



ELMSTONE
— GROUP —
PROPERTY MANAGEMENT, LLC

New Hire Orientation

- Updated April 2018 -

New Hire Orientation

Mission Statement

Our Business Model

Organizational Structure

The Work Environment

Daily expectations

Handling vendors and inspectors

Pay day, pay checks and more

Company Holidays and PTO

Mission Statement

Provide an exceptional lifestyle for our residents, employees, vendors and owners.

Furthermore we aim to be that management company that:

- Residents look for when choosing a place to call home.
- Employees love to work for; and others in the industry aspire to work for.
- Vendors consider to be their #1 client and aim to keep as a long-term customer.
- Investors love to partner and invest with.

Better. Because we care.

Our Business Model

Locate, acquire, rehab., improve, sell

...

Repeat!

Business Model

- Acquire properties that have upside potential
 - Below market rent; need capital injection - interior and exterior
 - Some/all dated units needing upgrading
 - Occasionally mis-managed
- Year 1 after acquisition
 - Major capital improvements
 - Bring rents up to market level
- Year 2
 - Improve property performance (aim for >95% occ.)
- Year 3
 - Look at sale or refinance (owners final decision)
- Year 4 and beyond
 - Refi. allows additional capital injection
 - Run property for maximum cash flow (occ. 95% or more)

Employee involvement throughout business cycle

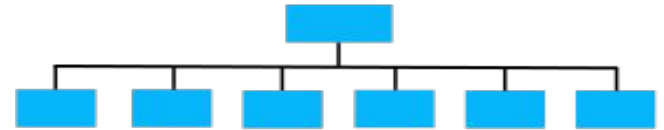
- Quality, dedicated team members are critical to smooth operation
- Invest in training and education to help team members grow professionally
- Throughout this process we aim to:
 - Keep good team members with the company even if their property is sold (assuming they want to stay!)
 - [Note: a refinance does not involve or require any change of staff or management]
 - If we are unable to keep good team members during a sale, then help them find another position locally
- To date, no one has lost their job as a result of a sale!

Guiding Principles

- Customer Obsession
- Ownership
- Invent and Simplify (without sacrificing quality)
- Learn and Be Curious
- Hire and Develop the Best
- Insist on the Highest Standards

Organizational Structure

Reporting Structure



- Deliberately a lean, flat structure
- All on-site staff report to Area Manager, Tammy
- Everyone expected to work together and backfill or help out as and when needed
- Build on one another's strengths and try to compensate for each other's weaknesses
- *We're all good at something, but no one is good at everything*
 - for proof watch Undercover Boss!

The Work Environment

Harassment, Gossip and Privacy

YOUR WORK

is going to fill a large
part of your life, and

THE ONLY WAY

to be truly satisfied is to do what you believe is

GREAT WORK.

And the only way to do great work is to

love what you do.

If you haven't found it yet,

KEEP LOOKING, AND

DON'T SETTLE.

*As with all matters of the heart,
you'll know when you find it.*

STEVE JOBS

What is Verbal Abuse?

Yelling/screaming

Insults

Mocking

Sarcastic comments

Intimidating threats

Disregard for feelings

Cursing/swearing

Manipulating words

Name calling

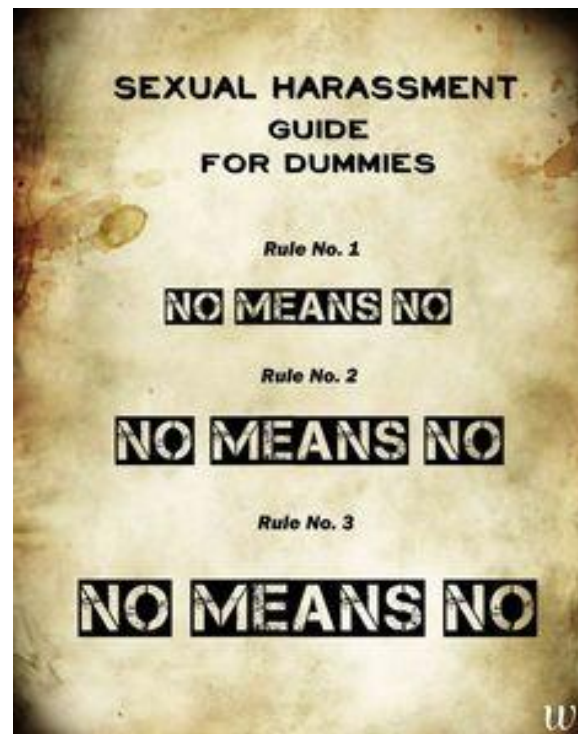
Negative criticism

Verbal abuse usually leads to emotional abuse or is used in combination with verbal abuse

QuotePixel.com



gg58623450 GoGraph ©



Harassment

- No harassment of any form is accepted
- If you feel harassed (verbally, sexually, racially or any other way) then:
 - Ask the other person to STOP; then
 - File a written report with HR
(hr@elmstonegroup.com) or your manager

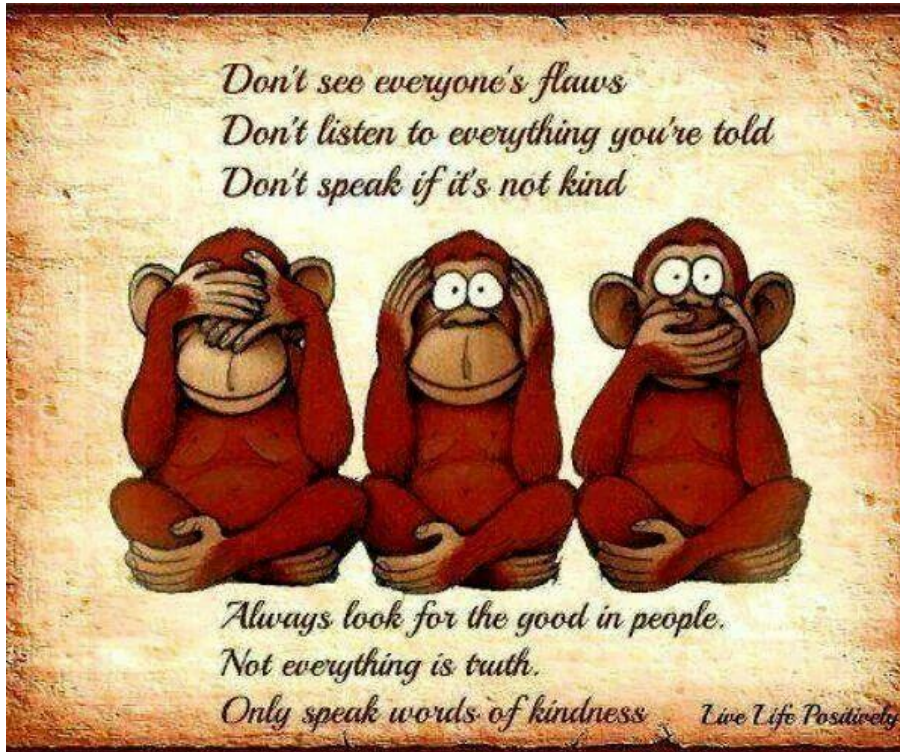
WARNING!



YOU ARE ENTERING A NO DRAMA ZONE

**NO DRAMA
ZONE**

BE PREPARED TO LEAVE YOUR
BAGGAGE BEHIND AND BECOME
THE BEAUTIFUL EMPOWERED
BEING YOU WERE BORN TO BE



Great minds
discuss ideas.
average minds
discuss events.
small minds
discuss people.
- Eleanor Roosevelt

Gossip

- No gossip! It hurts others and kills morale.
- Just say “No” to gossip. If anyone starts gossiping with/to you then tell them that it is inappropriate and against company policy; then ask them to STOP.
- If they continue, then report this either to HR or to your manager or supervisor

Privacy

- Do not discuss your pay or bonus (if appropriate) with anyone other than your manager.
- Do not give out any employee's personal cell phone number to anyone else.
- Do not share personal resident information with anyone else.

Daily expectations

Daily expectations/routine

- Everyone:

- Arrive 5-10 minutes before your shift begins
- Change into uniform* and prepare to start work (bathroom, coffee, etc.)
- Clock in then begin work with a big smile and a positive attitude!
- Review work-orders and make-ready statuses



* Uniforms provided for Maintenance staff belong to Unifirst and are only rented by us. They must not be taken home or removed from the property

Daily expectations

- Office staff

- Open office on time
- Review any work-orders and make-ready status with maintenance
- Check the readiness of units that you are going to show prospects
- Office should be open during posted hours
 - If office is closed during regular hours, then post a notice
 - If two (or more) people working then space out lunch breaks to keep office open as much as possible

During quiet times:

- Tidy up and sweep the office as needed
- Walk the property
 - Greet any tenants
 - Pick up any trash
 - Look for lease violations and needed exterior maintenance
- Catch up on entering invoices

Daily expectations

- Office staff, continued

- Close the office on time
- Take a few minutes to wrap things up before you leave. In particular:
 - Scan/Enter all payments received into ResMan. Never leave this until the next day since charges/fees may be assessed overnight if the payment(s) have not been entered in.
 - Scan and enter any paper invoices received during the day.
- Tidy up the office ready for the next day.
- Clock out
- Lock up the office behind you and go home knowing you have a well organized office to return to the next business day.

Daily expectations

- Maintenance

- Pick up the grounds first thing
 - A clean property creates a great first impression for future residents, lenders and owners (all of which DO drive by)
- Complete any urgent work orders
 - Assess all other work orders for any needed parts to order from AZ Partsmaster or HD Supply or pick up on next visit to Home Depot
 - Request that manager place orders for required supplies (from AZ Partsmaster, HD Supply, Sears, etc.)
- Make-readies
 - You need to make progress with make-readies most days of the week.
 - Plan on completing 1+ make-readies/week.

Handling vendors and inspectors

Vendors - DOs

We have a core team of trusted vendors. They are an extension of the company and selected so as to be able to help you/us operate the property to it's best potential.

DO:

- Treat all vendors professionally and as you would like to be treated
- Cooperate with their requests when possible
- Only use approved Vendors already in ResMan

Vendors - DO NOTs

Adding and removing vendors is at the discretion of Corporate Management only.

DO NOT:

- Threaten termination of their contract
- Use any vendor that is not already Approved in ResMan - if in doubt, ask
- Invite in others vendors you may have worked with in the past
- Sign any vendor contracts/agreements - only Shari and Steven are authorized to do this

Inspectors

We have regular (usually annual) property inspections by our lenders, code enforcement officers, fire marshals, owners and more.

DO:

- Treat all inspectors and visitors with RESPECT.
- They are just doing their job.
- Cooperate and respond to their requests promptly.

DO NOT:

- Argue with them or tell them how to do their job!

Payday, paychecks and more

When and how you get paid

Pay day & pay checks

- Payday is every other Friday
- Paid in arrears
- Example:
 - Pay period: Saturday 1st - Friday 14th
 - Pay day would be on Friday 21st
 - Final time clock adjustments (if needed) must be made by noon on Saturday 15th
- **Overtime MUST be pre-approved in writing**

Check advances/loans

Per our employee handbook, advances of pay and loans are not offered.

On the one hand we would love to “be there” and help out our employees in need, but then again we would rather encourage them to build and maintain a small savings account to serve this same purpose.



Do not leave yourself or your family
unprotected against financial
storms... Build up savings.

— *Ezra Taft Benson* —

AZ QUOTES

First things first...

Build an emergency fund

- Goal: amount equal to one month's pay
- Add to it every paycheck until goal is met
- Resist the temptation to “dip into it” for every little emergency that comes up
- Use it only as a last resort

THEN:

- Start today saving for tomorrow (retirement)

Personal Savings accounts

- Short-term savings



CapitalOne 360 offers 360 Savings accounts

<https://home.capitalone360.com/online-savings-account>

- No fees and no minimum balance
- Pays interest on the balance
- FDIC-insured
- Online and mobile access
- ***Can be setup to automatically receive part of your paycheck every pay day to help build savings***



401K / Retirement Savings

- Long-term savings

In conjunction with Paychex we are able to offer employees a 401K retirement savings plan.

We also offer employer-matching contributions to help your retirement savings grow faster.



Company Holidays and PTO

Company Holidays

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

Paid Time-Off

- Accrues from day 1.
- Available for use after 6 months of employment.
- First try to arrange PTO so that your co-workers will be able to cover for you while you are off.
- Should be requested and approved in advance through the Stratustime application.

Questions or Feedback?

Speak to HR or your manager

Contact Information

Shari L. Gould, CAM CAPS

President/CEO, COO

shari@elmstonegroup.com, 214-718-0590

Steven R. Gould, IROP

CFO & CTO

steven@elmstonegroup.com, 469-955-3035

Human Resources

hr@elmstonegroup.com, 972-719-2544

Technical Support

support@elmstonegroup.com

<http://www.elmstonegroup.com/>