

JLD Apartment Consulting: Typical Client/Owner Questions and Answers:

(Questions are in bold.)

- **What other consulting companies do what you do?**

When we search the internet, we can't find any other apartment consulting company that has the extensive background as JLD who will visit your property and talk with on-site personnel. This is the absolute best way in to dig out those cost savings that exist in every apartment's operations. JLD Apartment Consulting stands alone in providing this service.

- **Won't my hiring you, an outsider, cause the manager and other on-site employees to be nervous about their jobs?**

Response: JLD has been a "hands on" owner and property manager for several years and all of his employees were used to frequent inspections of their property by various persons from outside entities. This included inspections by insurance companies which often are demanding of changes to prevent claims. Lender inspections occurred annually because they have a vested interest in how their collateral is being managed and maintained and they demanded financial reports as well as making unannounced visits. City fire inspections are routine. And you, as the owner or the executive of the management company, have even more need to be aware since you have a multi-million dollar asset at some level of risk. You want to do everything possible to protect that investment. That makes it in your best interest to have these outside reviews by independent and unbiased experts.

In regard to employee anxiety, JLD, at the outset, will reassure on-site management that he and they are on the same "team" because they have the same goal. That is, how the property can be managed to achieve the best results for the owner?

JLD works with all on-site personnel and always asks employees for their ideas for cost savings. He usually gets some good suggestions that are unique to the property or circumstance. He always lets them know that he will credit those employees with their ideas in the final Comprehensive Report. This gives them some degree of "ownership" of the final report.

- **I am thinking about either refinancing or selling my property in the next twelve to eighteen months. Would your Consulting Review help make this more successful?**

Response: It can have a very positive impact if it is conducted and its recommendations implemented well in advance of either of these two actions. That is, it is best if you have several months to a year of operating history to demonstrate the permanence of the improved net operating income. That is why you should start early.

The review and its recommendations, if properly implemented, can potentially impact the net operating income and hence be a positive significant factor for the buyer and lender alike to consider. JLD recommends that if you are planning either of these two actions, you should authorize JLD to do the Review as much in advance as possible so that his recommendations has time to be reflected in your monthly operating statements.

But even if you are not contemplating either of these two actions, any improvement in your NOI will result in better cash flow and enhancement of your property's value.

The JLD Review and its recommendations are designed to reduce your property's operating expenses and improve your cash flow. Please be advised, however, the Review of your property and its final Report is not designed for nor is it intended to substitute for a full MAI Appraisal or a formal inspection report by a qualified licensed property inspector.

- **The Consulting Agreement calls for a number of hours at an hourly rate. How is the number of hours determined?**

Go to: www.jldapartmentconsulting.com for the details of the Consulting Agreement

Response: The number of hours is determined by mutual agreement between you and JLD. There is a minimum of six hours stated but total hours might be somewhat higher depending on the size of your property and other circumstances. In any case, the total number of hours will be mutually agreed upon in advance and the resulting consulting fee is the maximum that you would pay unless you request that the scope of the Review be expanded.

- **On your website, you are asking us to print out and sign the Consulting Agreement and forward the Consulting Fee to you before JLD commences work. Why do you do this?**

Response: JLD works hard at keeping the hourly rate as low as possible. Forwarding the consulting fee to JLD before work commences helps us keep our costs low by eliminating the administrative cost of preparing and sending Invoices to Clients, billing costs, pursuing past due fees and any losses stemming from non-payment due to a property's unexpected change of management or ownership or other unforeseen issues after the work is already performed. This policy, in turn, allows us to provide these services to you at a minimum charge to you.

JLD takes each property Review very seriously and commits the time and effort to achieve good results for each Client. As such, Clients are asked to indicate equal seriousness and commitment by forwarding the Consulting Fee to JLD before commencing with the Review.

Some Consultants charge up to \$ 300 per hour plus expenses and spend little, if any, time on the property. JLD charges only \$ 175 per hour and that is all inclusive of any and all expenses, including report writing, that are incurred by the Consultant in performing the work.

- **I have several apartment properties that I would like to have reviewed. Would JLD give me a cost break under those circumstances?**

Response: This is negotiable and some reduction in fees can be discussed.

- **I would like to talk to or meet with Mr. Dennis directly.**

Response: Feel free to contact us via our toll free number: 1-(844)-553-7767 at any time. We can work out a mutually convenient time for either a telephone call with JLD or, if practical, to meet together in person.

- **Are there circumstances whereby JLD will refund my consulting fee?**

Response: Yes. If the total savings of JLD's recommendations do not exceed at least double the amount of fees paid to Consultant, JLD will refund to Owner the entire amount of fees paid to Consultant.

Also, if the Client decides for any reason to terminate the Consulting Agreement after submitting the full Consulting Fee to JLD but before JLD has started work on the Review, JLD will refund the entire amount of the Consulting Fee to the Owner.

- **If I decide to print out the JLD Consulting Agreement from the website and send it to JLD with my check for the Consulting Fee, how soon can JLD get to my property and start its Review?**

Response: before you sign the agreement or send in the Consulting Fee, JLD will work with you on a mutually convenient schedule date for the Review.

- **Can I check with some of your references?**

Response: We have a list of references on our website. If their contact information is not posted on our website, JLD will gladly provide their contact information to any interested client that requests it. Just let us know.

- **What if, after JLD starts work on my property, I decide to expand the scope of the Review to include other areas?**

Response: This happens. In this case, you and JLD work out a mutually agreed number of additional hours and we will revise the existing Consulting Agreement to indicate those hours.

- **If I asked JLD to manage my property, would he be interested?**

Response: Our policy is to not solicit management contracts from our clients so that there is never any conflict of interest with your management company. In some certain urgent circumstances whereby you need immediate property management for your property until you can install a permanent management team, you should contact Mr. Dennis directly and the two of you can discuss how he can help with the transition.

- **Do you pay a referral fee if I recommend a new client to JLD?**

Response: Of course, we would welcome any referrals from you. In regard to a referral fee, he has been known to consider referral fees in the past but that is something to be discussed directly with Mr. Dennis.

For more information, just go to our website: www.jldapartmentconsulting.com. Or click "Contact Us" on the Home Page and let us know how we can help you.

Thank you and hope to be talking with you soon.

Toll free: 1 (844) 553-7767

The JLD Apartment Consulting Staff.
