

# Owner's Rental Management Agreement

\_HubName\_ / \_HubStreet\_ / \_HubCity\_, \_HubState\_ \_HubPostal\_

Phone: \_HubPhone\_ / Fax: \_HubFax\_ / \_HubEmail\_

In consideration of the covenants and conditions contained herein: This Owner's Rental Management Agreement (the "Agreement") is made this \_CurrentDay\_ day of \_CurrentMonth\_ \_CurrentYear\_ by and between \_HubName\_ (a member of iTrip) or Assigns hereinafter referred to as "Manager" and

Unit Owner Name(s) \_OwnerName\_ (jointly and individually referred to as "Owner")  
Address \_OwnerStreet\_ \_OwnerCity\_, \_OwnerState\_ \_OwnerPostal\_  
Phone Number(s) \_OwnerPhone\_  
Email Address \_OwnerEmail\_  
Property \_PropertyName\_

## RECITALS

### WHEREAS:

1. Owner wishes to engage the services of Manager as exclusive Rental Management Agent to offer the above-mentioned Unit on a short term transient (daily/weekly/monthly) basis for rental under the terms and conditions set forth below;
2. Manager operates a rental program
3. Owner wants Manager to include the Unit in Manager's rental management program and desires Manager to manage and market the rental of the unit on an exclusive basis through Manager's rental program.

NOW THEREFORE in consideration of the terms, conditions and the mutual covenants set forth in this Agreement, the parties agree as follows:

1. Definitions.
  - o "Guest" means any person or persons who rent the Unit, including complimentary guests, but excluding Owner, Owner's immediate family and Friends of Owner.
  - o "Gross Rental Income" means the nightly/weekly/monthly rental revenue collected by the Manager for the unit less: travel agent fees and travel intermediary fees and commissions, and marketing and advertising fees. Gross Rental Income does not include any taxes and surcharges imposed by any government or regulatory entity or fees collected by Manager from persons renting the Unit for services or amenities, including but not limited to: golf

course and green fees; pool fees; tennis fees; fees for use of boats and bicycles; local attractions; video rentals; rebates from suppliers and vendors; food and beverage charges; and apparel.

- "Unit" typically means throughout the context of this Agreement the Unit owned by Owner.
  - "Units" means all of the residential condominium apartments, villas, townhomes or detached single family homes in the Resort or subdivision for which Manager serves as the exclusive rental agent.
2. Agency. Owner hereby retains Manager as its exclusive agent for purposes of renting the Unit and Manager agrees to act as the exclusive agent subject to the terms and conditions of this Agreement.
  3. Term. The initial term of this Agreement shall be for one (1) year, commencing as of the date identified on the signature page. This Agreement shall be automatically renewed for like periods unless canceled by either party upon sixty (60) days written notice prior to the end of each Term. Additionally, either party shall have the right to terminate this Agreement during any term, with or without cause, with a sixty (60) day written notice by certified mail to Manager or Owner;
  4. Rental Services. As Rental Management Agent Manager agrees that it shall:
    1. Maintain and operate rental management program designed to offer rental units to Guests;
    2. Advertise and promote the rental of Units by listing the Unit(s) on iTrip.net internet site and additional multiple internet vacation rental listing portals or site(s). Manager will take high quality appropriate photos and write Unit descriptions in a professional manner that is intended to encourage rental inquiries from prospective Guests and list this information on the iTrip.net site. Inquiries will be accepted and responded to on a twenty-four (24) hour basis, seven (7) days per week by Manager;
    3. Manager shall collect a reservation/damage deposit from each Guest prior to the occupancy of any Unit rented herein. Manager shall determine the amount of deposit, require additional deposits or waive deposits as deemed in the best interest of Owner. The property will be inspected for damage as soon as possible after Guest vacates said Unit. Manager will deduct from deposits the cost of missing items or repairs deemed beyond normal wear and use and return any remaining damage deposit to Guest. It is further understood and agreed between parties that it is not the responsibility of Manager to make a complete inventory and inspection of each item upon each vacation of the Unit by Guest, but rather generally inspect for major item loss or damage.
    4. Send to Owner a rental income statement within 15 days following the end of each calendar month, commencing at the end of the first full month in which the Unit is entered into the rental program. The Statement will set forth the nights the Unit was occupied, the nightly rate charged, and itemized debits/credits.
    5. Maintain and operate an accounting system designed to report and administer the monthly disbursement of funds (to be sent along with monthly rental income statement) received in connection with the rental of the Unit and bill each Guest and collect all sums due and owing from the Guest;

6. Manager will assist Owner in maintaining the Unit, subject to the fees set forth in Schedule "A", in a state of good condition;
  7. Institute a cleaning program;
  8. Reserve the right to evict Guests who refuse or fail to adhere to the rules and regulations of the Resort or subdivision or who are in breach of their Agreement;
  9. Prepare and maintain repair and maintenance procedures, and provide maintenance services. Maintenance services will be deducted from the rental proceeds paid to Owner. If vendor bills are billed directly to Owner and not paid in a timely manner and should the vendor request assistance in collection, the bill will be paid by Manager and deducted from Owner's rental proceeds unless Owner notifies Manager of its desire to contest a bill.
  10. Remit any local, state or federal sales taxes on Unit rental income.
5. Undertakings by Owner. For the benefit of Owner, Owner agrees to supply and maintain all furnishings and contents in good order and repair to maximize rental rate and occupancy. Manager shall advise Owner of any non-emergency special cleaning, major repair or replacement of items required to keep the unit in good order and repair. Owner authorizes Manager to make, at Owner's expense and without prior approval any repair that remedies a dangerous or undesirable environment. Additionally, Manager shall notify the Owner in writing in the event the property is not kept up to acceptable standards, which are deemed to be typical standards of comparable Units in the area. If the cost to repair or replace any item(s) at any one time exceeds \$300.00, the Manager will provide written notice to Owner explaining the costs and reasons for the costs. Upon receipt of notice of Manager's notice, Owner can provide written notice to Manager stating that Owner will repair or replace the item(s) on Owner's own behalf. If Owner does not provide such notice to Manager within 3 days of the date the Manager's original notice was sent, then Owner shall be deemed to have consented to Manager repairing or replacing the items(s) on Owner's behalf. If Owner chooses to make any repairs or replacements on Owner's own behalf, then such repairs and replacements shall be made within 7 days of the date the original notice was sent. In the event Owner does not agree to the recommended improvements to bring the Unit back to acceptable standards, Manager at their discretion may suspend rental of the Unit. Upon correction of the deficiencies, at Owner's expense, the property will be reinstated into the rental program of Manager.
1. Owner will maintain a pest control maintenance contract with a licensed exterminator for the life of the contract, unless one is provided by the community HOA..
  2. Owner will ensure that hurricane preparation materials meet local code standards and are in working condition.
6. Sale of the Unit. If Owner intends to sell or otherwise transfer ownership of the Unit, Owner will notify Manager in writing of Owner's intention to sell or transfer not less than 10 days prior to the Unit being listed for sale or otherwise transferred. Owner agrees and grants to Manager the right to:
1. Require all sales agents or other persons wishing to inspect the Unit to coordinate access to the unit through Manager's rental department.

2. Prohibit the showing or inspection of the Unit when the unit is occupied or being rented to any Guest;
  3. Manager may at its sole discretion immediately terminate this agreement without notice and transfer any pending reservations, if in the opinion of Manager, Unit inspections and the Manager's rental operations of the Unit cannot be properly coordinated.
  4. Owner further agrees to provide Manager with written notice upon the signing of a purchase and sale agreement or transfer agreement relating to the Unit at least 5 days prior to the closing of the sale or transfer of the Unit.
7. Unit Rental. Manager and Owner agree that:
1. Manager shall work with Owner to establish the rental rates and terms for the Unit. However, due to changing economic and market conditions, competition, seasonality and demand, Manager reserves the right to adjust rates and terms and establish special rates and terms at its discretion in an effort to maximize Owner's rental income and occupancy rate;
  2. If repairs of the Unit are required during any period of Unit occupancy, Manager shall use its best efforts to correct any such problems as quickly as possible in order to maximize rental income. In the event repairs cause an unacceptable disruption to Guest, Manager shall have the right to grant Guests an appropriate discount in Manager's discretion. Manager shall also have the right in its sole discretion to transfer any Guest renting the Unit to another Unit in the event the discount is unacceptable to the Guest; provided that Owner shall be paid a pro rata portion of the rent for the period in which the Guest occupied the Unit. Owner will be responsible for any modifications to the Unit required by law or health and safety regulations and directives;
  3. Termination of this Agreement for any reason other than the sale or transfer of the Unit shall not cancel any confirmed reservations for the Rental Unit and the reservations, if not transferable to another Unit, shall be honored by Owner and Owner's heirs, executors, legal representatives and assigns after termination of this Agreement **for a period of 60 days after termination notice.** Manager may at Owner's request attempt to transfer any pending future reservations to another comparably priced property. However, in the event that such transfer is not possible and the tenant must be moved to a higher priced property, Owner shall be responsible to Manager for the difference in rental rate or honor said reservation. If either party terminates this Agreement, then Manager will receive any earned commissions, fees, and expenses due as a result of the reservation made during the Term of this Agreement;
  4. Owner agrees to pay an ANNUAL listing and set up fee per Unit according to Schedule "A", which allows Manager to list Owner's unit with internet vacation home rental sites chosen by Manager. This service includes the listing services for each site, photos, Unit description write up, updating the Unit on the sites and offering specials. Owner proceeds will vary based upon Owner use, Guest use, quality of decor, amenities of Unit and Resort or subdivision, location and view;

5. Owner agrees to provide and maintain two sets of linen and towels to rent the Unit. The quality of this material shall be at least the quality of typical standards of comparable Units in the area. Owner may, from time to time, be charged for the replacement of linens and towels.
  6. For the smooth and efficient operation of the rental program: All reservations, including Owner referrals, must be made through Manager so that they may be coordinated with other confirmed reservations. Owner shall schedule personal use of the Unit with Manager in accordance with Section 8 of this Agreement and Owner will register with Manager upon Owner's arrival to the Unit. In the normal course of business, Manager will not notify Owner of reservations secured by or through Manager, except by specific request. Owner agrees and understands that Owner will not occupy, use or enter the Unit during periods of time when the Unit has been rented; and Owner may not schedule occupancy of the Unit when the Unit has been reserved unless the reservation can be moved to a similar Unit prior to the time of occupancy.
  7. A quarterly restock fee will be assessed to replenish welcome package items and toiletries. The amount is determined by the number of bookings in the previous quarter.
8. Rental Income.
1. Manager will retain 20% of the Gross Rental Income for Unit rentals generated by or through Manager. THIS FEE SHALL BE DUE Manager. Owner may rent to "Friends of Owner" and pay to Manager **EITHER**
    1. **20% of the Gross Rental Income of rental rate charged to "Friends of Owner" OR b) 20% of the Minimum Nightly Rental Rate for each night of the stay.**
    2. **Owner may allow friends to stay up to 30 days without charging the Manager commission. In this case the cleaning fee would still be due by Owner or Friend of Owner.**
  2. Guests shall pay to Manager a unit cleaning fee for each rental period. Unless previously arranged this fee is due whether Unit is occupied by Guest, Owner or Friends of Owner.
  3. Manager will PAY TO OWNER, within 15 days after the end of each calendar month in US Dollars, all net rental income collected less all disbursements, maintenance, adjustments and credit card processing fees made on behalf of and for the account of Owner;
  4. For the avoidance of doubt, Owner will not receive commissions on travel package inclusions such as car rentals, attraction tickets, transportation, meals, activities, services etc., or on other Non-Rental Income.
  5. Owner agrees to pay fees charged by the credit card processor (3.35% of transaction total), which will be deducted from proceeds.
9. Owner's Use and Rental of the Unit. Owner and Manager agree that:
1. Owner and "Friends of Owner" shall have the right to occupy the Unit subject to the terms and conditions of this Agreement and Owner will not occupy or permit the use of the Unit at any time without reserving such periods of occupancy through Manager.

2. Owner or Friend of Owner shall be permitted to use the Unit; provided, however, Owner's account will be charged the appropriate cleaning fees. Owner and Friends of Owner agree to observe the standard check-in and check-out times; and
  3. In the event Owner rents the Unit to Friends of Owner, Owner or Friend of Owner shall pay to Manager all fees, commissions, dues, costs in accordance with Section 8
10. Limited Power of Attorney. Owner does hereby irrevocably name, constitute and appoint Manager, its legal representatives, successors and assigns as Owner's attorney-in-fact for the life of this Agreement for the limited purposes of: (i) providing Guests with full access to all common areas associated with the Rental Unit; (ii) causing any and all in-Unit building maintenance activities to be undertaken promptly; (iii) issuing and signing confirmed reservations for the Unit; and (iv) taking any action that may be lawfully permitted and required to evict any Guest. This power of attorney is specifically limited to the above areas and is valid only when circumstances prevent Owner or Owner's representative from representing Owner's interest in a timely manner.
11. Miscellaneous Provisions. This Agreement shall be subject to and contingent upon the following:
1. Owner agrees to indemnify and hold Manager, its employees, agents, subsidiaries, parent, independent contractors, shareholders, insurers, affiliates, successors and assigns, free and harmless from any and all claims, suits, demands, damages, costs, losses, fees, taxes, fines and expenses (including without limitation attorneys' fees, judgments, fines and amounts paid or to be paid in settlement) of any kind arising from, related to, or in connection with this Agreement, except for such claims, demands, damages, costs or expenses caused by the gross negligence or willful act or omission of the party seeking indemnification;
  2. Manager agrees to indemnify and hold Owner, its heirs, successor, and agents free and harmless from any and all claims, suits, demands, damages, costs, losses, fees, taxes, fines and expenses (including without limitation attorneys' fees, judgments, fines and amounts paid or to be paid in settlement) of any kind arising from, related to, or in connection with this Agreement or the use and occupancy of the Unit, except for such claims, demands, damages, costs or expenses caused by the gross negligence or willful act or omission of the party seeking indemnification;
  3. Manager, its employees, agents, subsidiaries, parent and affiliate shall not be liable for any loss or damage to any person or property, including but not limited to Owner, Guests, the Unit and its equipment, furnishings and appliances, of any nature resulting from any accident or occurrence in or upon the Unit, the building in which the Unit is a part of, including but not limited to any and all claims, demands, damages, costs and expenses (including without limitation attorneys' fees, judgments, fines and amounts paid or to be paid in settlement) resulting from: (i) the acts or omissions of Guests; (ii) wind, rain or other elements; (iii) theft, vandalism, fire or act of God;

4. With respect to the Unit and Owner's personal property therein, Owner shall be responsible for procuring and maintaining at Owner's expense an umbrella insurance policy with an insurance Manager authorized to provide insurance in the State of \_HubState\_ with minimum limits of **\$300,000** and Owner shall name Manager "**Travis Burton, Treasure Coast Vacation Properties**" as an **additional interest** on said policy;
5. Owner shall store private property in the Unit at Owner's own risk (Manager assumes no liability for the loss or damage thereof or rents collected resulting from theft, dishonored or uncollected checks or credit card payments, bank failure or other causes or events beyond its control);
6. Manager shall not be required to initiate legal actions or retain an attorney for the purpose of collection of rents, damages, eviction of Guests or other persons unless directed by Owner. Collection fees and legal fees are the responsibility of the Owner; However, Manager will collect all fees and rents prior to rental to avoid such situations
7. The parties hereto agree and acknowledge that this Agreement constitutes the entire Agreement between the parties and there are no oral or written amendments, modifications, other agreements or representations. Items contained in this Agreement supersede any related items referred to elsewhere. The parties intend this Agreement to be legally binding. Headings contained in this Agreement are for convenience purposes only. This Agreement shall be governed and construed under the laws of the State of \_HubState\_;
8. Owner and Manager agree and acknowledge that no warranties regarding any guarantee of rental income amounts, Unit occupancy or tax benefits have been made by either party; and
9. Owner agrees to permit placement within the Unit of any advertising material by Manager.
10. Owner agrees that all Guest information shall be the sole property of Manager and all reservations/bookings in Owner's Unit(s) are deemed the sole and exclusive property of Manager.
11. If any notice is required pursuant to this Agreement, notice shall be deemed effective when placed in the U.S. Mail or Email, and addressed to Owner at the Owner's address set forth on Page 1 of this Agreement, or to Manager at the following mail or email address and facsimile number (or such other addresses and facsimile numbers as the parties may provide to one another in writing from time to time).

- To: \_HubName\_
- Mail: \_HubStreet\_, \_HubCity\_, \_HubState\_, \_HubPostal\_
- Fax: \_HubFax\_
- Email: \_HubEmail\_

#### Schedule A

The following expenses will be incurred in the process of preparing the property for rental. These expenses will be incurred by the Manager and reimbursed using rental revenue until balance is paid in full:

Annual Listing Fee	<b>\$599.00</b> (This covers the VRBO Annual subscription)
Digital Lock Fee	\$TBD
Property Readiness Budget	\$TBD
Photography	\$Waived (Manager retains rights to photography)

#### Schedule B

The following expenses may be incurred once the property is actively listed. These expenses will be incurred by the Manager and reimbursed using rental revenue until balance is paid in full:

Tax and Registration fees	Varies by municipality and typically renew ANNUALLY
Quarterly Restock Charge	Not to exceed \$100 per quarter

IN WITNESS WHEREOF the parties have signed this Agreement effective the date first written above, or upon the termination of any prior and currently in effect rental agreement(s), if any, relating to the Unit, whichever is later.