

CENTURY 21 BAY REEF REALTY

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Management Agreement

PROPERTY NAME: _____ PROPERTY ADDRESS: _____

This agreement is made on the ____ day of _____, by _____ (referred to as Owner) and CENTURY 21 BAY REEF REALTY (referred to as Company). Owner appoints Company as Owner's sole and exclusive Resort Rental Company and grants Company the exclusive right to market and accept rental income on the Property. Owner understands that "exclusive right" enjoins all parties except Company (including the Owner) from accepting any monies for the property. X _____ X _____

1. TERM:

- a. The primary term of this Agreement shall commence on the ____ day of _____, and end on the 31st day of December, ____.
- b. This agreement will then automatically renew for each calendar year and continue until such time either party terminates this agreement by giving at least forty-five (45) days advance written notice to the other party. Should Owner wish to waive notice, a one-week "peak season" commission management fee and all outstanding rental commissions earned, due and payable will be accepted in lieu of notice.
- c. If Company determines that it cannot continue to effectively provide leasing and management services to Owner, for any reason, at any time after sixty (60) days after the Commencement Date, Company may terminate this agreement by providing written notice to Owner. *Owner's account must be current to remove rental home from program in any case. Final accounting of property will be remitted 30 days after the home is removed from program to allow for all outstanding bills to be submitted and paid.*

2. **SECURITY DEPOSITS:** For each rental, Company will hold a Security Deposit in escrow for 14 business days after renter checks out to be used for willful damages discovered and attributed to said renter. Company will deliver to Owner only any renter's security deposit amounts that match receipts and/or invoices for actual damages, as withheld from a renters security deposit. If damages exceed deposit, Company will exert its best efforts to aid Owner in collecting unpaid damage amounts, but in no case will Company be liable to Owner for more than the damage deposit amount collected. Normal wear and tear on a rental home and some unfortunate accidents are not cause for reimbursement from a security deposit and are to be expected in the normal course of doing business. Company will provide Inspector and access to Courtesy Officer through membership to GARM, see 3 (m,n).

3. CENTURY 21 BAY REEF REALTY SERVICES:

- a. Company will exert its best effort in the management of the property to maximize the Owner's income, and to take such action as Company deems appropriate to comply with the requirements of all applicable laws;
- b. To use all reasonable efforts to collect all rents and other charges due to Owner from rental of Property. ALL Rent shall be due and collected by Company prior to renter's occupation of property. However, Company shall not be liable to Owner for rental proceeds which cannot be collected for any reason, including but not limited to "bounced" checks, credit card "charge backs", unpaid damages that exceed the damage deposit amount, or fraud. Should situations occur where proceeds are not collected Owner will not be responsible for payment of management services, for those amounts only, referred to in Section 5.a. of this Agreement.
- c. To maintain accurate books and records. Company agrees to remit to Owner, by the 12th day of the following month, the new proceeds and a monthly statement of receipts, disbursements, and charges generated by the property. In such case the disbursements and charges are in excess of the receipt, Owner agrees to pay said excess promptly, but nothing obligates Company to advance its own funds on behalf of Owner; Interest of 1.5% per month will be charged on all outstanding balances due Company after 30 days. Any disagreement between Owner and Vendor about work done or amount paid on Owner's behalf, shall remain between Owner and Vendor regardless as to the manner of Vendor's hiring or method of payment. Absent Company negligence, remedy shall not be assumed to be the responsibility of the Company in such cases.
- d. Company may, at Owner's expense, hire, discharge, and supervise contractors to make any and all reasonable or necessary **non-emergency** repairs or maintenance to the Property provided that Company does not expend more than \$200 per repair or maintenance without contacting and gaining prior approval of Owner;
- e. Company may make **emergency** repairs to the Property to protect the Property or the health or safety of any tenant. This includes **emergency** Air Conditioning/Heating repairs, and ANY safety, security, or sanitation issues; without regard to the expense limitation in the above paragraph and at Owner's expense.
- f. Company agrees to recommend rental rates each year and send to Owner for approval. In the absence of Owner's written instructions to the contrary, the recommended rates will be set for the upcoming calendar year. Company may temporarily competitively reduce the base rental rate charged from Owner's set base rates and/or length of term of leases to help maximize rental income. Owner authorizes Company to use its considerable experience and reasonable judgment to maximize rental income by negotiating rates when needed to create higher occupancy rates; Owner acknowledges that Company has programs such as "% off returning clients" that will apply to all properties. Company commissions are subsequently based on the lowered base rates. X _____ X _____
- g. Company reserves the right, to charge Guests reservation fees, cancellation fees, pet fees (where allowed), cleaning fees or other fees as standard policy. These fees are in addition to the base rental charge, are not a factor in figuring commission, and belong exclusively to Company and/or the vendors;
- h. To display signs on the property in accordance with applicable laws, regulations, ordinance, and restrictions;

- i. Company reserves the right to transfer Guests to another rental property if Guests are dissatisfied with accommodations or if repairs cannot be completed in a reasonably timely manner. It is also agreed Company may negotiate a rebate with Guests in the event a Guest is transferred for such reasons. In the event Guests are not transferred, and a property feature cannot be repaired or replaced in a timely manner, Company may negotiate a rebate and deduct such amount from Owner's account.
- j. Company may perform an inspection of Property & furnish to Owner a copy of inspection and a statement of the condition of the Property, including recommendations and requirements of items and improvements necessary to meet Company's standards. At any time of year, required changes must be performed by Owner or home can be removed from program until changes are completed;
- k. Company will commission a "spring clean" of the property before each Peak Season. If Owner performs his own "spring clean", Company will inspect and charge Owner for any additional cleaning required to meet Company's standards.
- l. Company will commission a standard cleaning service following each occupation at owner's expense. If Owner or Owner's assigns and performs their own cleaning after any stay in the property, Company will inspect and charge Owner for any additional cleaning required to meet Company standards.
- m. Company will provide and pay for an Inspector to inspect for damage after each occupation of the home, as a courtesy, to help identify which rental may have caused damages. Neither Company nor Inspector will be liable for any inadvertently missed damages, will not complete actual inventories of items, nor be responsible for noting normal wear and tear.
- n. Company is a paid Charter member of GARM which oversees a security company that patrols West End rental properties. Owner agrees to join GARM & pay the recurring transferable/non-refundable yearly fee. (Currently \$_____) Owner understands that Company is pro-actively utilizing available resources to help enforce the strongly worded, Renter-signed Rental & GARM Agreements & Addendums. Neither Company nor Courtesy Officer will be liable for any inadvertently missed problems.

4. OWNER'S RESPONSIBILITIES:

- a. Owner agrees that Company will manage all rentals and be owed and paid commission on all rentals for the term of this agreement. Owner will not, accept any compensation for any rentals outside the terms of this agreement; allow any other entity to rent; nor rent the property himself; and will instead direct ALL potential **PAYING** renters, including friends and family, to Company. Company agrees that Owner can allow any rental rate (from full rate to free stay) for friends and family provided Owner notifies Company of discount amount.
- b. Owner agrees to maintain Property and all contents in a safe, clean, fit, working & habitable condition; satisfactory for **immediate** guest occupancy; Owner agrees to keep current on payment of all utilities for Property including, but not limited to, electric, gas, water, telephone, and cable TV as appropriate. Should any such utilities be disconnected, or be scheduled for disconnection, Company, in its sole discretion may pay the outstanding balance from Owner rental income, plus \$75.00 service charge or move the renter, charge the Owner commission, and/or remove the Property from program, without refund of setup fee, depending on circumstance.
- c. Owner will give Company prior notice before performing any maintenance, replacement or repair to insure Property is and will remain unbooked for duration of repair. In a case that requires **emergency** repairs or maintenance, Company will use its own discretion, if Owner is not readily available for consultation;
- d. Owner understands that this agreement with Company is for procurement and management of rentals ONLY and in no event is Company beholden to Owner for home security, regular maintenance, storm preparations, or any other event outside compensated rental management not outlined in this agreement.
- e. Owner ensures that the Property contains furnishings of good quality, style and utility. Such furnishings will include appropriate furniture in each room to accommodate the number of guests the Property sleeps, and the appropriate amenities for the number of guests which must be kept in working order through the Agreement as advertised.
- f. Owner agrees to carry no less than \$300,000 Public Liability insurance naming Century 21 Bay Reef Realty as an additional insured. The policy must contain a rider stating the coverage will not be reduced or canceled without at least thirty (30) days notice to Company. Owner must provide to Company a copy of a certificate of insurance evidencing the coverage required by this paragraph within fifteen (15) days from commencement date of this agreement.
- g. To insure the continuity and seamlessness of any future bookings on the Property, Owner agrees that in the event Owner desires to sell the property at any time during the term of this agreement, Owner will enter into an Exclusive Listing Agreement with Century 21 Bay Reef Realty for a minimum term of 180 days; and will pay Century 21 Bay Reef Realty a competitive commission mutually agreeable to Owner and Company. X
 X
- h. If Owner sells the property at any time this Agreement is in effect, this Agreement will terminate on the sales closing date and all future reservations, forced cancellations or forced reschedules will be earned and payable at contracted commission rate for each reservation on the books as of the closing date, in addition to any and all fees owed as outlined in paragraph **1(b)**. *Company will waive these fees when Owner utilizes Century 21 Bay Reef Realty to list the property.* In any case Booked Rentals in the property MUST be addressed during the offer period.
- i. Owner agrees that Renters have complete possession of the home once they have occupancy and shall be accorded undisturbed possession for the duration of their stay. Owner agrees that no attempt will be made to disturb Renters stay for any reason.

5. CENTURY 21 BAY REEF REALTY FEES:

- a. Owner will pay Century 21 Bay Reef Realty for management services a sum of Twenty (20%) Percent of the base rental rates collected from the property, once earned. Company's fee is considered earned, due and payable at the end of the month of the rental, or, in the case of Owner's breach of the terms of this agreement, when: Company rents, or agrees to rent, the Property to anyone, at any price on behalf of the Owner.
- b. The above paragraph survives termination or expiration of the Agreement with regard to fees earned during the term of this Agreement which are not payable until after its termination or expiration such as future reservations that have to be canceled due to sale of property, or reservations that must be rescheduled to other properties due to any reason caused by Owner.

- c. Payment of fees upon termination: If Owner exercises termination of this agreement and the property is leased to any renter that falls outside of termination notice, Owner must pay Company all amounts then due under this agreement. This includes sale, transfer or any other termination of this agreement.

6. MISCELLANEOUS:

- a. Owners new to Company will place \$250 in their Property "account" within the Company. After one calendar year, the fee will be returned to Owner. Should Owner breach any part of this Agreement or leave Company within one Calendar year, the fee is forfeit to Company to recoup cost of processing a new rental. If Owner is asked to leave pursuant to **I.c.**; absent breach, fee will be refunded.
- b. Fair housing laws require Property to be shown and made available to all persons without regard to race, color, religion, national origin, sex, disability, or familial status. Also, additional protected classes (creed, status as a student, marital status, sexual orientation, or age).
- c. Company will procure renters as *customers* for owner, but all renters are and will remain *clients* of Company. As such, Owner has no claim to clients' names and addresses and shall make no demand of such from Company.
- d. Nothing contained herein shall be construed to create a partnership or joint venture between or among the parties. It is the express intention of the parties that Company shall be an independent contractor of Owner, and that Owner shall have no right to control or direct the details of Company's business.
- e. This Agreement constitutes the entire Agreement between Owner and Company concerning the management of the property and supersedes and replaces all prior Agreements between Owner and Company, if any, whether written or oral concerning the management of the property. This agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Whenever in this Agreement a reference is made to any of the parties hereto, such reference shall be deemed to include a reference to the successors and permitted assigns of such parties.
- f. Owner will notify Company before December 31st of each calendar year, of any dates Owner does not wish to make the Property available for rent in the following year. **Owner acknowledges and agrees that he will not occupy the Property without first making a written reservation with Company or on the Owner's Link.** Owner will not request the cancellation or movement of any existing booked reservation, and understands that he cannot occupy the property during any time there exists a booked rental reservation. No commission or fees are due when Property is occupied by Owner, Owner's family or nonpaying guests. Owner and Owner's guest are subject to the same check-in, checkout times and procedures as are guests who rent the Property from Company. **Commission is due if Company finds that Owner has accepted income in breach of this Agreement.** X ___ X ___
- g. Company is not responsible or liable in any manner for personal injury to any person or for loss or damage to any person's real or personal property resulting from any act or omission not caused solely and in its entirety by Company's negligence.
- h. **Owner agrees to protect, defend, indemnify, and hold Company harmless from any damage, costs, attorney's fees, and expenses that are caused by Owner, negligently or otherwise; arising from Owner's failure to disclose any material or relevant information about the Property; or are caused by Owner giving incorrect information to any person, or caused by Owner in any other fashion.**

EXECUTED the ___ day of _____, ____.

CENTURY 21 BAY REEF REALTY

OWNER(S)

BY: _____

BY: _____

BY: _____