



PROPERTY OWNERS HANDBOOK

 **S**MART
PROPERTIES LLC
MANAGEMENT

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This "Property Owners Handbook" is designed to familiarize you with our administrative process. It is our sincere belief that when you, as our client, understand this process, we can better serve your needs.

All relationships are established by written agreement between you and Smart Properties Management, LLC or companies acquired by Smart Properties Management, LLC. 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.

The following index outlines the benefits, services and what you as our client can expect from Smart Properties Management, LLC.

OVERVIEW

Smart Properties Management, LLC 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.

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.
- Our computer system enables us to maintain an exhaustive list of all the features that make your property desirable and special.
- We merchandise your property through the Association of REALTORS Multiple Listing Service, on our web site on the Internet.
- We use a broad range of advertising media, including signs, flyers 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.

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.

- You can expect that we will conduct the following property inspections on your property:
- When your property is vacant, we inspect it each week.
- We conduct quarterly interior inspections (as requested).
- We will conduct a "Move-In" inspection prior to new residents moving into the property.
- 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 & 11th month of the residents lease we discuss with the residents their desire to renew their lease.
- When the residents move out of your property, we do a "Move-Out" inspection and document the condition of the property.

TENANT SCREENING

- We lease only to qualified, responsible tenants, based on tenant history.
- We are experienced in judging credit worthiness based on public records search.
- 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.

PROPERTY PROTECTION

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.

MAINTENANCE

- 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.

ACCOUNTING SERVICES

At Smart Properties Management, LLC, our property management software is the top property management software in the industry.

- 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 monthly statements provide 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.
- 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.
- 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.
- You can expect that in the last month 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.

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.

THIS SECTION EXPLAINS THE POLICES 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, Smart Properties Management, LLC must be listed as a co-insured on your liability policy, with minimum limits of \$500,000.00.

We must have proof of insurance coverage before we can manage your property. We will also recommend strongly to the tenant to have renters insurance to protect their belongings in case of catastrophe.

ACCOUNTING SERVICES

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.

KEY POINTS:

- 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. Original receipts are included with your monthly statement.
- In addition to the monthly statements described in the next section, we also provide a complete summary of account at the end of the year. These show you a summary of all transactions by specific accounting code. 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 immediately 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. You do not need at this time to enclose a copy with your annual Income Tax Return.

RENT COLLECTION

All rent is due on the 1st of each month and is considered late if received after the 3rd of the month. Late notices are sent on the 6th and removal proceedings are initiated if the tenant does not make immediate arrangements for rent payment.

At Smart Properties Management, LLC, 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:

- 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 attempt to phone your tenant if rents are not collected by the 4th of each month.
- You can expect that we will "Hand Deliver" a 3-day notice, (Florida's legal prerequisite to an eviction), between the 7th and the 9th of the month.
- You can expect that we will turn delinquent residents over for an eviction to be filed on or shortly after the 15th of the month.

MONTHLY STATEMENTS

Our computer system enables us to provide you with a concise, accurate, and understandable statement of account. Plus, it allows us to get your statement and any rent proceeds out to you quickly. All Statements are sent monthly and in a timely manner. 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 shows every transaction we've posted to your account since the beginning of the year. 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.

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.

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.

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. 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.

Vacancies are advertised weekly until rented. We use media including, signs, our web page on the Internet and fliers. We maintain careful control of your property while it is vacant. Only one key for a showing is issued at a time. Leasing agents must be a licensed real estate agent and present a business card to sign out a key. All prospective tenants must be accompanied to the house by an agent. 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.

KEY POINTS

Applicants are required to complete a Rental Application and to provide credit information and references. We were one of the first property Management firms in the Jacksonville area to be on-line with the Credit Bureau. A credit check is made of every prospective tenant. In addition, we report to the bureau the tenants rental account and how they pay. We explain to all applicants that prompt rent payments will help maintain their good credit rating. If an otherwise acceptable tenant does not have a local credit file with the bureau, we open one for him. We are able to access credit files Worldwide.

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 tenants 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.

- 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 place your vacant property in our web site "www.lakelandflrental.com.com" and in the LAR Multiple Listing Service.
- 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.
- Your can expect that all rental applicants will be subjected to:
 - A credit report on each adult rental applicant.
 - An eviction search of the Florida public records to ensure that the applicant has not been evicted in the preceding 7 years.
 - A verification of applicant's former landlord's references.
 - A verification of the applicant's employment or income.
- 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.
- 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.

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. 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 check out inspection of your property or are forfeited to cover damages caused by lease violations.

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.

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.

REPAIR AND MAINTENANCE SERVICE

At Smart Properties Management, LLC, 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. Also to keep your cost of our service down, we charge residents an administrative service fee to handle maintenance and repair requests. 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.

You can expect that Smart Properties Management, LLC will not effect repairs to your property in excess of \$250.00, without first obtaining your approval. NOTE: This excludes emergencies and repairs that are required by law (city, county, state or federal) of be deed (homeowners and condo associations) to be effected to your property.

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.

You can expect that we will institute minor maintenance & repair items (\$250.00 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 change the locks between each tenancy.

You can expect that during the residents tenancy, we will institute minor maintenance & repairs (\$250.00 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.

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.

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

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 judgement 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.

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 six months), we'll re-rent your property FOR FREE!!
- The most qualified residential property managers in the area.

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 (world wide web).
- We show rental properties 7 days a week Smart Properties Management, LLC 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 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 today! Don't make a \$10,000 dollar mistake! Call Smart Properties Management, LLC right now at (863) 940-4800.
- Computerized Accounting At Smart Properties Management, LLC 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 at the end of each year, to give to their tax accountant. 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 6 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 Smart Properties Management, LLC set out a number of years ago to seek the best property management training within the industry. No other property manager or property management company in the Polk County area has combined property management, knowledge and achievements as Smart Properties Management, LLC. 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.
- At Smart Properties Management, LLC, property management is our career, not a sideline. We offer our customers stability in the marketplace!
- Constant Communication. Working for owners of rental homes and with their residents requires constant communication. At Smart Properties Management, LLC 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 open 7 days a week to communicate with the needs of our customers.
- Deduct Us From Your Taxes! The choice is simple, you can relax, go to the beach, etc. and hire us to lease and manage your rental property and deduct the cost of our services from your taxes; OR you can do the work yourself and for which your time is not tax

deductible. Imagine more time for your family and less taxes! Call Now! Smart Properties Management, LLC (863) 940-4800.

CONCLUSION

If you're a rental property owner in need of assistance or if you're a resident looking for a quality home to rent, one of our professional property managers will be most happy to speak with you.

SAVE TIME MONEY AND AGGRAVATION!

Call for a FREE-NO OBLIGATION CONSULTATION TODAY!

SMART PROPERTIES MANAGEMENT, LLC

(863) 940-4800

FREQUENTLY ASKED QUESTIONS

How long does it take to lease my property?

At Smart Properties Management, LLC, our average time to lease your home on the rental market (based on 1998/99 averages) is less than 14 days! 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.lakelandflrental.com! All advertising costs are the expense of Smart Properties Management, LLC. We are the premier leasing/management company in Central Florida!

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.

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 Smart Properties Management, LLC, we believe that good residents are worth waiting for!

How quickly does Smart Properties Management, LLC 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 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 20th 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?

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.

What if I want to sell my property, can Smart Properties Management, LLC help?
YES! We can sell your property. For information on how we can help sell your property, please call (863) 940-4800. Since we know the homes intimately, due to our association, we are the most capable of marketing and selling your home.

How are rental collections handled?
Our collections policies are as follows:

While it is doubtful that an eviction will ever be necessary, as we at Smart Properties Management, LLC 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 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 during the first 6 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 Smart Properties Management, LLC, 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 a 7 month period.

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 open 7 days a week.

Some of the most qualified property managers in America.

When all fees are considered, for benefits received, we are actually less expensive than most companies around and have been in business since 2002. In property management, you get what you pay for.

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.

Why should I choose Smart Properties Management, LLC?

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 customers. Your leasing consultant, your property manager, your account, your manager's assistant, and the owners of Smart Properties Management, LLC., are here to serve you and your residents. At Smart Properties Management, LLC, you are the boss and we will work to earn your trust.

If you have a residential rental property in the greater Polk County area, there is no better choice for your investment and peace of mind, than Smart Properties Management, LLC.

PROPERTY OWNERS EXPECTATIONS

What You Can Expect From Smart Properties Management, LLC

The purpose of this section is to present the benefits our property owners can expect to receive from Smart Properties Management, LLC. 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 Smart Properties Management, LLC 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:

****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 in the leasing section above, in the event that the current tenants are not renewing their lease. 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.

****COMMUNICATIONS****

At Smart Properties Management, LLC, 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 "Residents 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 Smart Properties Management, LLC 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:

By Phone @ (863) 940-4800

By Email: admin@lakelandflrental.com

By Fax: (863) 577-1236

By Mail: 206 E. Pine Street, Lakeland, FL 33801

You can expect that our phones are answered by a live person, no automated answering system during normal business hours 9:00 AM - 5:00 PM Monday through Friday. After hours our phones are forwarded to an answering service, which in the event of a maintenance emergency automatically pages the property manager on call.

You can expect that our fax machine is on 24 hours a day, as many of our clients and property owners live overseas.

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

****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!

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