

2009

PHOENICIAN
INVESTMENTS
INVEST WISELY

Property Management Offering Products & Services

A large, stylized silhouette of a bull, rendered in a dark blue color, is positioned in the lower half of the page. The bull is facing right and is partially overlaid by a grid of vertical and horizontal lines, suggesting a window or a structural frame. The background behind the bull is a lighter shade of blue.

Asset Management Team
Phoenician Investments LLC



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Definition

Phoenician Investments “**Property Manager**” is defined as one who preserves the value of an investment property while generating income as an agent for the investors. The relationship between the property manager and the investor is established through the management agreement.

A property manager becomes a fiduciary when a management agreement is signed with an investor. A management agreement would not contain a statement of the lessee's purpose. A standard Property management agreement included but not limited to the following:

- Property Description
- Term of Agreement
- Definition of Responsibilities
- Extent of Authority
- Reporting Requirements
- Management Fee
- Allocation of Costs

Objectives

Phoenician Investment truly believes that the adoption of management plans should be tailored to the investor needs & objectives. An increasingly complex and highly competitive real estate market, low operational cost and effective management are key success factors. Our goal is to generate the highest Return on Asset (ROA) for a client's investment property while providing an exceptional and well defined level of professional services.





Services

As a premier global asset manager serving clients worldwide, we wisely serve the investment needs of our institutional clients, financial intermediaries, high net worth individuals and investment vehicles around the world. Our services includes but not limited to:

- Advertise properties in accordance with the Fair housing Laws.
- Evaluate the rental market - Survey Competitive Properties in terms of rental rates, amenities included number of vacancies, etc.
- Attract and screen prospective tenants.
- Full Scale computerized bookkeeping with monthly itemized statements.
- Qualified, dependable, reputable contractors and repair services.
- Physical inspection of properties as needed.
- Prompt “make ready” for fast turnaround on vacancies.
- Quality supervision of Maintenance Reps.
- Personal interviews.
- Previous Landlord verification and rental history verified.
- Employment and income verification.
- Credit Report services.
- Criminal background checks
- Handling Environmental Concerns.

We respect the authority vested in us by our investors and realize that our first responsibility is to realize the Maximum Profit on an investment property that is consistent with the investor goals and objectives. We analyze and leverage opportunities and growth while reducing operating costs by treating each of our managed assets as a separate business unit.





Leasing Agreements

An Estate from Period to Period or a Periodic Tenancy is a lease that continues for a specific period of time or proper notice is given by the tenant to cancel. The difference between this lease and an Estate for Years is that the tenant must give notice to vacate. If a tenant in this type of lease does not give notice the lease either renews itself or may become a month to month lease. What is written in the lease regarding this issue will govern.

An Estate for Years is the most commonly used commercial lease. It is for a definite time period. When it's over it's over. No need to give notice to the landlord. It does not have to be for a year.

Income, Expenses, and Rate of Return

Our Asset Management professionals thrive every day to achieve the highest rate of return for our clients through disciplined growth, innovation, and seamless execution. Our expenses are kept in line with the market. We make sure that if we recommend substantial improvements to an investment property, that the net result will be an increased Return on Asset (ROA) for our investors.

As part of our exceptional client service, we prepare and send our investors a quarterly detailed report of income and expenses. The quarterly statements will help with the compilation of quarterly or annual profit and loss statements and give the investor a detailed analysis on how the property was managed and what changes might need to be made.

It is notable to state that Federal Fair Housing Laws are followed at all times and The Equal Opportunity Housing logo is prominently displayed in our rental offices.

Maintenance

There are two main types of maintenance programs that Phoenician Investments put in place to better serve our clients:

1. **Preventative Maintenance System:** Routine schedule of tasks to be completed that keeps the mechanical systems in the best working order, and prevents larger, more costly repairs later.
2. **Routine Maintenance:** In addition to preventive maintenance, it is necessary to make repairs as tenant's call into the office to report problems. The work orders allow the property manager to track response times, as well as, keep records of repairs made to each unit.



Fees, security deposits, and rent collection

A written policy is made regarding the timely collection of all fees, and this policy is enforced at all times. Phoenician Investments has established two escrow or trust accounts:

1. Required to deposit security deposits and any rent, other than current rent. This is an interest bearing account.
2. The property management account is for current rents and management.

Occupancy Terms

Phoenician Investments is responsible for negotiating terms that will meet the needs of both the investor and the individual tenants. These terms might include but not limited to the following:

- Rent schedules
- Rebates
- Length of lease periods
- Modifications tenants can make
- Options for expansion
- Non competing tenant restrictions (often found in shopping center leases)

Once a lease is negotiated, we pledge to our tenants the same duties as our investors have come to expect based on:

- Honesty
- Accuracy
- Disclosure of Material Facts

Operating Budget

Phoenician Investments is responsible for developing a budget that considers the goals of the investor. The budget is based on what the manager anticipates the revenues and expenses of the property will be. Funds must be allocated for those expenses that are fixed and continuous, such as salaries, insurance premiums, and property taxes. The budget should also reflect an established cash reserve fund to handle expenses such as repairs, supplies and replacements.

Evictions

Whenever it falls to the property manager to evict a tenant, Phoenician Investments follows **the proper procedure** outlined by the state where the property resides. Some common reasons for evicting a tenant are:

- Nonpayment of rent
- Unlawful use of the premises



- Noncompliance with health and safety codes
- Violation of the terms of the lease

Insurance Coverage

Investors usually purchase some type of insurance to protect their investment in the property. We assist our clients in finding a competent insurance agent who is familiar with the type of property to be insured. We have defined three categories of risk that need to be considered for insurance:

- Destruction of the property
- Injury to others while on the property
- Theft of property on the premises

Phoenician Investments will usually purchase insurance for the investor that covers the first two categories. Individual tenants are responsible for purchasing insurance to cover the theft of their personal possessions.

Disclosures

TENANT SELECTIONS AND THE AMERICAN WITH DISABILITIES ACT

1. The size of the space should meet the tenant's needs.
2. Tenant has the ability to pay for the space available.
3. Tenant's business will be compatible with the building and the other tenants.
4. Space is available if the tenant needs room for expansion. While this is a desired option, it may not be possible in all properties.
5. Satisfy the tenant commensurate with fair business dealings. Assure that the rules for one tenant are the rules for all tenants without exceptions.
6. **Americans with Disabilities Act (ADA):** A federal law designed to eliminate discrimination against individuals with disabilities by mandating equal access to jobs, public accommodations, government services, public transportation, and telecommunications.
7. **Statute of Frauds** states that leases for more than one year must be in writing. Leases do not terminate because a property is sold.
8. **Escalator Clause:** A contract provision permitting an adjustment of certain payments either up or down to cover certain contingencies. Many fixed-rental net leases, particularly long-term commercial leases, contain a clause in which the parties agree to an adjustment of rent based on set increases in taxes, insurance, maintenance and other operating costs. An escalator clause is designed to protect the lessor's investment position against a reduction in the rate of return over the term of the lease by increasing the yield during periods of inflation.
9. Environmental and Safety Hazards.



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Your Gateway to Investing in the US and Beyond.