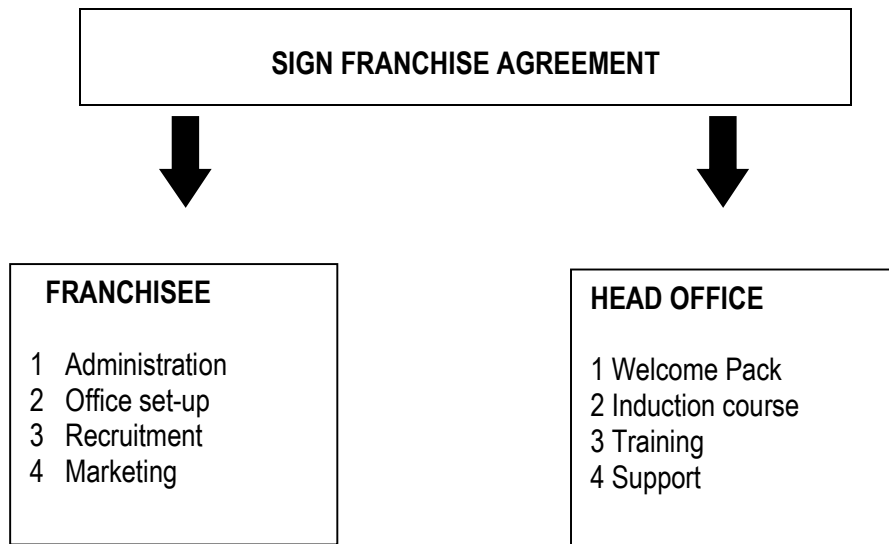


WELCOME PACK

Congratulations on your decision to join the **ONLY RENTALS** family. So, what happens next? The following diagram illustrates very simply the key steps to getting your business started.



DOING THE RIGHT THING!

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Training Schedule

Our training program will prepare you for every aspect of owning and operating your **ONLY RENTALS** franchise. In keeping with our view that a great part of the success of the venture will be your business acumen, we encourage you to spend time at various branches to find best practices.

All in all, the required part of your training, (other than the EAAB examination) only takes about three working days in total. Our information has been well researched and most of the documentation is self-explanatory. There is no doubt that the greatest value you will gain from training will be “on the ground”. In line with this philosophy, we have an expectation that you will have gone through the operations manual and leases in detail prior to your training.

Introduction to a branch – morning or afternoon session

This session takes you through all the aspects of running your own **ONLY RENTALS** office. It takes place in an office where you will meet agents, talk to the administration staff and learn the basics of the “**ONLY RENTALS WAY**” in terms of service levels.

Day in the life of an agent

You will spend ½ a day with an **ONLY RENTALS** agent to see the theory at work and really experience what an agent’s day involves.

Day in the life of a franchisee

By the time you spend a day with a franchisee, you will have enough of an understanding of the workings of the business to be able to ask him/her more probing questions about methodologies and tactics that have worked well in his/her particular branch.

Systems

This half day’s training is run by our “Systems and Administration Manager”. You will learn all our systems, from the use of the **ONLY RENTALS** website, to the Rent Roll software package, e-mail and office administration systems.

Legal aspects

Facilitated by our CEO, Raal Nordin, this half day’s session runs you through leases, authorization, how to ensure the highest levels of customer service and professionalism.

Marketing

Head Office leverages its marketing fund for brand-building. But what are brand-building activities and how can you go about marketing your business? What advertising routes are recommended? Also learn about community-based marketing to put your business on the map.

What you need to do to get started

ADMINISTRATION

Register a CC (HEAD OFFICE can help)	
Open bank accounts	
Open trust accounts	
Register with Estate Agents Affairs Board	
TPN/ITC registration	
Register for VAT, PAYE, UIF and any other bodies for which levies are payable (via your auditor)	

OFFICE SET-UP

Find suitable premises	
Get Head Office to authorize premises	
Negotiate and sign lease	
Order shop-front signage (strictly through HEAD OFFICE)	
Internal signage (Strictly through HEAD OFFICE)	
Order corporate stationery (Strictly through HEAD OFFICE)	
Arrange phone lines	
Arrange internet access & e-mail accounts (strictly through HEAD OFFICE)	
Purchase/lease office equipment	
Purchase/lease office furniture & décor	
Office stationery	

RECRUITMENT

Devise recruitment approach	
Discuss optimal staff mix with HEAD OFFICE	
Recruit & employ agents	
Recruit & employ admin staff if applicable	

MARKETING

Marketing and action plan – write one & lodge copy with HEAD OFFICE	
Order To Let / Area Agent boards (Strictly through HEAD OFFICE)	
Place advertorial in local paper	
Place advertising in local paper	
Inter-franchisee networking	
Networking	
Opening launch	

General information

Timing

Once the necessary contracts have been completed, it will take approximately 2 - 4 weeks before you will actually open your business. During this time, appropriate premises must be found and you must undergo all the **ONLY RENTALS** training before you can begin to trade.

Marketing

You will be responsible for your own marketing and promotional campaigns, as well as the cost of such initiatives such as brochures. The Marketing Fund pooled by franchisees will be administered for the purposes of brand building and it is managed at the Franchisor's discretion, it is however transparent and audited and is used strictly for marketing.

Establishment Costs

Set-up costs are for each new franchisee's account. Whilst we allow flexibility in office set-up arrangements, the office must be professionally equipped and furnished in line with the corporate identity at all times. A detailed estimate is attached.

Some costs are fixed (office equipment hire, salaries staff, rent) and others are variable (advertising, telephones and bills). Variable costs need to be monitored as they can easily get out of hand.

Administration software and tools

We recommend you obtain your own financial management software package. The management system package (NAME) is a compulsory software management tool that is billed on a pre-determined, monthly subscription basis. It is also compulsory for our franchisees to list properties on the **ONLY RENTALS** website, for which there is also a small monthly fee of R95.00 pm. E-mails are billed monthly at only R30.00 per e-mail address.

Support at the end of a line

Communication is a vital link between Franchisee and Franchisor. There are always Head Office personnel available to offer support no matter how small the problem might be. In addition, we make regular visits to the individual Franchises, and hold regular franchise meetings (at least every 2 - 3 months).

Registration of V.A.T., P.A.Y.E., U.I.F. and other levies

Payment of these is your responsibility. Payments must be made monthly, or as and when regulated. Please consult a bookkeeper of your choice

Area selection and office requirements

Head Office staff will be available to assist and advise you on choosing a location for opening an office in your designated Franchise area.

The minimum requirements are a small satellite office in a commercial location. This in itself is money well spent as it is speedily reimbursed by "walk-ins".

Budget and Rent

Make provision in your set-up expenditure budget for rental deposit/payments to the landlord. Rather “over estimate” than be horrendously short at month end.

Franchisee and Staff Training

As mentioned earlier, you will need to complete your training before you are able to begin trading. In addition, all agents working in the field and therefore representing **ONLY RENTALS**, will be required to attend the **ONLY RENTALS** Internal Training Course and Workshops during the year. Fees for this training will be determined by Head Office, from time to time.

All costs in this proposal are accurate at the time of writing but may be subject to the usual unforeseen increases as per our suppliers from time to time, within reason.

ESTIMATED SET-UP COSTS

A

Stationary	unit	P/Item	Total
1 Basic Stationery (Waltons etc.)			1,000.00
2 Whiteboard	1	450.00	450.00
Total			1,450.00

Compulsory Head Office Items:

B

Corporate Stationery	unit	P/Item	
1. Letterheads	500 / 250	R1,125.00 -	R562.50
2. Envelopes	500 / 250	R 690.00 -	R345.00
3. Business Cards	500 / 250	R 408.50 -	R204.25
4. Compliment slips	500 / 250	R 598.50 -	R299.25
5. Folders	500 / 250	R2,875.00 -	R1437.50
6. Rubber stamp	1		R547.20
7. Leases			
8. Authorizations			
9. Tenant Application forms			
		TOTAL	R3395.70

Variable costs

C

Map	Unit	P/Item	Total
1 Map of area (Strictly through HEAD OFFICE)	1	(estimate)	R 750 .00
2 Office Cleaning/ repainting	1	(estimate)	R2,000.00
3 Office Rental – upfront	1	1 month	R5,000.00
4 Office Deposit required	1	1 month	R5,000.00
		TOTAL	R 12750.00

D

Office Furniture	Unit	P/Item	Total
1 Desks	4	450.00	1,800.00
2 Visitors Chairs	2	200.00	400.00
3 Chairs	4	250.00	1,000.00
4 Filing cabinet	1	860.00	860.00
5 Stationery Cabinet	1	860.00	860.00
6 Reception Furniture Desk/couches/coffee table			5,000.00
TOTAL			R9,920.00

E

Equipment	Unit	P/Item	Total
1 Computer	1	4,500.00	4,500.00
2 Microwave	1	500.00	500.00
3 Fridge	1	1,000.00	1,000.00
4 Crockery / cutlery	5	500.00	500.00
Printer / copier / fax	1	LEASE	R1,000.00 Upfront
Switchboard	1	LEASE	R1,000.00 Upfront
Total			R 8,500.00

F

Signage	Unit	P/Item	Total
1 1 External neon	1	3,500.00	3,500.00
2 A Frame	1	950.00	950.00
3 Internal	1	1,500.00	1,500.00
4 Window signage	1	2,500.00	2,500.00
5 Welcome Mat	1	600.00	600.00
Total			R 9050.00

G

Legal	Unit	P/Item	Total
1 CC Registration	1	700.00	700.00
2 EAAB (Company/principal)	1	487.00	487.00
3 EAAB (member)	1	232.00	232.00
Total			1,419.00

H

Software	Unit	P/Item	Total
1 Rentroll package (once off installation)	1	1,500.00	1,500.00
2 Rentroll monthly charge		500.00	500.00
Total			2,000.00

I

Marketing	Unit	P/Item	Total
1 To Let Boards & area agents boards	250	@ 25.00	6250.00
2 Area Agents boards	250	@15.00	3750.00
2 Car magnets	2		520.00(set)
3 Local Paper (4 entries) i.e. Caxtons		2,000.00	2,000.00
4 Pamphlets	5000	1,500.00	1,500.00
5 Postage		400.00	400.00
Total			14420.00

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Total estimated Set-up cost

A. Stationery	R 1,450.00
B. Corporate Stationery	R 3,395.70
C. Map	R12,750.00
D. Office Furniture	R 9,920.00
E. Equipment	R 8,500.00
F. Signage	R 9,050.00
G. Legal	R 1,419.00
H. Software	R 2,000.00
I. Marketing	R14,420.00
Full Set-up	R 62,904.70

Finally:	Set-Up Cost estimate	R 62,904.70
	Estimated operating cost	R 40,000.00
	Franchise fee (incl. Vat)	R 25,000.00
	TOTAL FUNDS REQUIRED	R127,904.70

Costs of all items are subject to change as and when suppliers increase prices, and is an accurate reflection of current estimate expenditure. Please ensure that a 'cash-flow' forecast is perused and understood and that you possess some working capital. The above cost could also be reduced with up to 30% if you already have most equipment/furniture etc. OR lease more items, as apposed to a huge capital outlay.

Design costs will be for the Franchisees cost, but a **ONCE-OFF** charge only when we create your letterheads, business cards, flyers and other corporate stationery, etc. This design cost is minimal. These fees are extremely reduced and competitive due to our contractual obligations with our **SOLE** supplier.

Our suppliers are honest, hard working, transparent and has a 100% satisfaction rate with **ALL** printing requirements – it is compulsory to use the supplier of choice.

Lets Move Forward...



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