased.
- E. You can expect that all rental applicants will be subjected to:
 1. A credit report on each adult rental applicant.
 2. An eviction search of the Florida public records to ensure that the applicant has not been evicted in the preceding 7 years.
 3. A verification of applicant's former landlord's references.
 4. A verification of the applicant's employment or income.
- F. You can expect that we will lease your property at the asking amount of rent, (as outlined in your management agreement with us) or higher. You can expect that we will not lease your property at a lower amount, without first obtaining your permission.
- G. 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.
- H. You can expect that we will conduct a "Move-In" property inspection and complete our detailed property inspection data sheets of your property.
- I. 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

- A. You can expect that we will attempt to renew the residents lease at least 45 days prior to the expiration of their lease agreement.
- B. 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.
- C. You can expect that we will place our home for rent sign and begin showing the property for lease as outlined in the leasing section above, in the event that the current tenants are not renewing their lease.
- D. You can expect that we will renew the residents lease agreement, or re-rent the property to new residents, unless we have a written directive from you not to renew the lease or re-rent the property.

PROPERTY INSPECTIONS

You can expect that we will conduct the following property inspections on your property:

- A. When your property is vacant, we inspect it each week.
- B. We conduct quarterly interior inspections.
- C. We will conduct a "Move-In" inspection prior to new residents moving into the property.
- D. Within 90 days after the residents move in, we contact the residents to ensure that all is well with your property and your residents.
- E. Between the 10th & 11th month of the residents lease we discuss their desire to renew their lease.
- F. When the residents move out of your property, we do a "Move-Out" inspection and document the condition of the property.

COMMUNICATIONS

At A Step Above Real Estate & Management, Inc. we believe that communications are the essential element in the success of our company. That is the underlying reason for the creation of this "Property Owners Handbook" and our "Tenants Handbook" for all of our tenants.

In today's business environment, no one can assume to know or read the mind of another, or be certain of their goals and objectives. To this end, we at A Step Above Real Estate & Management, Inc. have gone to great lengths to be accessible to our residents and property owners.

Please select from the following list of ways to communicate with us:

- A. By Phone @ 941-342-6410 You can expect that our phones are answered by a live person, no automated answering system during normal business hours 9 AM - 5 PM Monday through Friday. After hours our phones are usually forwarded to a live answering service or one of our agents, which in the event of a maintenance emergency automatically pages the property manager on call. .
- B. By e-mail: rentals@RentSarasota or Kim@AStepAboveRealEstate.com or www.RentSarasota.net
- C. By U.S. Postal Service @ 4411 Bee Ridge Road, Suite 603, Sarasota FL 34233

You can expect to receive virtually any answer regarding our company policies from our web site.

Leasing and Management Rates:

- **8% Leasing Fee.** This equals approximately one month's rent. This fee is charged whenever your property is leased to a new tenant.
- **10% Management Fee.** This amount is deducted from each month's rent as we collect it. Please contact us for custom pricing on 'High End' homes, discounts for multiple unit, and seasonal rentals services. (discounted rate of 5% when paid in advance)
- **5% Lease Renewal Fee.** This equals approximately 1/3 of a month's rent. This fee is charged whenever we are able to renew a lease with your tenant.
- **Annual Property Review.** We want you to KNOW the condition of your property, and send a licensed home inspector out each year to make sure your investment is protected! This report is always available to you online! Current price for this service is \$145. You will be notified in advance of the inspection each year, and may opt out.
- **OPTIONAL \$249 Start-up Fee.** Why? To Start out stronger. You benefit from increased incredible marketing! Our **additional** marketing services **include**:
 - A video taped inspection to document the condition prior to move-in.
 - A custom Virtual Tour of your property is taken for use in all of our online advertising!
 - A complete photo marketing package is prepared
 - A sign is placed at the property (if allowed)
 - Your property is placed into the MLS, our website, and on several other paid websites including the Virtual Listing Service.
 - We want you to feel comfortable when becoming our client, so this optional start up comes with a limited 60 day money back guarantee

Our fees are very competitive and we certainly are not the most expensive management company in town. When all fees are considered, for all the extra benefits received, we are actually less expensive than most companies around, and have a strong foundation of top of the line business ethics and high standards of professionalism. It seems there is a new property management company starting out every day, trying to beat everyone else's prices. Over the years we've seen more than 15 new companies start and fail, so choose wisely - your real estate investment is worth EXCELLENT management!

- We manage **solid portfolio** of homes
- We set the standard for good, old fashioned **personal service** together with "**cutting edge**" **internet technology** and **superior customer satisfaction**.

CONCLUSION

Thank you for taking the time to review our "Property Owners Handbook"! We believe it is time well spent, especially for our newer clients. We trust that your experience with our firm will continue to be a pleasant experience and look forward to working with you and your property in the future. **Please do not hesitate to contact us directly any time we may be of service!**

Why Choose Us?

- Our People Make the Difference - Personal relationships, experience and know how.
- We show rental properties 7 Days a Week = Convenience.
- Superior Tenant Screening = Guaranteed Savings.
- Attorney Prepared Leases.
- Computerized Accounting = Accuracy.
- Guaranteed Tenant - If our tenants break lease (first 3 months), we'll re-rent your property FOR FREE!!
- The most qualified residential property managers in the area.
- Never a surcharge to property owners for maintenance and repairs.
- FREE - NO OBLIGATION CONSULTATION.
- Our services are tax deductible = you can do the work yourself, or you can have us do the work for you and deduct it from your taxes.
- We save you time, money and aggravation in dealing with your rental property.
- Your home is on the WWW (Internet).

We show rental properties 7 days a week.

A Step Above Real Estate & Management, Inc. is open for your convenience 7 days a week, (excluding national holidays). We realize that often times renters seeking quality rental homes must have after hour or weekend appointments. We also realize that the management of rental properties doesn't stop on Friday's at 5:00 PM. We have property managers on call 24 hours a day to handle any situation for our customers.

Superior Tenant Screening

In selecting the right residents for your rental property, we believe that an ounce of prevention is worth 10,000 pounds of cure. 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 North East 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.

Because of our Superior Tenant Screening Process, most "rent-jumping" tenants (the ones who don't pay rent, damage properties and move out in the middle of the night) prefer to apply directly to property owners, who may not know until it's too late. We hope this hasn't happened to you. Throw your aspirin away and call us.

Computerized Accounting

At A Step Above Real Estate & Management, 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 have access to a detailed monthly statement each month showing all rental incomes and disbursements. We also provide our property owners with a year end summary statement at the end of each year, to give to their tax accountant. Our accounting system also allows us to make recurring monthly payments for our owners, such as mortgage payments, homeowners association payments or any other recurring monthly obligation, provided adequate funds are available in your account. We make property management E-Z for our customers.

Guaranteed Tenants!

We are so careful as to whom we rent to, that we provide our property owners with the following guarantee. Any tenant placed by our firm who breaks their lease for any reason, during the first 3 months, we will waive our customary leasing fee and re-rent your property to new residents FOR FREE!

Most Qualified Managers

To provide the best available service to our clients and to maintain our unsurpassed reputation within the residential property management profession, the owners of A Step Above Real Estate & Management, Inc. set out a number of years ago to seek the best property management training within the industry. Few other property managers or property management company in the Sarasota area has combined property management, knowledge and achievements as those held by Kimberly Kay. We are completely unsurpassed in property management achievements in our marketplace. This level of dedication is also reflected in how we treat our customers as well.

The Agents at A Step Above Real Estate & Management, Inc.. have been serving the needs of property owners and residential tenants with many satisfied customers. At A Step Above Real Estate & Management, Inc., property management is our career, not a sideline. We offer our customers stability in the marketplace!

Constant Communication

We believe that the key to our success is in the personal relationships that we have developed with our customers over the past years. Working for owners of rental homes and with their residents requires constant communication. At A Step Above Real Estate & Management, 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 also are available 7 days a week to communicate with the needs of our customers.

No Surcharge To Property Owners For Maintenance and Repairs

At A Step Above Real Estate & Management, Inc. we assist our property owners and residents by having independent qualified maintenance technicians effect 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 residents an administrative fee for maintenance and repairs when necessary. We believe this will encourage the residents to make their own repairs and keep your costs down.

What To Look For In Selecting A Good Property Management Firm

A Firm That Has Established A Commendable Reputation By:

- Rigidly adhering to a strict code of ethics
- Protecting the owner's interests at all times
- Dealing fairly with owners and tenants
- Maintaining and training property management staff
- Progressive leadership in management techniques
- Actively engaging in community betterment programs
- Many years of successful experience

Will Maintain The Highest Possible Net Income From the Property By:

- Planning highest and best use of the property
- Obtaining suitable tenants
- Effective savings on maintenance, repairs, and insurance
- Keeping collection losses to an absolute minimum
- Thoroughly checking out prospective tenants

Will Relieve Owner of Tenant And Operating Worries By:

- Handling tenant requests and complaints
- Negotiating new and renewal leases
- Obtaining prompt rental payments
- Preparing monthly statements of income and expenses
- Directing all maintenance and repairs and paying bills
- Regularly inspecting properties
- Preparing Annual 1099's
- 24 hour agent and maintenance staff on duty

Will Apply Every Skill To Increase Property Value By:

- Analyzing property and neighborhood
- Selecting tenants who can pay highest rents
- Maintaining highest possible occupancy
- Maintaining good appearance and repair
- Obtaining highest possible net income

FREQUENTLY ASKED QUESTIONS

1. How long does it take to lease my property?
2. When you find residents for my rental home, how do you qualify them?
3. How quickly does A Step Above Management process the monthly rents and statements to property owners?
4. How often and how are property inspections conducted?
5. What if I want to sell my property, can A Step Above Real Estate & Management, Inc. help?
6. How are rental collections handled?
7. Do you guarantee the residents that you place in my rental home?
8. Are you the cheapest company in town?
9. Who handles problems late at night?
10. Why should I choose A Step Above Management

1. How long does it take to lease my property?

At **A Step Above Management**, our average time to lease your home on the rental market (based on 2009/2010 averages) is less than a month! This is because we begin marketing your rental home the moment it becomes rent ready, or as soon as the current residents give us their 30 day notice of their intent to move out. We average numerous prospective tenant calls each week and we show your rentals 7 days a week.

In addition to our attractive yard signs, we also immediately place your rental property into our world wide web site, www.RentSarasota.net and into the Virtual Listing Service. All advertising costs are the expense of A Step Above Management. We strive to be **a step above** the other leasing/management companies in West Central Florida!

2. 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 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.

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 A Step Above Real Estate & Management, Inc., we believe that good residents are worth waiting for!

3. How quickly does A Step Above Management. process the monthly rents and statements to property owners?

We pride ourselves on quick turnaround of your rents and statements. We generally process the rents 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 20th of each month. **Florida law requires that we not disburse funds until we know that they have cleared the Bank.**

4. How often and how are property inspections conducted?

- When your property is vacant, we generally inspect it each week.
- The next 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.
- We inspect the exterior of our properties on a monthly basis and we also conduct interior inspections quarterly or if we determine that checking the property out is warranted.
- Within 90 days after the residents move in, we contact the residents to ensure that all is well with your property and your residents.
- Between the 10th and 11th month of the residents lease, we discuss with the residents their intent to renew their lease for another year. If they are not renewing, then we advise the property owner and our leasing staff to ensure that we are able to get the home re-rented quickly with little or no vacancy.
- 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.

Here is a copy of our move out instructions given to each tenant at the lease closing:

A Step Above Real Estate & Management, Inc. CHECK OUT INSPECTION REQUIREMENTS

Check out inspections of homes are made between the hours of 9:00 A.M. and 4:30 P.M., Monday through Friday. Please call and make an appointment with our office after everything on this list is done. All of your furniture and personal items must be removed from the house and yard before an inspection can be made. You may not stay in the house after the inspection is completed.

To get a refund of your security deposit you must:

1. Remove all personal items and trash from the house and yard.
2. Clean all appliances thoroughly. Replace stove pans and rings with new ones, aluminum foil is not allowed.
3. Clean and disinfect the sink and kitchen cabinets.
4. Have the carpets professionally steam cleaned and save the receipt as we will need it for our files. The company used must be approved by Property Management, please call ahead for approval before having the carpets cleaned. The carpets should be the last item cleaned in the home before the inspection is made.
5. Strip tile floors built up wax. Remove stains and marks. Finish floors appropriately with wax.
6. Wash walls carefully; pay special attention to areas around light switches, hallways, and doorways. Remove all fingerprints and dirt. All light fixtures must have light bulbs installed.
7. Clean all windows inside and out and secure all screens.
8. Make needed repairs to screens and screen doors.
9. Clean and disinfect the bathroom(s) thoroughly.
10. Mow, trim, edge, rake and water the yard day of check out.
11. Repair or have repaired any damage you or your pets have caused.
12. Discontinue telephone, electric and water service after we have made our inspection. These must be on for our final inspection.
13. Make arrangements to have all the trash hauled away. No deposits can be refunded until this is done.
14. Have the pool clean and chemically balanced if you have one.
15. Have the premises fumigated for fleas by a licensed exterminator, if you have had a pet. Save the receipt.
16. Proof of your paid water bill is also required before the security deposit can be returned.

SECURITY DEPOSITS WILL BE DISBURSED WITHIN 15 DAYS OF CHECKOUT. THANK YOU FOR YOUR COOPERATION

A copy of these requirements have been provided at the time a lease is signed, and will be provided again when I give notice of vacating the premises.

4411 Bee Ridge Road, #603 ♦ Sarasota, FL 34233

Office: (941) 342-6410 ♦ www.AStepAboveRealEstate.com ♦ email: rentals@RentSarasota.net

5. What if I want to sell my property, can A Step Above Management help?

YES! A Step Above Real Estate & Management, Inc.. can sell your property. For information on how we can help sell your property, please call 941-342-6410. Since we know the homes intimately, due to our association, we are the most capable of marketing and selling your home.

6. How are rental collections handled?

Our collections policies are as follows:

- All rents are due on the 1st or 15th day of each month and late on the 4th day after rent is due of each month.
- All residents who have not paid by the 5th late day of each month receive our first notice, a friendly reminder, placing them on notice. We also attempt to reach them by phone.
- Any remaining residents who have not remitted their rents by the 10th will be served between the 10th and the 15th with the legal prerequisite paperwork to file an eviction against them, should they fail to remit the rents due.

NOTE: All of the above items are included at no additional cost to you as a service provided by A Step Above Real Estate & Management, Inc. While it is hopeful that an eviction will never be necessary, as we at A Step Above Real Estate & Management, Inc. carefully screen all prospective tenants, occasionally financial hardships do arise requiring our prompt collections attention.

Should it be necessary to file an eviction; or, if you have a tenant who needs to be evicted when you sign on with our company, we then perform the following steps:

- The above three items are performed by our firm.
- All paperwork, (including, but not limited to) copies of the lease, and our notices served upon the resident are forwarded to The Clerk of The Court on the 15th of the month, (or sooner if you request) to proceed immediately in filing the eviction action.

To save our property owners from additional losses, we do not use an attorney for the start of simple evictions. Most evictions are settled with the resident paying all costs and remaining in the property, however, should it be necessary to proceed further, we stand ready to assist you and your property.

Do you guarantee the residents that you place in my rental home?

YES, we provide our property management customers with the following guarantee:

- Should any tenants that we place into your rental home move out and break their lease (for any reason) during the first 3 months of their lease, we will waive our normal leasing fee and re-rent your home to new tenants FOR FREE!
- Should any tenants that we place into your rental home move out and break their lease after the first 6 months of their lease, we will reduce by pro-rating our normal leasing fee to you.

At A Step Above Real Estate & Management, Inc. you will never pay two full leasing fees in the same 12 month period! Additionally, we always pay for the cost of advertising. Unless you instruct us to lease a property for less than a 7 month period.

7. Are you the cheapest company in town?

Probably not. It seems there is a new property management company starting out every day, trying to beat everyone else's prices. Our fees are very competitive and we certainly are not the most expensive. On the other hand, we charge a fair fee for a tremendous service. No other residential property management company in our area offers all of our combined services including;

- Developing personal relationships with our customers
- Full time property managers.
- Our extremely careful tenant selection process.
- Our leasing fee/tenant guarantee.
- Our fast rent processing policy.
- We show properties and are available 7 days a week.
- Some of the most qualified property managers in Florida.

When all fees are considered, for benefits received, we are actually less expensive than most companies around. In property management, you get what you pay for.

8. Who handles problems late at night?

We are on call to handle late night calls from our residents 24 hours a day. Many times we solve problems right over the phone avoiding what might have been an additional maintenance expense.

9. Why should I choose A Step Above Real Estate & Management, Inc..?

In a word, "Experience". Our customers know that "Our people make the difference". We believe that the key to our success is in the personal relationships that we have developed with our clients. Your leasing consultant, your property manager, your account, your manager's assistant, and the owners of A Step Above Real Estate & Management, Inc. are here to serve you and your residents. At A Step Above Real Estate & Management, Inc. you are the boss and we will work to earn your trust.

**If you have a residential rental property in the Sarasota or Manatee County area,
there is no better choice for your investment and peace of mind, than
A Step Above Real Estate & Management, Inc.**