

PROPERTY MANAGEMENT PROPOSAL

2022



Property Management Services

Property Management Agreement

The relationship between Technovators and the real estate investor is established by the Property Management Agreement, which is included with this proposal. The agreement is usually for one year with an automatic month-to-month renewal unless one of the parties terminates the agreement with 30 days' notice. The Property Management Agreement gives the property manager a wide range of authorities and establishes the terms to be used for leasing any properties covered under the agreement. The management agreement can cover one property or multiple properties.

Locating, Qualifying and Leasing to a Tenant

Locating

When a property is ready for lease, Technovators will list the property for lease on the website. Photographs and other relevant information will be posted on the site. Prospective clients will make appointments with Technovators and will be shown the property. Even if repairs are not complete, a lease can be signed with a tenant with an occupancy date based on when the repairs will be complete allowing the tenant to move into the property.

Qualifying

Rental references will be checked to verify previous lease payments were paid on time and that the tenant left the prior property in good condition. Income source of the tenant(s) will be verified with employers. A recommendation report will be provided to the investor for final approval before a lease is executed.

Leasing

Once a tenant is approved, a lease will be prepared by Technovators under the terms agreed to by the investor. If the house is furnished, then a separate inventory agreement can be prepared. The property manager is authorized to sign the lease agreement on behalf of the property investor under the management agreement. It is standard in the leasing market to

require a security deposit equal to one month's rent, and to collect the first month's rent at the beginning of the lease. Rent can be prorated if the lease commences during the month instead of the first of the month.

Delivery of Premises to Tenant

The delivery of the premises is a critical time in the lease transaction. The property manager uses a Property Delivery Report that establishes the condition of the property at the time it is delivered to the tenant. The inspection report includes photographs of the property that help establish the condition at the time of delivery. The tenant signs the inspection report to acknowledge the condition. The tenant is given a 5 day grace period to report any issues with the property that may have been omitted from the property delivery report. Beyond that period, tenant will be liable for damages to the property. Periodic inspections are also available from Technovators to ensure lease compliance.

Property Management Website

Technovators offers online access to property records to both owners and tenants. The website address is:

<http://www.properteez.net>

Our website is a portal designed to provide an overview of rental properties for real estate investors. It provides a resource library for:

Tenant applications

Applications made by prospective tenants. They will be uploaded to the portal pending the investors approval.

Lease agreements

Rental lease agreements (once signed by both parties) will be uploaded to the portal for easy access for the investor.

Property delivery reports

Once a property has been successfully handed over to the tenant, a signed copy of the delivery report will be uploaded to the portal for the investor.

Inspection reports

Detailed inspection reports will be uploaded periodically for the investor to keep track of the condition of their property.

Maintenance reports

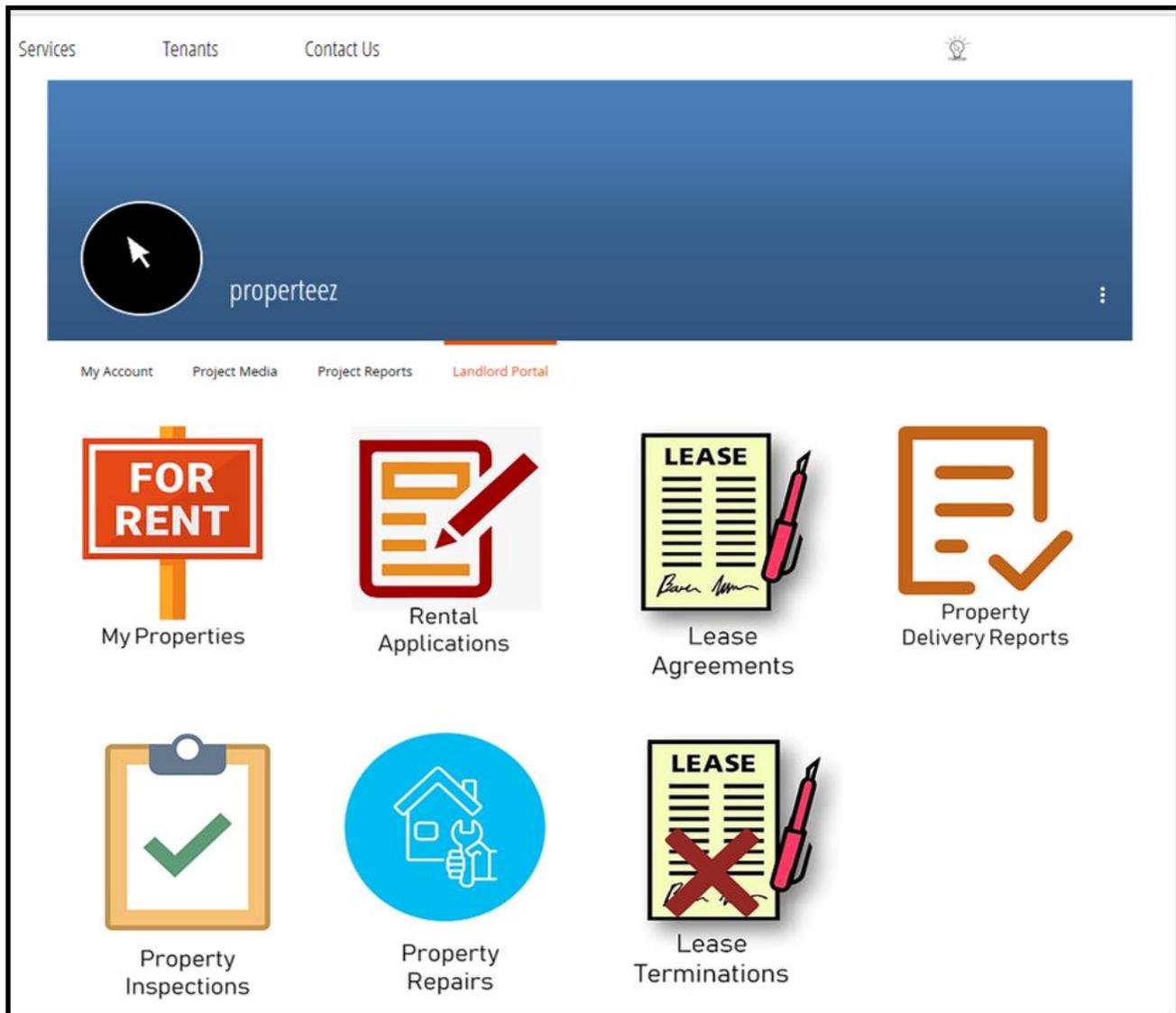
All maintenance work will be recorded, pictures taken and uploaded to the portal for the investor.

Eviction notices

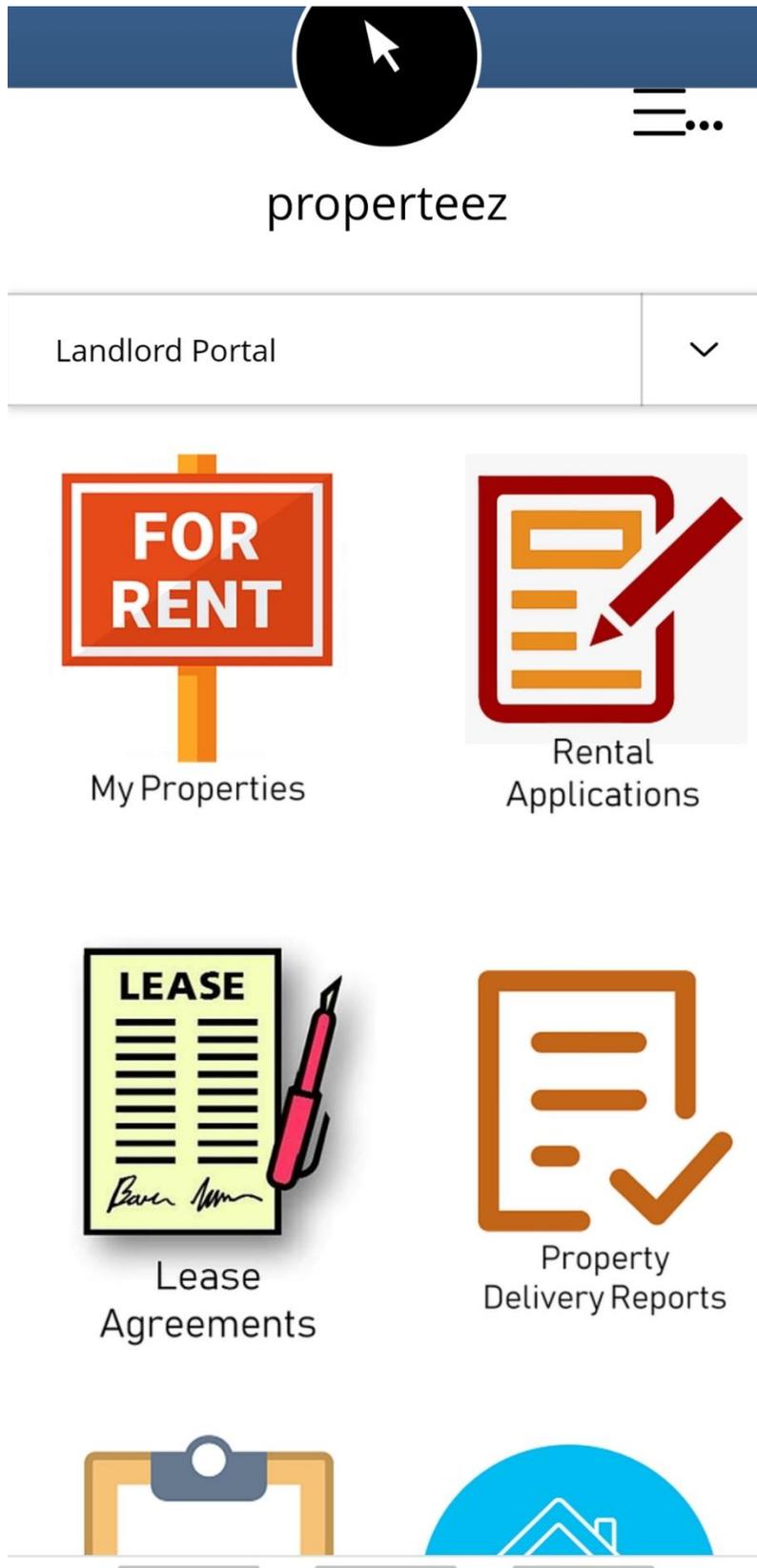
All breaches of the lease agreement that warrant an eviction notice will be uploaded to the portal.

The real estate investor will be able to make informed decisions regarding their property from analyzing information in this resource center. The investor will also be able to download any documents required for various processes involving their property.

PC Interface



Mobile Interface



Repairs

The tenant has a responsibility to maintain the property and prevent damages, and the property owner has general responsibility to maintain the equipment in the home. The tenant is only responsible for paying for the repairs of any damage caused by the tenant.

The obligations and duties of the tenant for maintaining the property is explained to the tenant at the beginning of the lease.

Accounting

Technovators invoices the tenant on the 20th day of the month for the next quarters rent, which is due on the first day of the month. In addition to invoices for quarterly lease payments, Technovators also invoices the tenant for maintenance charges and late fees, if any occur. Management fees are due on the 5th day of the 1st month of the new quarter.

Maintenance

As property manager, Technovators will respond to repair requests by tenants and will also initiate repairs based on initial or periodic inspections of the property. Repairs costing more than MK50,000 will be approved in advance of the commencement of work, unless a delay will cause additional damage, such as a plumbing leak. Technovators has a number of qualified contractors such as plumbers, electricians and carpenters that can make repairs to the property at a reasonable cost.

Eviction of Tenants

Tenants who breach the lease for non-payment of the lease or other non-rental issues can be subjected to eviction. Technovators will lead the proceedings and in the event that the tenant's security deposit is insufficient to recover the cost of repairing any damages, then a civil case can be brought against the tenant in order to recoup the costs.

Termination of Lease

The lease terminates at the election of the tenant or property owner upon providing 30 days' notice before the end of the lease or any renewals. The property is put on the market for lease as soon as the notice is received from the tenant or given to the tenant by the property owner. During this 30 day period, the tenant is required to allow access to the property to Technovators for prospective tenants. When the tenant vacates the property, the property inspector will again visit the property to prepare an after-lease property inspection report. If there are any discrepancies or repairs noted on the report, the tenant is notified that there will be a charge to make the repairs or clean the property. The tenant has a security deposit equal to one month's rent in most cases, and this money is held until all final repairs are made. The property manager is responsible for issuing a final report to the tenant indicating the status of the security deposit and what charges, if any, are to be deducted before returning the deposit to the tenant. Typical charges include cleaning, removal of trash and debris, painting, carpet replacement, etc. These repairs are done by a licensed contractor in most cases, or with general labor where a licensed professional is not required.

Service Fee Schedule

The fees associated with our property management services are broken down into several areas:

1. **Commission** – There is a fee of 100% of one month's rent to procure a tenant for the property. If a tenant is represented by an Agent, then that Agent's commission is paid by Technovators from the fee received on the commission.
2. **Management Fees** – There is a fee of 5% of one months rent to manage the property. This fee is payable on a quarterly basis.
3. **Repair oversight** – In the event that repairs are required on the property, a 10% fee is charged for the oversight of the contractors and vendors involved in the repair. Minor repairs costing less than MK50,000 are not subject to the oversight fee.

Summary

Technovators will provide property management services to care and maintain the investment of the property owner. The ownership of rental property can be rewarding if it is managed properly using established standards for managing real estate.