

# ALEXANDER HOLIDAY HOMES INC.

1400 W. Oak Street - Suite H

Kissimmee, FL • 34741

TEL: (407) 933-6405 / Management Office

FAX: (407) 870-2060

[www.floridasunshine.com](http://www.floridasunshine.com) ~ [florida@kua.net](mailto:florida@kua.net)

## INTRODUCTION TO MANAGEMENT

Dear Investors:

Thank you for your request for a management package. The attached information will cover the basic details required for you to understand how Alexander Holiday Homes operates as a management company. We have been in business as a family company since 1981 and are respected in Central Florida. We are not only members of the Better Business Bureau, we also are active with the Kissimmee and Orange / Orlando Chambers of Commerce, the Central Florida Property Managers Association and have a 3 Star Rating by the American (Canadian) Automobile Association.

Should you want us to consider managing your property a formal contract, Power of Attorney and several other applications will have to be completed by you. We can guide you through that process. We can also provide you with marketing reports and current price lists similar to what should be expected by your villa.

Each home is individual and we will be pleased to examine your villa in anticipation of potential management. We then prepare an actual report that is customized to your needs. We also suggest you take a look at our company website. It is a library of information regarding how we conduct business. [WWW.FLORIDASUNSHINE.COM](http://WWW.FLORIDASUNSHINE.COM) is Florida's largest vacation website and every element of our company is detailed there.

For now, please review our initial information package and then let us know if we can be of further assistance.

Thank You  
Mr. Robert Hill  
CEO

# **ALEXANDER HOLIDAY HOMES INC.**

**1400 W. Oak Street - Suite H**

**Kissimmee, FL • 34741**

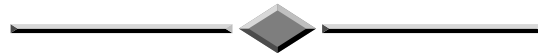
**TEL: (407) 933-6405 / Management Office**

**FAX: (407) 870-2060**

**[www.floridasunshine.com](http://www.floridasunshine.com) ~ [florida@kua.net](mailto:florida@kua.net)**

## **INTRODUCTION**

Thank you for requesting this online brochure. We hope that you find it both helpful and informative. If we fail to answer all of your questions, please contact us in Florida.



## **COMPANY HISTORY**

Alexander Holiday Homes Inc. was incorporated in 1986. However, our family has been in the short-term rental home business since 1981. Initially, we managed just a few homes for absentee owners and family friends. Through steady growth we are now one of the area's premier short-term agencies.

We currently manage and provide rental support to over 225 Central Florida homeowners. We continually seek to improve and our aim is total customer satisfaction. We handle over 5,000 reservations per year.

Recent improvements to our service include expansion of our Real Estate Department to offer access and advice on all short-term rental homes for sale in the area, updating of our accounts procedures and expansion of our Reservations Department into several new markets. We manage homes for owners from all over the world.

## **WHY CHOOSE ALEXANDER HOLIDAY HOMES?**

Whether you have decided to buy or already own a second property, the importance of having someone competent to oversee and manage your investment cannot be understated. We understand that for many families this is their dream home. There has to be a lot of trust for such an investment.

Alexander Holiday Homes is entirely family-owned and operated. Almost ten family members and all of our support staff live in the Kissimmee area. We view every home as more than an investment.

Our company is our livelihood, not a sideline, and perhaps because of our humble beginnings we genuinely care about each and every one of our homeowners, many of whom have been with us since the 1980's.

Through careful programmed expansion and the nurturing of established links throughout the travel industry, we are now a major supplier of short-term rental accommodations to the UK, Canada, Europe and "The Americas". These links and our company history mean that we are one of the few companies able to provide owners with a complete rental, sales and management service that is both proven and respected. We deliver quality results due to years of expertise.

# ARE ALL MANAGEMENT COMPANIES THE SAME?

## The Simple Answer Is: NO!

Holiday Homes of America Magazine recently stated:

“Alexander Holiday Homes continues to place in the top two management companies in Central Florida.”

We have received the “Honor Roll of Excellence Award” seven years in a row from the Florida Homes and Travel magazine.

**Alexander Holiday Homes is also a registered and bonded member of:**

VISIT FLORIDA: the Official State of Florida Travel agency

The Florida Vacation Rental Managers Association

AAA and CAA Travel and Auto Club

The Kissimmee and Orlando Chambers of Commerce

### BEFORE YOU START:

Our management service includes a free initial inspection and advice on preparing your home for rental. Many potential homeowners are simply not aware of the many State, County and Federal laws and regulations that govern investment homes in Florida.

We see it as our duty to advise you to the best of our knowledge on all aspects of ownership, even if this means you then decide not to proceed. Only when you are satisfied will we commence with the formalities of rendering your property as a fully licensed and legal short-term vacation home.

As a guide, we have prepared a list of these requirements that, by law, must be fulfilled prior to rental:

**NOTE: It is not possible to apply for a license without a sales tax number.**

Division of Hotels and Restaurants License Application Fee	\$50.00 origination fee PLUS \$171.00 annually
County Occupational License:	\$30.00 annually
State Sales Tax Number:	\$5.00 one time fee
County Tourist Tax Number:	\$5.00 one time fee
License Application Service:	\$50.00 first year; \$10 annual renewal
To meet local fire and safety codes:	“New” commercial fire extinguisher: \$60.00 Re-charge older extinguisher: \$20.00 Annually
Security Bars, New Locks and Key Set-up:	Priced per house / please consult

# OUR SERVICES

## **FULL MANAGEMENT:**

Our full management service is essential for absentee owners. We will oversee every aspect of the up-keep of your investment and will be on-hand 24-hours a day to deal with any problems.

## **CLEANING AND MAID SERVICE:**

Your home will be thoroughly cleaned by our permanent cleaners. The maid you have this week is almost always the same week after week. They get to know your house inside and out. All linen will be washed, rubbish removed, carpets vacuumed, contents and services checked. Once complete, one of our service managers will double-check your home, ensuring that standards are maintained for each and every guest. Your house has to be kept in top shape all the time.

## **INTERIOR PEST CONTROL:**

A fully licensed and established pest-control company undertakes all of the pest control treatments. The quarterly cost of treatment includes the spraying of both the interior and exterior of your home and any additional call-outs that may be required. There are no hidden or extra costs.

## **REPAIRS:**

Our service managers inspect and oversee each home, making sure that any maintenance is taken care of quickly and efficiently in order to keep major repairs to a minimum. We are one of the few agencies that will supply owners on demand any invoice for any work done on their property. We never apply additional charges for repairs.

## **ACCOUNTING and ADMINISTRATION:**

The Accounts Department provides owners with a detailed monthly statement that will outline all expenditures and income. They are also on-hand to assist with sales tax returns. Your ongoing bills have to be paid on time every month. In Florida, being one day late on a payment means you get cut off. Our Accounting staff makes sure your house is always current and up-to-date.

## **SALES TAX:**

By law, sales tax is payable on all bookings. Failure to do so may result in a heavy fine or even loss of your home! Owners are supplied with monthly sales tax statements showing deductions made from income to pay any dues. Owners must also supply us with amounts and dates of any owner-generated income. Blank Forms will be provided to you as part of your initial set-up.

**OWNER BOOKINGS:** We welcome owners who generate their own reservations. We ask that owners provide key packages and maps to their own guests. If Alexander Homes is called out or has to prepare a key and map package for owners guests then these charges will apply:

**\$10.00 FOR THE PREPARATION** of a key and map package. **AFTER HOURS:** \$ 25.00 if we are called out after hours to return to the office to prepare this package for your guests. Fee: Charged directly to your account.

# ALEXANDER HOLIDAY HOMES

## Management Agreement

For Vacation Rental Property

Whereas this agreement is by and between Alexander Holiday Homes, Inc. (Herein called the Agent) and

\_\_\_\_\_ (Herein called the Owner) for the purpose of management of the owner(s) \_\_\_\_\_ bedroom \_\_\_\_\_ storey property located at \_\_\_\_\_

This contract shall begin the \_\_\_\_\_ day of \_\_\_\_\_ (date) \_\_\_\_\_

and shall be perpetual.

### 1. Management Agent Agrees:

- a) To manage the property in a professional manner and prepare the property for each occupancy and on a regular basis to check the security of the property.
- b) To keep all monies belonging to the Owner in a separate account in the name of Alexander Holiday Homes Management Account; on a monthly basis send a statement of account to the Owner. Copies of all paid bills will be on file in the Agent's office.
- c) To complete walk through and follow up on outstanding walk through items for the Owner(s).
- d) On a quarterly basis exterminate the property interior and exteriors, and on a semi-annual basis "spring clean" the property interior and exterior.
- e) To obtain the Owner's permission prior to effecting any repairs / replacement amounting to more than \$300.00 U.S.
- f) To endeavor to obtain permission regarding price/length of stay before confirming Agent's booking into rental property.
- g) To pay expenditures on behalf of the property owner(s) at the following prices:

Walk through inspection of the property ..... No Charge  
Keys (lock change/re-keying; mastering to passkey) ..... \$100.00 U.S.  
Keys (no lock change; mandatory mastering to passkey) ..... \$50.00 U.S.  
State & county licenses: processing fee for initial application ..... \$100.00 U.S.  
State & county licenses: annual fee for processing renewals ..... \$25.00 U.S.  
New fire extinguisher installation: \$65.00; annual retest: \$20.00; six year rebuild: \$40.00 U.S.  
Utility bill copies on request; priced per month ..... \$10.00 U.S.

#### Monthly Payments:

Yard maintenance to include: mowing lawn, edging and strimming lawn only ..... \$55.00 U.S.  
Management fee ..... \$190.00 U.S.  
Pool maintenance (including chemicals) ..... \$ 85.00 U.S.  
TOTAL..... \$330.00 U.S.

#### Quarterly Payments:

Replace or wash air conditioning filter and service ..... \$ 15.00 U.S.  
Pest control / extermination services ..... \$ 60.00 U.S.

#### As Required:

Cleaning Fees – ½ bath/outside pool baths: \$ 5.00 extra/each

2 bed/ 2 bath - \$55.00	5 bed/ 2 bath - \$75.00	6 bed/ 4 bath - \$ 95.00
3 bed/ 2 bath - \$60.00	5 bed/ 3 bath - \$80.00	7 bed/ 4 bath - \$120.00
4 bed/ 2 bath - \$65.00	5 bed/ 4 bath - \$85.00	7 bed/ 5 bath - \$125.00
4 bed/ 3 bath - \$70.00	6 bed/ 3 bath - \$90.00	DEEP CLEAN FROM- \$150.00

**Maintenance Related Fees:**

Maintenance supplies / Miscellaneous items requiring replacement ..... charged per item  
General maintenance.....per hour: \$25.00 U.S.  
Minimum service fee ..... \$15.00 U.S.  
Unscheduled service calls made to the villa ..... \$25.00 U.S.  
Emergency after-hours call out: \$ 50.00 flat rate fee / \$ 25.00 per hour after initial service call.  
Meet with outside contractors at property, cable co., furniture co., builder or other: \$ 25.00 U.S.  
Handling fee for involved tasks on behalf of owner, such as insurance claims ..... \$120.00 U.S.

Semi-annual spring-cleaning service..... starts at \$150.00 U.S.  
Pool heating per on/off function ..... \$10.00 U.S.  
Semi-annual full sprinkler service (materials/parts not included) ..... starts at \$45.00 U.S.  
Bi-monthly lawn treatment: fertilizer/bug spraying of St. Augustine grass: starts at \$45.00 U.S.  
Semi-annual landscaping to include trim & tidy of trees, bushes and shrubs or as necessary  
(price dependent upon volume of landscaping to be done; please check)  
Weed control: extracting & spraying of flower bed area to prevent re-growth .....\$10.00 per qtr

Semi-annual, pressure-cleaning service, starts at:

Villa structure (not including roof) ..... \$75.00 U.S.  
Pool enclosure (includes cleaning solution) ..... \$60.00 U.S.  
Pool deck and furniture ..... \$50.00 U.S.  
Entryway / walkways / driveway..... \$50.00 U.S.

2. The Agent shall pay on the Owner's behalf the following items: Electricity, Water/Sewer, TV cable service, Telephone and Sales Tax, plus all items as listed in Paragraph 1.g. and any other bills by mutual agreement.
  
3. **The Owner Agrees:**
  - a) To provide adequate insurance coverage for himself/herself and their property should any claim arise. The agent shall be held harmless for any such claim.
  - b) The Agent shall not be held responsible for mistakes occurring on the Owner's bookings. It is the Owner's responsibility to ensure that all relevant information on Owner's bookings is provided to the Agent in writing.
  - c) To authorize the Agent to efficiently perform its management services as per cost schedule in Paragraph 1.g and for unscheduled items not exceeding \$300.00 U.S. without prior consent from the Owner.
  - d) To authorize the Agent to use the Management Account as described in Paragraph 1.b. The Owner understands the importance of maintaining an Account balance of \$1000.00 U.S. to enable the Agent to disperse funds per schedule Paragraph 1.g. and to prevent any inconvenience to the tenants during their holiday. The Owner authorizes the Agent to deduct the amount necessary from any rental income to maintain the balance of \$1000.00 U.S. If this is not adequate, the Owner, upon notification, will send the necessary funds to the Agent to maintain the balance. Monthly, when all bills are current, the Owner will be sent any monies exceeding the \$1000.00 U.S. minimum.
  - e) Management dues are payable of the first day of the month in question. Management dues are not to be dependent upon rental income.
  - f) The Owner understands and accepts the Agent's legal right to place Lien against the property for any outstanding balance at the termination of this agreement.
  - g) Any changes in the terms and conditions of this agreement may be amended by giving not less than 30 (thirty) days written notice.
  - h) Termination of Agreement shall become effective at the end of the 12-month's period by delivery of such notification being made by recorded delivery giving not less than 30 (thirty) days notice.

I/WE certify that a Representative of Alexander Holiday Homes, Inc, has explained this Agreement to me/us.

I/WE reviewed it, understand and accept it as written and have received a copy.

DATE \_\_\_\_\_ OWNER SIGNATURE \_\_\_\_\_ OWNER SIGNATURE \_\_\_\_\_

ALEXANDER HOLIDAYS HOMES, INC. \_\_\_\_\_

OWNER'S FULL NAME \_\_\_\_\_ ADDRESS \_\_\_\_\_  
(please print)

SECOND OWNER NAME \_\_\_\_\_ ADDRESS \_\_\_\_\_  
(please print)

HOME TELEPHONE NO. \_\_\_\_\_ WORK \_\_\_\_\_ FAX: \_\_\_\_\_

TAX ID # / SOCIAL SECURITY # \_\_\_\_\_

RENTAL PROPERTY ADDRESS \_\_\_\_\_

NEIGHBORHOOD (ESTATE) \_\_\_\_\_

TELEPHONE PHONE NO. \_\_\_\_\_

**EMAIL ADDRESS** \_\_\_\_\_

**MANAGEMENT ACCOUNT:**

We require you maintain with us a \$1000.00 Reserve Fund to pay your bills each month. This amount has to be kept in your account each month to ensure your home has sufficient revenue to pay your monthly expenses.

For the comfort of our guests and assurance of problem-free management, Alexander Homes requires that we pay all utilities and day-to-day operational costs of each managed property.

**RENTAL INCOME:**

Any rental income is paid to the owner through his management account as it becomes available. However, rental income **cannot** be relied upon to keep your management account as current. **We ask you keep a Florida Bank Account so we can transfer rental money.**

**FIRE CODE:**

The State of Florida and the Osceola County Fire Marshall require that all rental homes meet hotel standards for fire safety. To completely wire your rental, install emergency lights, smoke alarms in every room, and proper fire extinguishers you may have an additional expense of \$400.00 US. Many rental homes already meet the fire code. We will be happy to inspect your property and advise you. Once installed, a Florida State Inspector must visit your home. You cannot license your rental home without a proper inspection. We can have the fire safety installations and inspections done during your absence. Estimated Cost for this Service (Including Equipment): \$400.00 US.

**UTILITY AND LICENSING- INITIAL SET UP FEES AND REQUIRED DEPOSITS  
(FOR NEW HOMES ONLY)**

In addition to your management account these fees are required to set up a new villa. This may also include new ownership of an existing rental home. These are the deposits required by the utility providers before service can be established.

**Fixed Utility Fee Deposits**

Kissimmee or Florida Power (Electric): .....	\$200.00
Kissimmee Water: .....	\$50.00
Telephone Service: .....	\$50.00
Cable Television:.....	<u>\$75.00</u>
Subtotal: .....	\$375.00

**SUMMARY OF ALL SET UP FEES AND DEPOSITS**

Management Account: .....	\$1000.00
Utility Deposit Fees: .....	\$375.00
Management. Transfer Fee:.....	\$50.00
County, State, Federal Licensing: .....	<u>\$261.00</u>
Total:.....	\$1686.00

**FIRE AND SAFETY**

**FIRE CODE:**

The State of Florida and the Osceola County Fire Marshall require that all rental homes meet hotel standards for fire safety. To completely wire your rental, install emergency lights, smoke alarms in every room, and proper fire extinguishers you may have an additional expense of \$400.00 US. Many rental homes already meet the fire code. We will be happy to inspect your property and advise you. Once installed, a Florida State Inspector must visit your home. You cannot license your rental home without a proper inspection. We can have the fire safety installations and inspections done during your absence. Estimated Cost for this Service (Including Equipment): \$400.00 US.

Security Bars, New Locks and Key Set-up:           priced per house / please consult with Alexander Maintenance

# ALEXANDER HOLIDAY HOMES INC.

1400 W. Oak Street - Suite H

Kissimmee, FL • 34741

TEL: (407) 933-6405 / Management Office

FAX: (407) 870-2060

[www.floridasunshine.com](http://www.floridasunshine.com) ~ [florida@kua.net](mailto:florida@kua.net)

## Dear Homeowners:

On any given day we get many phone calls that are directed to the wrong part of the company. The Alexander Group consists of two separate corporations that work together towards managing and maintaining your home. Although we are located in the same building, we maintain totally separate offices and telephone systems. Telephoning the wrong office can be quite disruptive on certain days when all our reservations lines are backed up with incoming calls. So that we can maintain a smooth operation, we would ask that you contact the right department with any of your queries.

## Alexander Holiday Homes

Property Management

Tel: 407 933 6405

Fax 407 870 2060

Douglas Alexander: President

### Accounts:

Daphne Alexander [ama@kua.net](mailto:ama@kua.net)

Jeannie Alexander

### Maintenance Department: [ahhmaint@kua.net](mailto:ahhmaint@kua.net)

Ernie Alexander; Maintenance Manager

Neil Alexander; Maintenance Manager

Trish London; Operations Supervisor

Phyllis Shaefer; Operation Supervisor

## Alexander and Associates

Reservations, Guest Services and Marketing

Tel: 407 932 3683

Fax: 407 870 2060

Robert Hill: President

Sharon Hill: Sales Tax Dept.

Lorraine Oakley: Office Manager

Elliot Oakley: Guest Services

[bobhill@kua.net](mailto:bobhill@kua.net)

[shill@kua.net](mailto:shill@kua.net)

[rentals@kua.net](mailto:rentals@kua.net)

[alexonline@kua.net](mailto:alexonline@kua.net)

# ALEXANDER HOLIDAY HOMES INC.

1400 W. Oak Street - Suite H

Kissimmee, FL • 34741

TEL: (407) 933-6405 / Management Office

FAX: (407) 870-2060

[www.floridasunshine.com](http://www.floridasunshine.com) ~ [florida@kua.net](mailto:florida@kua.net)

## To All Home Owners:

**We are frequently asked about what we expect from the homes within our rental program. We study market trends and our competition to make sure we are always offering the finest product available. Before we accept management on any villa, our Maintenance Supervisors must carry out an inspection of the property.**

Here is a basic list of items we expect to find in your villa:

**Inventory:** each home must have enough linens, sheets and towels to satisfy all the needs of the guests plus an extra ½ inventory of spares. Cooking utensils and dishes must all be in sufficient supply to satisfy the needs of all guests plus a ½ inventory of extra dishes. Each kitchen must include a refrigerator, cooking stove, dishwasher, pots and pans, blender, toaster and microwave.

We require a minimum of two televisions and a DVD player. Each bedroom should have a clock radio. We expect that the living room include a sleeper sofa. (Portable twins beds are also acceptable). **Each home must include Hi-speed Internet.**

**Interior Items:** The entrance doors should have safety welcome mats both inside and out. Each home must have an automatic washing machine, clothes dryer, iron board and iron, mop, pail, broom and vacuum cleaner.

**Swimming Pool:** Each pool area must have at least two lounge chairs and a table set for four. Each pool must have an electric or gas pool heater. Each pool heater must have a Ray Pac or similar lock box.

If the pool does not have underwater lighting then the pool deck must be illuminated adequately. Each pool deck must have a state approved Pool Safety Sign.

Each door to the pool must have childproof panic bars and pool alarms as required by Florida Law.

**In conclusion:** we must equip each villa to the standard that the client expects. They are expecting to feel like they are at home and when they are short-changed on amenities they will not want to return to your villa. Repeat clients are very important to our business, so please decorate and equip your villa to a standard you would expect for your own vacation. It is false economy to try and save on these items. Try and be creative but practical at the same time.

Our staff can be of further assistance should you need help. We do maintain an inventory of typical items or have leads on vendors who can assist you.

# ALEXANDER HOLIDAY HOMES INC.

1400 W. Oak Street - Suite H

Kissimmee, FL • 34741

TEL: (407) 933-6405 / Management Office

FAX: (407) 870-2060

[www.floridasunshine.com](http://www.floridasunshine.com) ~ [florida@kua.net](mailto:florida@kua.net)

Dear Home Owners:

Since 1995 our Company has had one of the busiest Orlando / Kissimmee websites featured on the Internet. We started 3 years ahead of Disney. As we were there so early; our site still maintains one of the busiest positions in all the major Internet Searching Tool websites. We presently rank in the top ten of all viewed websites in the very active Kissimmee-Orlando and Florida Lodging and Florida Holiday Homes sections on the Yahoo, AltaVista, Google, MSN and America Online search engines. We get over 100,000 unique visits per month to our site.

What started out with a modest amount of interest has now become the fastest growing method for us to promote Alexander Homes. In fact, an hour does not go by without telephone-based inquiries regarding our site. We generate hundreds of e-mail-related requests per week. Most of them are bringing in steady "full rate" reservations from around the world. This year hundreds of them came from Travel Agents working on behalf of their clients; agents that work our website. The lesson here is that the Internet is the best low-cost tool available today. Supported by direct magazine advertising, it can be the best tool of all.

The big question for this year will be: Where is the market going? Due to recent events of September 11, 2001, and more recently the worldwide economic crisis, we are looking at a very uncertain year. The competition is fierce and many clients are nervous to travel. Industry experts are calling for flat rate growth for the next two years. Therefore, we as a Company need to take immediate steps to secure the best possible clients and still support our Tour Operators during these difficult times. If industry experts are right, then there will still be over 49 million people visiting Orlando this year. What we as a company must do is find the most cost-effective ways to promote our villas. As in the last two years, we need to expand our Internet program and spend even more on direct advertising through major magazines across America and the United Kingdom. This will cost a lot of money but we feel it is well worth it. The first step is the Internet. We need to make sure our website is larger yet. Currently ours is the largest vacation villa website in Florida. Making sure clients find that site and / or telephoning us will be the result of Magazine Advertising.

Does this method of promotion work? Let us point out that when we started in 1995, there were an estimated 4 million families using the Internet. Today, surveys indicate close to 200 million people use the Internet on a daily basis. Studies indicate 65% of the users are ages 15 - 30 and 55 years and older. These groups are the ideal target markets. Studies also show that over 70% of all people on line research travel related sites on a regular basis. That is more than any other Internet category out of the millions of available websites.

Do British families use the Internet? In 2000 we would have had to say no. Today we generate daily reservations from the UK based on the client finding us on-line. The people from the UK are well ahead of the American population in adopting this technology. British families are, for the most part, educated about Orlando. Informed clients typically will pay more to know where their accommodation is and what it looks like beforehand.

What must you do to get involved? If you are interested, contact Bob Hill. He can email you the current and affordable RENTAL PROGRAM details. Email, Mail or Fax it back to us. If you have your own private website you already know this is not enough.

Already we have 225 villas listed on our site and we can't keep up with the requests on many of these homes during certain times of the year. Next year will probably be the most complicated year in the history of marketing Central Florida. Our offering is Low-Cost and will generate results. Will you be the next to benefit?

# *Alexander & Associates*

## **Florida Holiday Homes**

1400 W. Oak Street, Suite "J"  
Kissimmee, Florida  
34741

TEL: 407-932-3683 · FAX: 407-870-2060 TOLL FREE : 800-621-7888

Internet : [www.floridasunshine.com](http://www.floridasunshine.com) E: mail : [florida@kua.net](mailto:florida@kua.net)

### **How To Understand Price Lists and Market Your Rental**

Home Owners always expect that they will get rental revenue that is close to our retail price list. They look through Travel Brochures or private advertisements and see all the money that they think is generated from a rental home. Many management companies hide behind these misconceptions and tell Owners that they will generate all kinds of money. Some tell Owners that rents are plentiful and easily had. We at Alexanders have seen all kinds of promotions over the last two decades. The realities are simple. First, any company that claims they can get solid and generous rents year-round will usually never sign to that effect in any contract. They typically tell the Owner why their property could not meet the standard required to have met the desired goal. They place the blame on everything from lack of a pool heater to neighborhood construction or a host of other excuses. Second, there is a general avoidance of the explanation of commissions. The truth is that the Travel Industry lives on commissions.

Here is the breakdown of who buys what homes in the Travel Industry and how up to 35% may be taken in commissions:

Large Airlines and Tour Operators: These companies demand 25% commissions. They dominate the Travel Industry and therefore dominate the use of rental homes. Further, large companies always want the newest and most marketable homes. What do you get for such a discount? Volume sales. Just because your home is of Executive quality does not mean much to large Tour Operators. They market volume and realize that marketing the high-end homes generally mean smaller commissions for them. We have estimated that less than 10% of all sales are requests for Executive Homes.

Travel Agents: It was not too long ago that 10% was considered a generous commission. Today, that has changed as large airlines move toward dealing directly with clients and offering large Internet Discounts. Any property manager offering 10% will see few sales. We have to provide 10% to 15% Commissions.

Alexander Commissions: We historically have taken 15% to 20%. To best represent each homeowner, we judge each sale based on its source. Through extensive advertising, we have become very strong in North American sales. When we have clients deal directly with us, we tend to take 20% of the sale. When we have had to offer a discount to secure a sale, we usually cut into our own commission. We have taken no commission on some sales because the circumstance warranted this. In this day and age where contracts are very different from one buyer to another, our company has had to adapt and examine each sale individually.

Commissions to Owners / Finders Fees: We view our Home Owners as a great resource. An owner who works with us to fill his home always has overflow. If the client wants something different from their home, or their home is already booked, we have the product to offer. We will gladly pay into your Owners account a 10% of the sale commission. Some Owners under-price their homes just to get sales. We have conducted hours of research and our price sheets reflect the amounts that the market will bear. Just as we sometimes make no commission, we ask you to realize that when discounting you cannot expect us to pay you 10% if you cut into our price list. We ask you to work with us on each and every sale and work hard to try and reach our rate sheet prices for your home and anything we provide to you.

Let's work together to make your home a success.

## The Business of a Reservation:

These are the items you require to handle a reservation properly:

- 1) **Booking Form:** Florida Law requires each and every guest to fill out a booking form. If there was ever a disaster, it is the only way to know who was in the home. On the same form is the Security Deposit Information. If they use a credit card, we can handle this for you by keeping the number on file. If they send a check or money order to you, then you must inform us that you have taken the deposit. Owners who do not take such deposits are making a mistake. It is the only way that the guest knows you take damages or losses to your home seriously. We welcome your modifying our form for your own use, but it has to have the same type of information. As a policy, we never return Security Deposits until 14 days after the guest's departure. This allows our Maintenance Department time to document and photograph, if necessary, any damage and get a written report to you for review of any problems your guest may have caused.
- 2) **Maps/Directions to Our Office:** The greatest complaint we get is how the guest gets lost from the airport to our office. Please provide good maps to get the guest's vacation off to a good start. We can provide written instructions to our office upon request. If the guest is going directly to your home, please ensure the directions and maps are clear and up-to-date.
- 3) **After-Hours Key Pick-Up:** Not every guest arrives during office hours. We always package an arrival envelope for each guest arriving after office hours. If you fail to inform the guest about late arrival arrangements, or forget to tell us that your guest is collecting keys from our office, we then have to call out someone to the office after hours. There is an automatic charge of \$25 to your management account when you fail to follow this procedure. **Note:** there is a minimum \$10 fee for owner's guests to collect keys from the office.
- 4) **Optional:** never give the guest the telephone number to the house before they arrive. This obviously does not apply to trusted friends or guests. Many strangers have discovered that calling from outside Florida and charging the rental home for long distance can be easily done. Your phone bill arrives up to 21 days after they leave and their security deposit has long since been returned. If they claim that they need an emergency telephone number, then please provide our office number. We have someone on call 24 hours a day. Once they are here, they can call back home by using a major credit card. Please tell guests that Pre-Paid Calling Cards are promoted all over Florida, and we do sell them from our office for a nominal fee.

This is all common sense, but it does take some time to understand the reservation-taking process. We strongly encourage owner bookings. We ask you to identify the strengths of your own home and determine a price structure that reflects each client. Take into account the length of stay, the number of people (maximums do apply) and the time of year. If it is peak season in your area, then increase the rates. Lastly: do your research. See what the competition is charging in your area and work with that. Never under estimate the power of a local travel agent for advice. We also highly recommend a very inexpensive advertisement to place in your local newspaper. The simple words "Luxury Pool Home for Rent near Disney World" will always trigger interest and results.

**NEWSLETTERS AND ONGOING TRAINING:** We at Alexander Holiday Homes are very motivated in the belief that villa owners need to be educated. As part of your villa management contract we will make available regular training sessions and advice that will come to you through your email on a regular basis. Whenever a villa owner is in town our doors are open for scheduled meeting and training. Our bottom line is that a well-educated villa owner is a happy one. This is a team effort and by following our tried and true methods we know we can work together to make your investment a success.

### DISCLAIMER:

This online document is for reference purposes only. The information presented is current as possible but is subject to change. Only signed and original documents will be considered final and binding as per the terms of the contract at the time of signature.