



Hotel / Vacation Rental Management Agreement

1. FACTS:

1.1 This vacation rental management agreement is entered into between Sandcastles Jamaica, Inc. (a U.S. Corporation hereafter referred to as Manager) and _____ (hereafter referred to as Owner).

1.2 The subject of this agreement is a condominium unit (Unit) located within the Sandcastles Resort in Ocho Rios, Jamaica.

Description of Unit: _____

1.3 Owner holds vested title to Unit or is a co-owner with authority to enter into this agreement on behalf of all other vested owners.

1.4 This agreement shall commence on _____, 20_____, and expire on the first occurrence of the following events:

- a. Termination of ownership by Owner
- b. Expiration of a written 30-day notice of termination from Owner to Manager
- c. Expiration of a written 30-day notice of termination from Manager to Owner

1.5 If, on termination of this agreement under §1.4 subparagraphs "a." and "b.", reservations exist for Unit beyond the termination date, then the following applies:

- a. Manager shall use its best efforts to transfer the reservations to another unit.
- b. Should Manager be unable to transfer the reservations, this agreement shall remain effective after termination for the periods covered by the non-transferable reservations.

2. EMPLOYMENT OF MANAGER:

2.1 Owner hereby employs and grants to Manager the exclusive right to act on behalf of Owner and provide services for the care, management and occupancy of Unit as a vacation residence available to the public for rent.

2.2 Manager is hereby authorized to enter into occupancy agreements conveying the right of exclusive occupancy of Unit to guests (called reservations) and collect rents and security deposits. All other services Manager renders for guests are the sole responsibility of Manager.

2.3 Manager agrees to use diligence in the performance of its obligations under this agreement.

2.4 Manager compensation shall be an amount equal to:

50% of the gross rent collected from all guests for all reservations

2.5 Manager is authorized to disburse Manager's compensation under this employment when rents are received.

2.6 Manager is to deposit all funds received under this agreement in a trust account maintained by the Manager.

2.7 Manager is to collect and keep records as required of all transactions for any auditing purposes

3. POSSESSION OF UNIT:

3.1 Manager is authorized to:

- a. Show Unit to prospective guests;
- b. Enter Unit for the purpose of this agreement; and
- c. Transfer occupancy to guests under reservations.

3.2 A guest, during the period of occupancy under a reservation entered into by Manager, can expect Owner will not enter Unit or otherwise disturb the guest without prior written consent from Manager.

3.3 Owner reserves the right to occupy and use Unit for other than rental purposes, except for periods during which Manager has entered into reservations of Unit with guests.

- a. Owner will not exercise his right to occupy without first giving Manager a written seven-day notice of intent to occupy and the period of occupancy.

b. Should Owner interfere with a guest's reservation entered into by Manager without Manager's prior consent, Owner will on demand pay any and all costs incurred by Manager to transfer the guest to suitable replacement accommodations.

4. RENTS:

4.1 The rental rates charged each guest for occupancy under a reservation will be set by Manager based on rents received for comparable units available in the local vacation rental market. Rates may vary greatly due to condition of property, weather, seasons, length of stay, availability, holidays, days of the week, number of occupants, etc.

4.2 Manager is to collect all rents due for a reservation in advance of the guest's occupancy.

4.3 In the event a guest takes possession of Unit and is moved for any reason to another unit, the rent collected for the entire length of the guest's stay in both units will be allocated to Owner's Unit pro rata based on the number of nights the guest stayed in the respective units.

4.4 In the event a dispute arises with a guest regarding Unit, on or after taking possession and for any reason, which is resolved by a reduction in rent, the rent amount shall be the amount collected in settlement of the dispute.

4.5 Gross rent consists of the rent collected from guests on all reservations for a Unit.

a. Rent does not include any cleaning fees, security deposits or any other charges incurred by guest for services rendered by Manager.

b. Manager shall pay the appropriate percentage of gross rent to Owner within 7 days of any guest leaving the Unit

4.6 A security deposit will be collected by Manager prior to the commencement of each guest occupancy to cover any damages or excessive wear and tear caused by the guest to Unit or its contents and discovered by Manager when the guest vacates the Unit, including any charges for extra cleaning brought about by the guest.

4.7 The security deposit collected by Manager shall be returned to the guest on the following events:

a. No damage is done to the condo or its contents

- b. No linens or household items are missing
- c. No early check-in or late check-out
- d. Condo has not been smoked in

4.11 Manager makes no representation to Owner about the amount of rental income Owner may anticipate receiving under this agreement. However, the rental income from reservations under this agreement will be derived solely from operations of Unit, there being no pooling of income or expenses with other units.

5. MANAGER'S SERVICES:

5.1 Manager shall provide all personnel necessary to accomplish guest check-in and check-out, key services, book-keeping services, collection and refund of security deposits and on-site inspections of Unit both preceding and following each occupancy.

5.2 Manager shall provide the guest with cleaning and linen services, paid for by Manager, including:

- a. Cleaning unit on departure of each guest, excluding maintenance due to normal wear and tear such as cleaning of area rugs, laundering of drapes, or the repair or replacement of outdated furniture or non-working household items
- b. To provide fresh linen service at the beginning of each occupancy under a reservation, which includes bed sheets, pillow cases, bath towels, wash cloths and kitchen towels.

5.3 Manager to provide additional maid services and linen service as requested by guests during their occupancy, or by Owner at the beginning or during Owner's occupancy, for a special services fee to be agreed to and paid by the party requesting the additional services.

- a. Owner may elect to clean Unit following Owner's personal use of Unit. If Owner elects to clean Unit, Owner to give Manager 72 hours notice of the election.
- b. If Owner elects to clean Unit on Owner's vacating of Unit and, on Manager's inspection preceding a guest's occupancy, Manager in its sole discretion deems further housekeeping and linen service is

necessary to properly prepare Unit for guest occupancy, Manager may perform the services at Owner's expense and deduct the service fee from Owner's share of rents.

5.4 Manager shall maintain a separate accounting record of all receipts, expenditures, disbursements and reservations regarding the operations of Unit, which records will be available for Owner's inspection at any time

5.5 Manager shall provide services as a liaison between Owner and any guest who may make a claim or have a dispute with Owner, and assist in negotiating the resolution of any such claim or dispute, but shall in no way be responsible for the solution to any such claim or dispute.

6. MAINTENANCE OF UNIT BY OWNER:

6.1 Owner agrees:

- a. to provide furniture and furnishings, a minimum of one working television, the appropriate amount of eating utensils, functioning kitchen appliances, and interior design appointments acceptable to Manager;
- b. to maintain Unit, any patios, atrium or courtyard and all furniture and furnishings in first class condition by periodically eliminating build up of normal wear and tear imposed on Unit by its occupants, which will require painting and repair, or replacement of such items as floor covering, fixtures and furnishings. Owner may elect to authorize Manager, or outside vendors hired by Manager, to provide the services necessary to eliminate wear and tear, for which Owner will be charged and the amount deducted from Owner's share of rents;
- c. to pay charges incurred by Unit for electricity, television, cable and all other similar public services, including installation, connection and disconnection charges;
- d. to pay property taxes and assessments of all kind imposed on Unit and its improvements, facilities, personal property and appurtenances, and every other lien or expense of ownership of the property;
- e. to pay maintenance fees due (if unit is in arrears, we will structure a payment plan in order to get the unit current with the Strada)
- f. to hand Manager 2 master sets of keys to Unit
- g. if Owner fails to meet his obligations in this paragraph, Manager is authorized to pay all amounts necessary to cure the failure and

deduct the amounts paid from Owner's share of rent.

7. DAMAGED OR MISSING PROPERTY:

7.1 Owner shall immediately report to Manager any damages to Unit or items of personal property missing from Unit which Manager did not observe on its previous inspections as each guest vacated. Upon notice of damage or loss of items, Manager will attempt to establish the specific guest responsible for the damage or loss and shall make a demand on the guest and use its best efforts to obtain restitution from the guest.

8. MISCELLANEOUS CONDITIONS:

8.1 Owner agrees to give Manager a written 30-day notice of Owner's intent to place the property on the real estate market for sale. Since it is not feasible to rent Unit while it is on the market for sale, Manager may choose to terminate this agreement after notice of the intent to sell. Owner and his sales agent, if any, shall not show Unit to prospective buyers during any occupancy by a guest and will advise prospective buyers of any future reservations created under this agreement.

8.2 Manager may change the terms for management fees and charges in this agreement by giving Owner a 30-day notice of change in terms, listing the terms which will apply to this agreement after the 30-day period.

8.3 Manager shall market and promote Owner's Unit as a vacation rental, as well as units of other owners who have also contracted with Manager.

- a. Marketing and promotion of vacation rentals may require Manager to employ the services of commissionable agents, such as travel and reservation agents, real estate brokers, publishers and distribution of brochures, and the posting of rental signs, or the use of other marketing techniques as Manager deems appropriate.
- b. Manager is authorized for promotional purposes to make Unit available on a complimentary basis for up to five days per year to advance meeting planners, tour planners, travel writers, travel professionals or celebrities and others related to bona fide vacation rental promotional activities. Complimentary use of each Unit managed by Manager will be equitably allocated between all units managed by Manager, and where possible, shall be limited to days when Unit would not be occupied under a reservation. Manager shall provide all linens and cleaning services required during the complimentary use and be responsible for any damage to Unit occurring during the complimentary occupancy. Manager will also be

responsible for conveying to Owner the validity and identification of such guests.

- c. Manager is authorized to offer promotional discounts from time to time to encourage and increase the occupancy of Unit.

8.4 Owner hereby indemnifies Manager from any liability, loss, damage, cost or expense, including attorney fees and judgments, arising from injury to person or property, sustained by anyone in connection with the rental of Unit, not caused by the negligence or willful conduct of Manager or its employees or agents.

8.6 This agreement constitutes the entire understanding of the parties, and no other representations, statements, warranties or agreements exist with respect to the subject matter of this agreement.

8.7 Before any party to this agreement files an action on a dispute arising out of this agreement which remains unresolved after 30 days of informal negotiations, the parties agree to enter into non-binding mediation administered by a neutral dispute resolution organization and undertake a good faith effort during mediation to settle the dispute.

8.8 The prevailing party in any dispute shall be entitled to attorney fees and costs, unless they proceed with litigation without first offering to enter into mediation to resolve the dispute.

8.10 All notices and demands under this agreement between Owner and Manager shall be mailed to Manager:

Sandcastles Jamaica, Inc.
2754 N. University Drive
Coral Springs, Florida 33065

or e-mail: info@sandcastlesjamaica.com

Owner has read and understands the agreement and agrees to the terms stated.

Owner

Date

Manager

Date