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NORTH AMERICAN STANDARDS PROPERTY MANAGEMENT

ABOUT US

North American Standards Property Management Company (NAS) is a boutique Playa del Carmen property management and vacation rental business founded by Matt Weatherbee and Allan Lockhart. NAS seeks to distinguish itself by providing the quality of care clients expect from a major property management firm as well as the personal attention clients require from a dedicated manager. Matt and Allan bring over 40 years of combined property management experience. Unlike many larger companies in the industry, NAS focuses solely on property management and rentals, allowing us to provide our clients with more tailored service. Only through this type of personal attention can NAS hope to cultivate long lasting relationships with its clients.

HISTORY

NAS was conceived during one fateful Spring vacation to Playa del Carmen, Mexico. Founders and Boston, Massachusetts natives, Matt Weatherbee and Allan Lockhart, fell in love with Playa. They had observed from Playa's rapid real estate growth the need for competent, attentive, efficient and experienced property managers in the Riviera Maya. Matt and Allan decided to transport their combined 40 years' of property management experience from Boston to Mexico – literally. Upon returning from vacation, they sold everything, packed their SUV and 3 months later drove 4,500 miles from Boston to Playa del Carmen to start their new business venture.

EXPERIENCE

Matt graduated cum laude from Ithaca College with a Bachelor's Degree in Political Science and minors in Theatre and Spanish. He was inducted into Who's Who in American Colleges and Universities and speaks both English and Spanish. He has 9 years experience managing a high-end Boston law firm where he was responsible for overseeing the internal operations, including but not limited to, bookkeeping, administrative staffing and computer systems. Allan has owned and operated his own businesses for years, including nursing homes, fast food restaurants and health clubs. Throughout his career, Allan has always been responsible for maintaining his own properties, including but not limited to, HVAC, water, sewer and electrical. In the last business he established and managed, Allan designed, supervised the build out of and oversaw the maintenance of a 2000 plus member fitness facility. Together Matt and Allan managed a 35 unit condominium complex along the Charles River in the high-end Back Bay neighborhood of Boston.

PROPERTY MANAGEMENT

SERVICES

NAS offers a full spectrum of property management services, including but not limited to, weekly inspections, supervision of all maintenance and renovation projects, preventative maintenance, bill payment, bookkeeping and furnishing. Our aim is to maintain every property like it was our own. We are committed to the complete coordination and management of any and all issues pertaining to each property.

Weekly Inspections

NAS conducts weekly inspections of each unit to ensure proper upkeep and maintenance. Inspections include but are not limited to:

- Airing out of the unit;
- Dehumidifier maintenance;
- Toilet flush;
- Running of water taps;
- Verifying the correct functionality of all appliances;
- Partially or entirely fumigating the unit, only if necessary;
- Detection of maintenance needs;
- Exterior inspection for vandalism; and
- Minor plant watering.

NAS will coordinate and supervise all maintenance and renovation projects at no cost to our owners. We will also provide access to the property for repair, pest control and/or delivery persons;

Preventative Maintenance

To help reduce the need for reactive maintenance work, NAS implements a proactive preventative maintenance program. If problems are avoided before they occur, we can reduce the owner's costs and help safeguard and increase the life span of the property and its furniture, fixtures and appliances. Our program includes but is not limited to:

- Monthly inspection of air conditioning filter(s);
- Decongestion of shower and faucets head; and
- Monthly plumbing checks for leaks and drips.

Bill Payment and Monthly Statements

Upon signing a property management agreement with NAS, a deposit of \$1,200.00* is required from our clients. Such deposit is placed in a separate owner's account and is used for payment of any bills associated with the use of the property, including utilities. NAS asks that a minimum

* These figures are based on a one or two bedroom condominium.

balance of \$500.00 always be maintained in the account. This allows NAS to pay bills for the unit in an effective and efficient manner.

NAS will maintain a proper bookkeeping system to ensure the accuracy of the owner's account. Detailed monthly statements outlining all receipts, expenses and charges to the account will be provided to the owner on a monthly basis via electronic mail.

Utility Accounts and Accounts for Other Services

NAS will gladly assist its clients with the opening of accounts for utilities and other contracted services at no cost.

Customer Service

NAS is available to our clients 24/7 via telephone or email in English and Spanish. Feel free to contact us with any needs or questions you may have.

Furnishing

With excellent local knowledge of all retail options, NAS offers the service of completely furnishing our owner's properties. We take full charge of choosing, negotiating, purchasing and coordinating the delivery and installation of furniture and fixtures. NAS charges a 10% commission or \$50/hour for the full coordination of furnishing a property. If an owner solely requires NAS to organize and oversee the delivery and installation of such furniture and fixtures, NAS charges \$50 per hour for the time spent waiting and supervising.

Cleaning

The unit will be cleaned once monthly, if unoccupied for more than 30 calendar days. The cost of such cleaning will be charged to the owner's account at competitive rates.

MANAGEMENT FEES

If NAS handles the vacation rentals for the property and the property is available for rent more than 6 months out of the year, NAS charges a fixed property management fee of only \$179.00 USD* per month. Otherwise NAS will charge a fixed property management fee of only \$199.00 USD* per month. The property management fee includes, but is not limited to:

1. Weekly inspections;
2. Preventative maintenance;
3. Bill payment and monthly statements;
4. All cleaning supplies;
5. Coordination and supervision of all maintenance work done in the property; and
6. Hurricane unit prevention.

VACATION RENTALS

SERVICES

NAS offers a highly competitive vacation rental service aimed at maximizing rental income for owners and offering our guests a diverse array of rental properties. Our goal is to market each property like it was our own. A higher percentage of rentals per year means happier clients and ultimately a better relationship between NAS and its clients.

Marketing

The first step in effectively renting a unit involves proper marketing. The more potential renters who view a property listing the more likely that unit will be rented. NAS will take professional quality photos of the unit at no cost to you, write detailed and persuasive descriptions, including amenities and rental policies, and will list the unit on its own page on our website, www.nasplaya.com. This page will serve as the primary marketing portal for the property. Potential renters will also be able to view the reservation calendar and to make reservations online. The ultimate goal is to paint each property in its best light and to make the reservation process as easy as possible.

Establishing appropriate rental rates is another key factor in marketing. Price it too high and potential rentals will be forfeited; price it too low and rental income is not being maximized. With the owners input, NAS will price each unit to maximize profits based on market research and our veteran Riviera Maya contacts.

Owners also have the option of selecting our enhanced marketing program. NAS will send each Owner a list of recommended annual-fee vacation-by-owner websites, which have established success in generating inquiries. NAS will set up the listings approved by the Owner, answer rental inquiries generated by these websites and will charge the Owner the fee charged by these sites without mark-up. The annual cost of this service ranges from roughly \$240 to \$800 USD depending on the level of marketing desired. NAS feels this service is invaluable and highly recommends spending the most money to generate the highest number of rentals.

Calendar Management

Although each property is listed on many vacation websites, NAS retains ultimate control of the calendar. This helps to avoid double bookings. It also aids in effectively booking each unit as frequently as possible. When guests experience a pleasant and hassle free stay it helps to assure they'll book again and may refer friends and family.

Guest Services

NAS will provide all vacation rental guests with the following services:

- Personalized check-in and check-out, including a property tour and overview of how to use the appliances;

- A welcome package outlining local information such as restaurants, tours, activities and a brief history of Playa del Carmen;
- Assisting in obtaining transportation to and from the airport;
- Optional laundry service during occupancy charged to the renter at competitive rates;
- Optional maid service during occupancy charged to the renter at competitive rates;
- Cleaning products and individual bath soaps are supplied and restocked by NAS at our expense;
- 1 five gallon purified water jug is supplied to the unit weekly, as needed, by NAS at our expense; and
- Paper products including, toilet paper, roll paper towels, trash bags and waste can liners are supplied and restocked by NAS at our expense.

Inspections

In addition to weekly inspections, NAS inspects each property before and after every vacation rental. The pre and post occupancy checks help to ensure guests arrive at an impeccably maintained property with all of the appliances and fixtures functioning and all of the inventory items physically present.

Cleaning

Before and after each vacation rental the property will be cleaned and the linens washed. The cost of this service is charged to the owner's account at competitive rates. NAS provides all cleaning supplies at no cost to the owner. Due to time constraints all linens are washed outside the property regardless of the presence of washers and dryers in the unit.

Guest Opinions

Upon checkout, guests receive our Guest Questionnaire via electronic mail. Feedback helps to ensure that each unit meets and hopefully exceeds expectation. Information obtained is kept on file and used for future reference. Data collected also helps with ongoing marketing. This information will be made available to the owners via electronic mail at their request.

Rental Income Statement

Upon signing a rental contract with NAS, independent from a general property account, we create a separate statement which gives our clients a clear overview of rental revenue generated. This statement is sent to the owners on a monthly basis via electronic mail along with the monthly statement for their property account.

VACATION RENTAL POLICIES

Reservations, Payments and Deposits

Owners shall be entitled to designate certain periods for their exclusive use of the property and may do so upon confirmation of availability with NAS. In the event that a confirmed commitment of

property by NAS is in conflict with the above, the owner agrees to make property available to NAS, provided NAS gives prompt notice of conflict. To maximize profit for the owner, NAS suggests the owner refrain from visiting the unit during high occupancy periods (Christmas and New Year) since this is when the unit tends to generate the most revenue. NAS kindly asks the owner to notify us at least 1 month prior to their arrival in order to block out those dates.

For vacation rental guests a 5% service charge will be added to the rental rates. Once a vacation rental reservation is made a 50% deposit of the total rental amount is required within 7 days after the initial reservation date. Failure to do so will result in the cancellation of the reservation. The balance must be paid 30 days prior to the arrival date. If cancellation of the reservation becomes necessary then a refund is issued according to the guidelines and limitations outlined below:

- 75% of the amount will be refunded if cancellation occurs 90 days prior to the arrival date.
- 50% of the amount will be refunded if cancellation occurs 61 - 90 days prior to the arrival date.
- 25% of the amount will be refunded if cancellation occurs 31-60 days prior to the arrival date.
- No refunds if cancellation occurs less than 30 days prior to the arrival date.

NAS will also collect a \$500 security deposit for each reservation made. Such deposit is fully refundable given no unit items are damaged or missing. Any loss or damage to the unit or its contents will be subtracted from the security deposit.

Keys

NAS requires 4 sets of keys for each door (main door, terraces, balconies, rooms, etc...). 2 sets are exclusively used by the guests while the remaining 2 reside with NAS for our files and to use in case of emergencies. Any vacation rental client that misplaces unit keys will be charged at \$20.00 per lost set.

Linens

NAS requires the presence of hand towels, beach towels, bath towels and bed pillows per the maximum number of guest plus two. Furthermore a minimum of 2 sets of sheets and pillow cases for every bed must be available.

Electronics, Furniture and Fixtures

- | | |
|------------------------------|----------|
| • Refrigerator | Required |
| • Stove | Required |
| • Coffee machine | Required |
| • TV with cable or satellite | Required |
| • Microwave | Required |
| • Toaster | Required |
| • Internet connection | Required |
| • Window shades | Required |
| • Sofas and chairs | Required |

- Air conditioning Required
- Closet for each bedroom Required
- Hangers Required
- Dressers and/or shelves for each bedroom Required
- Manuals for all appliances Required
- Step ladder Required
- Safe Required
- Lockbox or keyless entry Required
- Hair dryer Required
- Blender Required
- Washer Optional
- Dryer Optional
- DVD player Optional

Plates, Glasses and Cutlery

- Plates Maximum number of occupants + 2
- Glasses Maximum number of occupants + 2
- Cutlery Maximum number of occupants + 2

Additional Rules and Regulations

Pets and smoking are not allowed during vacation rentals. From experience they tend to make the unit harder to clean and can lead to allergic reactions from subsequent guests.

NAS and the unit owner assume no responsibility for loss or theft. Vacation rental guests are responsible for the property at all times during their visit. It is their duty to make sure all doors and windows are secure and locked before leaving the unit, even if it is for just a quick stroll down the street. These few extra steps will ensure the security of the contents of the unit and their personal belongings.

Rental guests exceeding the maximum amount of people allowed by the agreement may result in an eviction at NAS's sole discretion. Furthermore, any behavior deemed inappropriate or excess at the sole discretion of NAS including excessive noise, throwing of items from balconies, destruction of property, leaving on the air conditioning with the windows and/or doors open and behavior resulting in complaints from other guests may result in eviction without refund and/or loss of security deposit.

RENTAL FEES

NAS charges twenty (20%) percent of the gross monthly receipts. Gross monthly receipts shall mean rentals collected. Agent also has the right to charge a ten (10%) percent commission of any rentals booked by the owner.