

## **Overview of Services Available by AMRAM**

### **Collection of Income:**

ARAM will have primary responsibility for the collection of rental income in accordance with the terms of the related leases and contracts. Any delinquent income will be identified in a prompt manner and collected. Any uncollectible income will be identified and brought to the attention of the Owner with recommendations for added actions.

As the Owner, you will be responsible for establishing a bank account to be used for the daily operations of the property as noted in our Residential Property Management Agreement. All rental income and other income will be deposited into this bank account.

### **Operating Expense Disbursements:**

All normal, recurring operating expenses will be disbursed in a prudent and cost effective manner. In cases where goods or services exceed \$5,000 dollars or are not recurring, ARAM will contact the Owner for approval prior to engaging the vendor. An expenditure of this nature would constitute as a Capital Improvement Project.

### **Leasing Activities:**

All existing lease agreements will be compared to the appropriate Texas Area Association lease to note contrasts and to assure compliance by tenants and the management company to the lease terms. The existing leases will be converted to the appropriate Texas Area Association lease at the earliest practical time.

ARAM will register any and all prospects. ARAM will handle all negotiations in accordance with predetermined guidelines as agreed to with the Owner. All leases will be executed by ARAM as Manager for Owner under predetermined guidelines.

### **Recommendation and Supervision of Capital Expenditures:**

Capital improvements for a property include tenant improvements, property improvements to maintain values, and those to enhance values. ARAM's recommendation for such improvements will include a cost/benefit analysis to justify spending the capital dollars with sufficient evidence to substantiate the estimated cost.

With Owner approval, ARAM will oversee the progress of the contractors to assure quality and timeliness of work. Any "change orders" will be submitted to the Owner for approval.

### **Engagement of Vendors / Maintenance of Property:**

ARAM will review all vendor contracts in place and evaluate the cost and content of the agreements. If possible, all vendor assignments will be converted to the standard ARAM Service Contract.

The following property maintenance information will be developed and updated by ARAM:

- Work Order Log which lists all of the work order requests, the status of the work and length of time to respond to the request.
- Preventive Maintenance Program which details the maintenance staff procedures regarding the grounds, parking lot, parking garage, buildings, etc.
- Make-Ready Status Report, will be provided concerning the condition of all vacant units, and will be posted in the manager's office.
- All vacant space in each property shall be kept clean. ARAM will see that all trash and debris are removed, floors vacuumed, tile floors cleaned, windows washed and other general clean-up is performed.

**Insurance / Incident Reporting:**

ARAM will notify the Owner of any significant insurance or injury related activities which involve the property.

**Damage to Real Property:**

Any damage to the property will be communicated to the owner. ARAM will assist in obtaining any and all information.

**Personal Injury:**

ARAM will notify Owner of any accident that involves actual or possible bodily injury to a tenant or other third party.

**Incident Report:**

If any incident occurs on the property that results in property damage, physical injury, theft or reasonably warrants being reported, ARAM will complete and Incident Report. The completed report will be submitted to the Owner.

**Management Fee Structure:**

ARAM proposes to offer its management services, as presented in the previous pages, to the Owner for a monthly fee calculated as follows as:

Five Percent (5%) of the monthly Gross Income from the Property.

**What to Expect When American Realty Asset Management, Inc. Assumes management of a Property:**

Upon execution of the Residential Property Management Agreement, American Realty Asset Management will perform an in-depth inspection of the property and will assume control of operations and accounting. This inspection will be documented on the **Property Management Takeover Checklist**. A completed copy will be sent to the Owner.

ARAM addresses the following areas during the property takeover as per the Property Management Takeover Checklist:

- General Property Information

- Administration
- Financial Management
- Communication
- Tenant Management
- Occupancy
- Physical Asset

As a client of American Realty Asset Management, Inc. you will be guaranteed the highest level of professional service.