

Hi Mario,

I enjoyed talking with you today. Thank you for contacting Blue Ridge Mtn Rentals regarding the potential management of your property. Our goal in vacation property management is to do our best to take care of all owners and renters that the Lord brings to our company.

The initial simultaneous steps that take place are that you would interview our company to determine whether we are the kind of managers you are looking for, and we interview you and view your home to determine if you and your home would be a good fit with our company.

For examples of how to best furnish and equip your homes to maximize rental income, the best renting homes currently in our program are as follows:

3-bedrooms (rental income of \$35K-\$44K):

Boulder Falls Retreat, Amen Corner, Alpine Escape

4-bedroom (rental income \$50k)

The Rock, Chambers Lodge

5-bedroom (rental income \$50k-\$100K)

Fire & Ice, Freedom Lodge, TheBoulders, A Balance with Nature

You can view these at www.blueridgerentals.com

Our current fees are as follows:

20% commission for the processing of every rental

\$125 annual participation fee

\$15 monthly maintenance charge for general labor for changing out light bulbs (standard bulbs included, owner must provide special bulbs), labor for changing out air and water filters (owner must provide spare filters), and labor for igniting gas log pilots

\$36 quarterly trash removal charge for trash pick-up once a week or you can subscribe to your own service

Cleaning charge for each rental (standard 1-bedroom \$55, 2-bdrm \$65, 3-bdrm 75, 4-bdrm \$85, 5-bdrm \$100 & up)

2% of each payment amount a renter makes by credit card

If you have a hot tub, the sanitizing and maintaining of chemical service is \$35 per rental plus another \$15 when it has to be drained and refilled (generally every 4-6 weeks depending on usage). Hot tubs are the most requested amenity, and they generally generate an additional \$10,000 annually in rental revenue.

Prior to each checkin we check your property for acceptable cleanliness, working heating and cooling systems, working water, water heating, lights, TV's (including satellite systems or cable), hot tub, and gas logs. We do our best to handle any issues that arise prior to check-in so that those who spend hours searching for the perfect vacation home don't have to be moved due to system malfunctions and so that you keep your rental.

We provide each renter with a short survey to fill out and return to us rating their satisfaction with our service, and the value and satisfaction with your home. We also ask for comments or suggestions. We review these surveys when they are returned to us, call you with any major issues they may have encountered and issue maintenance work orders as issues are reported.

We require that you provide 2 sets of towels, washcloths, hand towels per occupant that your home sleeps, and two sets of linens for each sleeping arrangement. The cleaners generally launder all they have time for at your property, then bag, label, and finish laundering them at home. They bring the clean items back the next time they clean to exchange with the soiled items. To reduce the risk of mixing up your items with those of other owners, we ask that you label your items with a laundry marker.

One team of cleaners will be assigned to your home, and they are usually the first people who see your home following a tenancy. They check for and report any damages immediately so that we can take photos if necessary and document any damage. We then notify renters that they will be charged for damages once the costs for replacement or repair are determined. Wear and tear is normal when anyone lives in a home. Extra Cleaning and damages are found in approximately 1 out of every 100 rentals. These damages are usually very minor and are charged to the tenant. The vast majority of renters are very responsible and respectful of you and your home. We've found that placing a few family photos around your home helps remind any renter who might otherwise be disrespectful that they are guests in someone else's home, so they tend to take better care of the home.

If you want your home to be pet-friendly, please let us know. Pet-friendly homes generally receive approx. 20% more rentals and more income. The pet fee is treated as additional rent and is \$20 nightly or \$100 weekly. Over the 6 years that we have been managing vacation homes, we've seen only around 6 cases where a dog was left in a bathroom while the renters were out of the home and it scratched the door. The renters then had to pay for repairs or replacement. You can also place restrictions on the size and type of pets that you allow.

The busier rental season usually runs from mid-June through February with the biggest months being July, October, and December. When schools are out vacationers generally stay longer so we have longer minimum stay requirements during summer months, Thanksgiving, and Christmas. At other times of year the rentals are mainly for weekends. If you want to do some remodeling the best months are usually March, April and May.

We appreciate the fact that you have entrusted our company with the management of your home, and we place no restrictions on how often you are allowed to block your home for your own use. If you think you might want to use your home in July, October, Thanksgiving, or Christmas go ahead and block off the dates early. Once a renter reserves your home and sends a deposit, the contract is binding. Most reservations are booked 2-6 weeks prior to arrival, so if your primary goal is to maximize your rental income, then wait until 1 week prior to arrival to block your home for yourself. We require that you notify us in writing (email, website, or fax) to block your home, and we also need to know each time if you want our cleaners to clean and service the hot tub following your departure.

Although most owners rely upon us for all marketing efforts (as of March '07 we were receiving approx. 15,000 visitors a month who browsed an average of 7 minutes per visit on our website), you are free to advertize your home anywhere else if you choose. VRBO.com is a good website to list your home for rent. Since our management agreement is exclusive, however, we require that you only provide our email address and phone number whenever you advertise. Our committment to you is that if anyone contacts us and requests your home, we do not try to steer them toward another home unless your home is already booked. We do not reduce our commision for rentals that may have originated from your efforts, but you may offer rent discounts that we will honor.

Regarding rates: We generally introduce newly acquired homes at rates that are slighly below what we consider to be fair market rates in order to jumpstart your rentals. We also include your home listing under our Featured Properties Pages for the first 2 months. When a good number of advanced bookings are established, then we increase rates to coincide with other similar property rates. We will also work with you to offer discounts to increase rental activity or raise rates to reduce activity.

The rental business around the High Country has grown steadily over the years, and we hope that you find your renting to some of the thousands of vacationers who come here to be a positive and rewarding experience.

Feel free to call me if you have any questions or to set up a time for me or J Miller to meet you and view your home.

Best Regards,

Steven Griffin

General Manager

Blue Ridge Mountain Rentals, Inc

800-237-7975

www.blueridgerentals.com

Best Regards,
Steven