

OCEANFRONT VACATION RENTALS, INC. MANAGEMENT AGREEMENT

THIS AGREEMENT for the management and rental of
_____ condominium (property)

located at _____ made and entered into this
_____ day of _____, 20____, by and between Oceanfront
Vacation Rentals, Inc. (Agent) and Owner.

Name _____ Home Phone _____

Address _____ Office Phone _____

_____ /Cell _____
Fax Line _____

_____ City _____ State _____ Zip _____

Soc. Sec. No. _____

E-Mail Address _____

I. TERM:

This Agreement shall be in effect from the date property is available for rental until December 31, 2009, Property will be available for rental beginning _____, 20 _____ .

II. NATURE OF AGREEMENT:

- (a) Owner and Agent agree that any questions, controversies or claims arising under this Agreement shall be subject to the laws and statutes of the State of South Carolina.
- (b) It is mutually agreed that the maintenance of good will of all renters and prospective renters (exclusive of those destructive of property or violation of rules and regulations) shall be a paramount objective and both parties will strive to meet this objective.

III. AGENT'S RESPONSIBILITIES:

- (a) To furnish the services of their organization for the renting, leasing, operating and management of the property.
- (b) To perform a major inspection annually.
- (c) To physically inspect the property, inventory major items, and have necessary cleaning performed following each rental.
- (d) To provide a minimum of one inspection of the property during the off-season provided, however, that Owner agrees that Rental Agent is not a licensed contractor, licensed home inspector, engineer, nor has any special certifications or licenses concerning safety, home repairs, etc.. Thus, Rental Agents' duties under this paragraph are limited to reporting only obvious problems to Owner, it being understood and agreed that Owner has a superior knowledge of the property.
(d-1.) This limits Rental Agent's duties only to those specified herein, and excludes any duty to monitor the premises or activity in the premises; no duty to repair, provide security, etc.
- (e) To maintain an office (of the rental department) convenient to resort guests and visitors, which shall contain marketing information and visual aids, which promote the rental property.
- (f) To use a written contract, the terms of which shall be binding on the Owner, Renter, and Agent for the period so rented, a copy of which has been read, understood, and approved by Owner.
- (g) To set the rental rates for the premises and to act as the Exclusive Agency for collection and disbursements of all rents paid under this Agreement.

- (i) To store his personal property in the unit at his own risk. The Agent assumes no liability for the loss or damage thereof.
- (j) To indemnify, save and hold harmless the Agent from and against all claims, suits, damages, costs, losses and expenses and duty to defend arising from injury to any person, persons or property occurring on or about the said premises whether relating to this Agreement or not. The Owner agrees to secure single limit liability insurance of at least \$300,000.00 during the term of this Agreement and the insurance policy of the Owner shall list Oceanfront Vacation Rentals as an additional insured, and a copy of the policy will be provided to the Agent. Owner also agrees to indemnify and hold harmless Agent against any damages awarded against Agent (whether actual, consequential, special, or punitive), in any action involving any tenant, guest, invitee, or involving the property, or any personal property thereon.
- (k) The Agent and its agent or employees shall not be liable for any loss or damage to the premises or to equipment, furnishings or appurtenances thereto to property of any nature brought thereon resulting from any accident or occurrence in or upon the premises or the building which they are a part, including but not limited to claims for damages resulting from (i) negligent or willful action or omission of renters or their guests: (ii) injury done or occasioned by wind, rain or other elements: (iii) theft, vandalism, fire or acts of God.
- (l) To notify Agent immediately in writing should homeowner's association, which governs the condominium project, adopt any rule or regulation, which would in any way alter Owner's or Agent's existing rights to rent the property.
- (m) To authorize the rental manager to lower the published rate in an effort to stimulate rental activity.
- (n) To participate in the Owner Link portion of the OVR, Inc. website. An annual fee of \$50.00 per property will be charged.
- (o) To pay portion of the Business License Fee per property as outlined by the appropriate governing entity.

V. REGULATIONS AND RESTRICTIONS

- (a) A one bedroom must sleep four. A two bedroom property must sleep six. A three bedroom property must sleep eight.
- (b) It shall be policy of Oceanfront Vacation Rentals, Inc. to accept rentals as follows: (1) Summer months (June, July, August) -7 night minimum: (2) All other months - 2 nights minimum. This policy is subject to occasional variations at the discretion of the Agent.
- (c) It is agreed that Agent may offer renter up to a 25% reduction or refund in the rental rate in the event of failure of heating, air-conditioning or a major appliance, which cannot be repaired immediately. Owner agrees that renter may be moved to another rental property if the discount is unacceptable. Owner also agrees that in the event such a transfer becomes necessary, Owner will be credited with his pro-rata share of the rents earned from such renter, the balance being credited to the Owner of the unit to which said renter is transferred.
- (d) All parties understand that the Agent does not guarantee or assure an occupancy rate at any level. Owner agrees that Agent has not promised any particular level of rentals or any amount of rental income Owner may receive from rentals during the term of this Agreement.
- (e) While this Agreement is in effect, all periods of occupancy, whether by renters or owners, shall be processed through Oceanfront Vacation Rentals, Inc. Reservation System.

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- (f) This Agreement and the relationship created herein may be terminated by either party at any time upon thirty (30) days written notice to the other party of such intention to terminate. Provided; however, the rights of either party to any monies which have accrued prior to such notice shall not be divested by the termination of this Agreement. And provided further that all rentals confirmed by Agent will be honored by Owner or his assigns. However, if Owner terminates this Agreement, Agent reserves the right to transfer confirmed reservations to another property.

- (g) Waiver of Jury Trial: The Owner agrees that if any dispute arises between the parties, the Owner knowingly, intentionally, and voluntarily waives all rights to a jury trial, whether granted by statute or not, and the prevailing party gets their attorney's fees and costs paid.

VI. WARRANTIES AND SERVICE CONTRACTS

- (a) Owner agrees to provide Oceanfront Vacation Rentals, Inc. with a list of all warranties and maintenance contracts which are in force during any time during the term of this agreement, otherwise, rental manager may use his discretion in effecting repairs as agreed herein.

VII. COMMISSIONS AND FEES

- (a) Oceanfront Vacation Rentals, Inc., as Agent, shall receive _____% commission on rental of less than one month. On rentals greater than one month the commission rate shall be _____%. In the event a reservation deposit is forfeited, the cancellation fee will be distributed to the agent.

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- (b) Rentals obtained by the Owner for his/her own property will result in a _____% commission to Oceanfront Vacation Rentals, Inc., Agent will provide regular service on these rentals, and Owner will not be penalized in receiving his/her fair amount or regular rental activity because of these rentals. Monthly rentals obtained by owner will result in a _____% commission due to agent.
- (c) "Owner Use" is limited to owner and his/her immediate family only. Immediate family is limited to parents or children of the Owner. Should Owner allow anyone else to use said property, then agent is due its normal commission and the commission will be charged to the Owner.

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- (d) Owner understands and agrees to the following cleaning policies:
1. **Mandatory Vacancy Cleans:** Vacancy cleans are completed upon every nightly, weekly and monthly rental and are included in our rates quoted to the guest. (Vacancy Cleans include cleaning and linens, except for monthly rentals, there are no linens provided!)
 2. **Mandatory Vacancy Cleans for Owners:** Vacancy cleans are completed upon every nightly, weekly and monthly rental and will be charged against Owner's account. (Vacancy Cleans include cleaning). **Mandatory Deep Cleans:** Performed once a year with the owner responsible for refurbishing unit with items needed. Owner may elect to deep clean their property with a paid inspection and inventory done by Oceanfront Vacation Rentals, Inc. Prices set per property size and depth of additional cleaning needed.
 3. **Maintenance:** A 13% service charge will be applied toward every invoice paid through our accounting division.

VIII. Whereas, Owner wishes to have an active participation role in the management of his property, he hereby acknowledges and agrees that he will do so in writing and at his cost if any and the following does apply:

OWNERS ACTIVE PARTICIPATION:

1. Owner may submit recommendations to Oceanfront Vacation Rentals, Inc. on setting of vacation rates. Oceanfront Vacation Rentals, Inc. will compile recommendations and provide proposed rates for Owner's review.
2. Owner may request periodic on-site inspections of the property and to review the management plan and operations.
3. Owner will be notified of maintenance and repairs necessary and will authorize in writing how their repairs are to be made. Owner may choose to personally make repairs.
4. Owner may request in writing promotional material to be used off-site. Oceanfront Vacation Rentals, Inc. will provide rate schedules, brochures as well as sample advertising and marketing ideas.
5. Oceanfront Vacation Rentals, Inc. makes no representations as to the compliance of this Agreement with regard to the guidelines set under the New Tax Reform Act.

6. Other remarks: _____

VIII. General Provisions Section – Waiver of jury trial. The Owner agrees that if any dispute arises between the parties, the Owner knowingly, intentionally, and voluntarily waives all rights to a jury trial, whether granted by statute or not, and the prevailing party gets their attorney's fees and costs paid.

Whereas, the Owner of Unit _____ at

Acknowledges and agrees to authorize Company to open interest bearing trust accounts for the benefit of Owner and Company. Owner acknowledges and agrees that all accrued interest in these accounts shall be retained by Company. Company may withdraw said interest at any time without prior approval of Owner. Owner hereby waives all its rights to said interest. **IN WITNESS WHEREOF**, the parties have caused this Management Agreement to be duly executed as of the date first above written.

* OWNER(S)

OCEANFRONT VACATION RENTALS, INC. AGENT

By: _____

* If the premises are owned by more than one person, all owners must sign and one person be designated as the single point of contact with Oceanfront Vacation Rentals, Inc. Those signing this Agreement certify that they have full authority to enter into this Agreement.