



News from Team Rein & Common Questions about Disbursements

Welcome to the first installment of the Investor Newsletter! Here you will find news, updates, and useful information!

Advertising

In addition to the newspaper (both print and online editions), Sarah is placing ads on an inexpensive classifieds website for Broome County. We hear this website advertised on the radio, so web traffic is definitely being directed there!

Team Rein's Website

Ginger has been updating the Team Rein website with a wealth of information. Coming very soon - Tenant Community and Investor Corner sections will be completed. Ginger will let you know when these areas are up and running.

Disbursements

We know that disbursements can sometimes be confusing, especially when the rents received during a reporting period are not sufficient to cover the expenses associated with your property. Thankfully, that doesn't happen often, but to help avoid this situation in the future, we would like to give you some helpful tips for reading your disbursement and let you know of a new policy we are employing.

Tip #1: The "Credit" column

This column lists the rents received from tenants between the 15th of the previous month and the 14th of the current month. If the amount is more or less than you expected, chances are that the tenant paid outside of the reporting period. For example:

You have one tenant, who paid their rent of \$500 on 9/16/06. This amount would not be included in September's disbursement, because it is after the end of the reporting period. However, it will be on October's disbursement.

Tip #2 : Management Fees

We charge management fees based on what we *received* in rents, not on what is *billed* in rents. For example:

You have one tenant, who paid their rent of \$500 on 9/16/06. The management fee would not be included in September's disbursement, because it is after the end of the reporting period. However, it will be on October's disbursement.

Tip #3: Negative net disbursement

This means the rents received were not sufficient to cover the expenses for the reporting period, and the amount listed is due to Team Rein. In most cases, we can carry the balance forward, and simply deduct it from the next disbursement. However, when the amount due to Team Rein is greater than \$300, we will need payment from you within 10 business days. This ensures that you, the property owner and investor, do not have negative disbursements month after month. It also means that our vendors will be paid in a timely manner, and we will be able to continue the solid business relationships we have created over the years.

If the rents received do not cover the expenses, those same expenses will appear on the next disbursement. It does not mean that you were billed twice, it only means that they are unpaid invoices as of the end of the last reporting period.

Tip #4: Questions

As always, we welcome questions about your property, maintenance, and disbursements.

For questions about specific maintenance or property issues, call Sarah at 607-785-8325.

For questions about money (disbursements/bills/invoices/payments), call Ginger at 607-785-9991.

How can negative net disbursements be avoided?

We are employing a new policy with regard to maintenance that is expected to exceed \$500. In addition to alerting you to costly repairs ahead of time, this step will allow you to take care of these high, usually unexpected expenses, so your disbursement is not drastically affected.

Whether it is labor, materials, appliances, or other major work that needs to be done, when the estimated cost is more than \$200, we will contact you first. This way, you have the option of pre-paying for the work or making other arrangements to get the work done.

As always, if you have any questions, don't hesitate to call the office!

Sarah (sguccia@teamrein.com) can be reached at (607) 785-8325 for questions about your property, maintenance work being done, tenants living at your property, or any other general property questions.

Ginger (gmace@teamrein.com), at (607) 785-9991, will answer all of your disbursement, invoicing, and money questions.

Thank you for being a client of Team Rein, and an Investor in Broome County!