

RESIDENTIAL OUTLINE OF SERVICES

ADVERTISING: Your property will be advertised on our day/night display case as well as the "World Wide Web" (www.221property.com). We provide "For Rent" signs on the property when appropriate. All newspaper advertisements (and other media, if used) are paid by the property owner on a pro-rated share of the total cost of the ad.

TENANT SCREENING/PLACEMENT: After the prospect views your property and elects to rent it, they complete a rental application which is thoroughly verified. 221 Property Services, Inc. will run a credit check on the prospect, which determines the manner in which they handle their financial responsibilities. We also check landlord references and verify income, **PLUS**, 221 will also run a "National Criminal Background Check". This extensive process ensures the best possible resident for your rental property. Upon renting the premises, you will be notified that a tenant has been placed.

MONTHLY RENT COLLECTION: Notices are mailed to tenants who have not paid their rent by the 7th of the month. (an additional 3 days is allowed for mailing). If any legal action is necessary, 221 Property Services, Inc. will act as your agent through the FED (Eviction) process (there will be an additional charge for properties not located in Josephine County for eviction proceedings). Unpaid moneys owing by the tenant after the security deposit has been drawn down will be turned over to a local collection agency for collection.

REPAIRS: 221 Property Services, Inc. will supervise and administrate any necessary repairs (if you have a specific person/firm for maintenance this will be noted in the management paperwork). Extensive repairs will be brought to your attention for approval. Should we be unable to reach you for approval and the repair constitutes an emergency, or is necessary to maintain safe essential services, the repair will be authorized by this office. We have a full time maintenance service for "day to day" type repairs and our current hourly rate is \$45/hour (plus fuel surcharge). "Grounds" maintenance bids can be obtained for any owner who wishes to get a bid on providing grounds maintenance to their tenants. Whether it is ongoing grounds maintenance or occasional repairs, we have an "extra set of eyes" at the property to help keep an eye on things. *NOTE: 221 will offer oversight of unit "rehab" (i.e. insurance claims, flooring repair/replacement, painting, etc) which will require a 7% administrative fee (this is not considered "normal" management duties).

DRIVE BY INSPECTIONS: A periodic exterior inspection is conducted to help to regulate that the property is being properly cared for. If there is an unacceptable condition, the tenant is notified in writing to correct the problem. Should the correction be incomplete on a follow-up inspection, we will have the correction made and the tenant will be billed for reimbursement.

INSPECTION UPON VACATING: We will inspect your unit after each tenant for the purpose of determining condition and security deposit refund. If there is any work needed above "ordinary wear and tear", we will arrange to have it completed. Any work done which is not "ordinary wear and tear" will be deducted from the tenant security deposit. All "normal wear and tear" is charged to the owner.

MONTHLY FINANCIAL STATEMENT: You will receive a monthly statement showing all rents collected and all expenses paid **through appx. the 25th of the month**. These are mailed on or before the 1st of the following month (unless falling on a weekend or holiday). Initially, there is a \$100 set-up fee for the management program (non-refundable) along with a \$200 "Owner Reserve" (money that is maintained in the trust account for repairs/filing fees if needed-this is refunded when we no longer under contract).

CORRESPONDENCE: Communication with you, the property owner, is of obvious importance. Any matters, questions or concerns regarding your property will be discussed and resolved either by telephone and/or by letter.

We are thankful to be able to submit this information to you and are confident that if it's professional property management you are looking for you came to the right place!!

Management Worksheet

(please tell us how you found us? _____)

Property Owner Name _____ Address _____

City _____ State _____ Zip _____

Fax # _____ e-mail address _____ Home# _____

Wk # _____ Cell # _____ Alternate contact# _____

Property Address _____ Unit(s) # _____

SS# or ID# _____ Insurance Co. & Phone # _____

Policy # _____ Agent _____

CURRENT TENANT INFORMATION: (use additional pages to list multi-family units)

Tenant Name _____ Telephone _____

Monthly rent _____ Security Deposit _____ Due Date _____ Other _____

INSTRUCTIONS TO MANAGER:

1. DISBURSE MONTHLY NET INCOME: a) Directly to Owner OR b) Deposit into LOCAL bank account** # _____ at _____ (please circle your choice - if you choose (b), please include encoded deposit slips to insure proper credit to your account). IT IS UNDERSTOOD THAT THE ACCOUNTING CYCLE IS FOR THE CURRENT MONTHS ACTIVITIES THROUGH THE 25TH OF THE MONTH AND WILL BE SENT OUT ON OR BEFORE THE FIRST (1ST) OF THE FOLLOWING MONTH _____ (please initial) **there will be an additional charge of \$10.00 per month for deposits to local bank accounts _____ (please initial)

2. Who is responsible for grounds maintenance? _____ What area? _____ (if Owner provides, what is the day of service? _____ (221 can obtain grounds maintenance bids)

3. Is your property listed for sale? _____ If so, company/agent _____ Is there a spa or swimming pool? _____ (Disclosure: 221 will not take responsibility for pool/spa) Wood Stove _____ Fireplace _____ Date of last cleaning _____ By _____ Water Heater Elec or gas? _____ Heat Source _____ Garage/Carport _____ Openers? _____ Outbuildings _____

4. Who will be responsible for the payment of the following? (please designate "O" for Owner or "M" for Manager - Owner will be responsible to see that the billings are sent in care of 221 for payment)

Insurance _____ Mortgage** _____ Taxes _____ Other _____

**if Manager is to make mortgage payments, there will be an additional charge of \$10.00 per month. Owner will hold a reserve equal to one months mortgage payment in the property trust account in addition to the base owner reserve requirement. Manager will not be responsible for any late payments for any reason (i.e. lack of funds, postal delays, etc.)

5. Maximum number of occupants _____ # of bedrooms _____ # of baths _____ (Standard of "two occupants per bedroom" - based on HUD guidelines - if this is not acceptable, please call to discuss)

6. May tenant have pets? _____ Restrictions? _____ Additional Deposit? _____ (NOTE: Tenants with "prescription" for assistance animal(s) MUST be allowed per ADA regulation)

7. Is this a NON-SMOKING property? _____ Other? _____

8. Preference of licensed/bonded person/firm as first choice to do repairs? _____ Phone _____ (MUST be licensed/bonded - MUST have W-9 and insurance information for 1099 reporting) - 221 can provide general maintenance-currently \$45.00/hr + materials/fuel surcharge

9. Have carpets been professionally cleaned? _____ (if "no", Owner authorizes 221 to have carpets professionally cleaned prior to tenant taking occupancy? _____, if "no", please call office to discuss).

10. Do you authorize 221 to have necessary cleaning/minor repairs taken care of to get the property in "rent ready" condition? _____ (if "no", please contact office to discuss).

11. Services and utilities (please designate "O" for Owner or "T" for Tenant):

Electricity _____ Water _____ Sewer** _____ Garbage _____ Gas _____ Propane _____

Other utilities _____ Utility disclosure (shared meter) _____

**If tenant is responsible for sewer, this is in addition to rent in the amount of: \$ _____
(City of Grants Pass does not allow a tenant to sign up for sewer – must be in owner name)

12. Appliances furnished (must be kept in good working order) _____

13. Does your home have a carbon monoxide source? (gas, propane, wood, oil, attached garage, etc.) YES _____ or NO _____. If yes, do you have a properly installed carbon monoxide detector(s)? YES _____ or NO _____. If yes, where is the location(s)? _____
If no, do you authorize 221 Property Services, Inc. to make the necessary installation(s)? Yes _____ No _____

14: Description of property (be descriptive - list amenities - for advertisement of your home- *provide special instructions to be provided to the tenant on a separate sheet*):

15. Personal property _____
(*NOTE: 221 will NOT claim ANY responsibility for ANY personal property left on the property)

16. Approx. sq. footage _____ Age of home _____ Mailbox key? _____ Mailbox #: _____

17. School District: _____

18. Location of Septic _____

Date last pumped _____ By Whom? _____

19. IS YOUR PROPERTY LOCATED WITHIN THE 100 YEAR FLOOD PLAIN*: Yes _____ No _____
* it is the responsibility of the OWNER to verify this information and provide it to Manager - Owner is liable for any damages as a result of this property being in the 100 Year Flood Plain to the tenant (this information will become a part of the tenant rental agreement as required by HB 2614 from the 2009 Legislature)

20. Is your property in jeopardy of foreclosure or any other action in the near or foreseeable future? _____
(owner MUST notify Manager of any pending actions that could result in ANY change relating to this rental property so the tenant can be properly notified - 221 will not manage a home in foreclosure).

(OFFICE USE) (revised 3/14)

Base fee _____ Placement fee _____ Mileage _____ "For Sale" _____ Other _____ Total _____

Set up fee _____ Owner Reserve _____ Commencement Date _____ Account # _____

Pam & 221 Staff,

As you know our future plan is to retire in So Oregon and have begun relocating some of our investments there into Grants Pass. I just wanted to acknowledge the consistent job being done with the management of our rental properties over the past six-years.

As investors... 221 has steadily provided accurate monthly accounting statements, rent collections and regular banking deposit dates, along with use of the 221 rental website, access to your preferred vendors network, routine property inspections, insight into rental rates trending, email updates, internet document transferring, superb interaction and easy to reach staff when you need a question answered.

I am reassured that our tenants are being provided quality housing, fair value rent rates, skilled management services and access to after-hours service personal when needed.

Your seasoned services are very supportive to an out-of-state investor and I am still so impressed with the handling of your operation.

Respectfully,

RB JOHNSON TRUST

9/2013

August 28, 2013

RE: 221 Property Services

My name is Don Reeser, and have been a resident of Grant Pass for the past nineteen years. I am a Project Manager for a local General Contractor, have residential and commercial rental properties, and I'm a partner in Pacific Living Centers which provides memory care for the elderly, we have communities in Woodburn, Salem, Grants Pass and one under construction in Medford.

I'm giving a bit of my experience because it helps puts in perspective the people I have contact with. My move into the rental market was a decision several years in the making, knowing that I didn't want to or have the time to be a property manager I began making inquiries. Specifically I asked "who's the easiest to rent from" and "who's the hardest to rent from". I found that there are several that all you need is a deposit, some take references that are never checked and a few that actually check. In short I found that you need to have a clean / good rental history to be able to rent from 221.

I have shared office space and worked with people who went into property management and team at 221 are beyond approach. They communicate very well and when they need an answer from me, they keep emailing and calling until they get one. They do regular checks on my properties (I know this because I see them there and I have a couple of busy bodies that keep me informed)

At a social gathering I was at not long ago the discussion turned to property managers, I listened to the group swap complaints and horror stories and finally they asked me who I used, I replied "Pam", they didn't even have to ask if I had any problems. One of my friends said "but isn't she expensive?" to which I answered "I've worked long and had to get to where I'm at, and I'm not going to put my investment in the hands of an amateur." I then proceeded to tell them that I considered my relationship with 221 as an investment and not an expense.

I also know from my own personal experience that the tenants are treated fairly and with respect. When I have friends or acquaintances ask who to use for management whether it be one unit or a complex the answer is always the same, "go talk to Pam at 221."

Should you have any questions please feel free to call.

Don Reeser

541.660.5200