



CROSSROAD Ventures Group

Providing direction for your crossroad decisions in commercial and residential real estate

Residential Property Management Services Proposal



Prepared By:
Jim Esway
Cheryl Muzinich
Breanna Walsemann



Who We Are:

The focus of Crossroad Ventures Group (CVG) is to provide unparalleled service to clients that require assistance with property/asset management services. We are here to serve you. CVG has the experience, tools, processes and relationships to help Investment Property Owners achieve their financial goals by implementing a personalized, consultative transaction/project specific approach. We provide critical direction to our client's crossroad decisions in residential real estate.

We are results oriented, with a proven track record of success; Our statement of qualifications speaks for itself. We have the experience and unique background to provide our clients with a special single point of contact service.

The experts agree that during these challenging financial times, property owners should work with the most talented and knowledgeable management firms in the industry. Do not trust one of your biggest investments to unproven, inexperienced, or high volume/low service property management companies. We have been managing residential properties in the both California and Nevada for over twenty years collectively.

Our residential services are focused solely on you and your properties. We know how important it is to keep your assets properly maintained and occupied. Your satisfaction is our guarantee. Summarized below are just samplings of the services offered by CVG

Residential Management Services:

Financials, Budgeting and Software

- Receipt of Rent - Variety of Payment Options Available to Tenants
- Processing for Payment of Property Expenses with No Reserves from Owner Required
- Detailed Monthly Owner Statements with any Repair Receipts Attached
- Tenant/Owner Portal Access
- Private/Scheduled Showings and/or Optional "Automated" Showing System
- QR Code Supported Marketing

Management Services

- Bidding and Engagement of Property Service Vendors
- Monitoring Vendor Performance, Punctuality, Response, and Reliability
- Tenant Lease Compliance and Associated Correspondence
- Receive/Act Upon Tenant Service Requests
- Periodic inspections & Drive-By Monitoring
- Individual Specialized Services
- Advertisement and Promotion of Properties on over ten Realty websites
- Variety of Offerings including Full Management or Tenant Placement
- Low Cost A-La-Carte Services including Lease Extensions and Contract Compliance

Leasing/Administrative Services

- Tenant Turnovers
- Lease Disputes/Administrative Inquiries
- Maintenance of Tenant Lease Files/Information
- Maintenance Expenses/Authority to Repair/Reserves
- Coordination of Legal Issues (i.e., Tenant Defaults/Disputes)
- Keys and Security Deposits
- Beta Technology Advances



Financials, Budgeting and Software

Financials: As part of the Management Plan for all properties managed by CVG, our bookkeeping team can produce a wide variety of accounting reports customized to our clients' needs. Standard monthly and annual reports that are available include:

- Cash Flow Report
- Property Expenses/Maintenance History
- Customized Monthly/Annual Reporting
- Year-End 1099 Misc.

Property Management Software: Propertyware is the software of choice for the CVG residential management staff offering an assortment of customized reporting options, portal access for owners and tenants, and electronic payment acceptance and delivery for those who prefer this option. CVG will process the following for the residential management clients with a myriad of customized, client-specific reporting options upon request:

- Processing monthly vendor expenses from rent proceeds
- Collection of monthly rent payments
- Tracking maintenance requests and associated repair costs
- Monthly statements with detailed income and expense breakdown
- 1099 reporting at the end of each calendar year for tax purposes

Management Services

Services Offered:

We provide a full range of thorough and competent services for the investment property owner. They include marketing and advertising, showing, repairs/maintenance, property inspections, rent collection, eviction services, and statements monthly with direct deposit available. Our fees are very competitive; We encourage our clients to shop around. They might find a lower % - but then the company will ask for fees to do the advertising, complete the lease, and other creative ways that make their cost significantly higher than ours. We can provide many references both on the tenant and the owners' side of the transaction.

Full Management Service includes:

- Current market analysis of rental property value
- Advertising includes professional signage, ad posting on various local and national websites, select print media, and may include direct mail
- Private showing of property to clients on short notice and/or Automated showing-new technology
- Thorough tenant screening with owner review and ultimate approval
- Detailed property inspection prior to tenant occupancy & at lease conclusion as well as periodic inspections as needed
- Rent collection and monthly accounting
- Maintenance and repair management as needed and authorized.



Individual Services

Pricing for owner-managed properties, particularly for those owners living far from the rental property, include the following a-la-carte services:

- Lease Extensions
- Rent Collection Enforcement
- Property Inspection
- Eviction
- Court Preparation and Appearance

Tenant Placement

Our tenant placement services are for the person who prefers to handle the day-to-day management of their property without advertising, showing, screening and doing the initial lease execution. We handle all of that for you.

After a thorough screening that includes real reference checks, credit history review, and income verification, followed by the owners' ultimate approval of the prospect's qualifications, CVG feels this formula provides great results resulting in 100% success (zero evictions) to date.

The cost for this service is **2/3 of one months' rent** - this includes all advertising, property demonstration, credit/background screening, and lease execution. Like all services, we do not require any advance payment; the fee is taken from rent collected.

Fee Structure

The fee for full service is 8% of the rent collected (which means when the property is vacant, there is no fee). We keep our clients' best interest at the forefront of our business practices and take the steps necessary to maintain occupancy staying up-to-date with all rental transactions. We provide 24/7 owner access to all records and activities via an owner portal. Access allows an owner to view the lease, any repair bills, whether the tenant has paid their rent, and review your rental income details. To set this up, we ask for \$95 one time taken from the initial rent to establish this record and access. Full management services require a minimum 12-month commitment.

With Crossroad Ventures Group, we have no hidden agendas or fees. We operate our business based on honesty, which can be a rare quality in today's market,

For Example: A \$1,500 monthly rent for 12 months with one-month vacancy:

11 Months w/1 Mo Vacancy	Competition at 7%	CVG 8% Fee
Percentage x 12 Months	\$1,260	\$1,320
Fees	\$400	\$95 (one time)
Total	\$1,680	\$1,415 (\$1,320 >Yr 1)



Here is the bottom line: when you are shopping for a property manager, did they answer their phone? If you had to leave a message, did they call you right back? This kind of responsiveness is what you can expect from us when one of your most expensive assets is sitting vacant generating no income. We make it our top priority to ensure your asset is being marketed and maintained properly. Whereas others charge an advance fee, we do not. We are so confident in our abilities to rent your home quickly, and to the right tenant, that we charge nothing until first months' rent has been collected. That's confidence!

Leasing/Administrative Services

In Real Estate investing the common wisdom is location, location, location. As a Property Owner renting Real Estate, it's occupancy, occupancy, occupancy. At CVG Property Management, our goal of 100% occupancy is paramount for EVERY property we manage and is on-going in EVERYTHING we do. When your assets are sitting vacant, money out of your pocket is being lost; therefore maintaining occupied rental properties is essential.

- **Tenant Turnovers:** One of our most successful strategies to achieve and maintain 100% occupancy is that of anticipating turnovers and staying on top of rental market trends. Our community managers are trained to keep their eyes and ears open to their tenants and use the management software to track leases coming up in the next 90 days to start that dialog with both owner & tenant. Avoiding lost rent by keeping the lines of communication open with the current tenant is key. If the tenant plans to vacate, preparation of a marketing plan to lease the property is developed about 60 days prior to the lease expiration and implemented 45 days prior to the turnover. Keeping up with what is happening in the community allows CVG to anticipate turnovers and quickly fill vacancies minimizing lost revenue.
- **Lease Disputes/Administrative inquiries:** Tenants often push certain maintenance or improvements beyond what is required by the owner. CVG balances unreasonable requests against keeping quality tenants in place. CVG utilizes the highly respected forms put together by the California Association of Realtors (CAR). These forms are regularly reviewed by the extensive network of qualified legal staff to ensure they address the latest legislative changes and any case law challenges in the rental industry. Knowing that the document utilized by CVG is the latest and greatest brings our clients much peace of mind.
- **Maintenance of Tenant Lease Files/Information:** CVG does not allow leases to go month-to-month unless there are specific circumstances or preferences of the owner. The risk of no lease in place is that the tenant vacates at a time of the year (such as the holidays) when it's much more difficult to find a new tenant. Each property has both a physical and electronic files maintained as required by the Bureau of Real Estate.
- **Maintenance Expenses/Authority to Repair/Reserves:** Unless the client requests otherwise, CVG asks for no authority to repair anything without the owners' consent. In rare instances where there is an emergency and the owner cannot be reached, independent discretion may be utilized. CVG also requests no reserves from the owner for rental expenses; our vendors allow payment to occur from rent reserves. If any expenses are incurred, they are detailed to the owner either via owner portal or a copy of the invoice is



included with the monthly statement. CVG's expertise in various minor common calls from tenants can save owners substantially as many items can be resolved with telephone or personal visit inspection by CVG staff with no expense incurred; that's industry knowledge you want working on your behalf.

- **Coordination of Legal Issues:** Our 8% management agreement includes up to a three-day pay/cure or quit notice in our standard scope of services. If this notice should prove ineffective, further action towards eviction would require that the owner contract with an attorney to file with the court. CVG can coordinate with low-cost attorneys who only charge a few hundred dollars on top of the actual court costs to process the eviction. Fortunately, our history has not required that we ever go beyond the 3-day notice which means that no further details of eviction activity can be provided absent any actual experience.
- **Keys and Security Deposits:** Keys are unlabeled and kept in a locked cabinet for all managed properties. CVG always keeps an extra mailbox key as the post office charges at least \$50 to rekey a mailbox. Security deposits are maintained in a trust account that is completely separate from the operating account that processes rents and expenses. This non-interest bearing security deposit trust account is held at the Bank of Sacramento. CVG chose Bank of Sacramento based on their experience in handling trust accounts and to ensure that the funds are protected providing the highest possible compliance with the Bureau of Real Estate guidelines.
- **Beta Technological Advances:** CVG enjoys the advantage of technology and the benefits some services may offer individual owners who are comfortable with these types of opportunities to set their property apart from the competition. The latest offering in CVG's library is an automated showing system. This provides a prospective renter with a smart phone to be guided through an automated vacancy showing process so they can view the property before even making a call. This means the prospect will be seriously interested by the time they have called as they have already viewed the property. It is CVG's position that if both controlled and automated showing is offered, then we are maximizing the number of times a vacancy is seen. The service collects the prospective renters' credit card (charging 99 cents) providing one-time access, reporting on who saw the property, and provides insurance to protect the property. While we believe offering more choices is better than not, this system is entirely at the owners' option.

Summary

Crossroad Ventures Group residential management will take the hassle out of owning investment Real Estate. We are your full service solution to allow you to relax knowing that your investment is well cared for in a professional manner. We look forward to providing you with unparalleled service and results that will save you time and money and maintain optimum occupancy levels. Remember – we offer free property assessment/rental value to better determine your cash flow. Call us for a complimentary evaluation!