



Property Management Agreement

Property Street Address:	
City/State/Zip:	
Complex:	Location:
Property Name: <small>(If different than street address)</small>	Rental Unit Phone #:

PREAMBLE

This agreement is made this ____ day of _____, year ____ by and between PARADISE BEACH HOMES, INC. (hereafter called PBH), 27 Via De Luna. Pensacola Beach, Florida 32561, and ["OWNER"].

PRIMARY OWNER: <small>(Whom checks will be made payable to)</small>	
SSN/FEIN:	DOB:
Street Address:	
City/State/Zip:	
Home Phone:	Business Phone:
Cell/Mobile:	FAX:
Email Address:	

SECOND OWNER:	
SSN/FEIN:	DOB:
Street Address:	
City/State/Zip:	
Home Phone:	Business Phone:
Cell/Mobile:	FAX:
Email Address:	

WHEREAS, Management Company is in the business of managing short-term rental properties owned by others and of finding renters for the same; and

WHEREAS, subject to the terms of this Agreement, the OWNER/S, who represent the right and authority for subject property, desires to engage the management services of PBH to offer the OWNER'S dwelling for rental.

Therefore, in consideration of the terms, conditions and mutual covenants herein set forth, the receipt of which is hereby acknowledged, the parties agree as follows:

TERMS

Subject to the terms contained in the Agreement, Owner hereby agrees to engage PBH as the exclusive rental manager for the Property, and PBH hereby agrees to accept such engagement with the following terms:

1. The property will be available for rental on the _____ day of _____, 20____ (“Initial Term”).
2. This agreement shall remain in full force and in effect for additional one year terms (“Renewal Terms”) from the date of this agreement and shall automatically renew each year unless cancelled by either party upon sixty (60) days written notice of its intent not to renew prior to any renewal date, according to the provisions outlined in #3 below.
3. Under normal circumstances, this Agreement may be terminated by either party without cause upon sixty (60) days’ written notice of one party to the other subject to reservations that have already been made by PBH. PBH shall make every effort upon request to transfer any confirmed reservation to another comparable priced property. In the event that such a transfer is impossible, OWNER shall be responsible for the difference in rental rates as may be required to accommodate said reservations or to honor the same. In either event, OWNER agrees to pay PBH its earned management fee for previously booked and confirmed reservations. Listing property For Sale with another company is not cause for cancellation of this Agreement.

The Initial Term, together with all Renewal Terms, shall collectively be referred to hereinafter as the “Agreement Term”.

PROPERTY

1. ***Dwelling*** – Property will meet requirements set forth by Chapter 509, Florida Statutes, Department of Business Regulation, Division of Hotels and Restaurants, pertinent Real Estate Laws, and other applicable laws governing public lodging establishments. OWNER understands and agrees subject property shall require an appropriate annual state license that shall be obtained by PBH at OWNER’S expense. PBH shall inform OWNER if property fails to meet said requirements. Except as specifically provided herein, all decisions concerning the day-to-day operation of the Property as a transient rental accommodation shall be made by PBH in its sole discretion, including, but not limited to, decisions regarding rental rates, staffing, maintenance, housekeeping, reservations policies, and collection of rental proceeds. In addition, PBH shall have the right, in its sole discretion, to charge guests a reservation or other transaction fee, which amount shall be in addition to the rental rate charged and shall belong exclusively to PBH.
2. ***Furnishings*** – The parties acknowledge that in order for the Property to successfully be rented to the general public by PBH as a transient rental accommodation, whether daily, weekly or monthly, the OWNER will maintain said furnishings in a safe and usable condition. The furnishings must also be of high quality, style, and utility which are consistent with other accommodations being offered for transient rental in the general vicinity of the Property. Consequently, OWNER agrees to keep the Property furnished in a manner acceptable to PBH in its sole discretion. Such furnishings shall include, but not be limited to, appropriate furniture in each room to accommodate the number of guests which Property sleeps, pillows, blankets, ceiling fans, refrigerator, range, oven, washer and dryer, coffee maker, microwave, blender, pots and pans, toaster, and twice the amount of kitchenware (i.e. plates, silverware, glassware, wine glasses, and coffee cups) as the number of guests which the Property sleeps. OWNER agrees that PBH assumes no responsibility or liability for loss or damage to OWNER’S property other than to attempt to identify and secure

compensation from the party at fault. Any attorney's fees/charges in pursuit of damages shall be at OWNER'S expense. OWNER agrees that PBH may replace missing and/or no longer usable items when essential to maintain occupancy without prior OWNER approval.

3. **Annual Inspection** – PBH will make semi-annual inspections of the premises taking into consideration, "furnishings", "equipment", "décor" and "appeal". On the basis of this inspection, all units managed by PBH will be rated in one of three categories: (1) acceptable, (2) marginal or (3) unacceptable. OWNERS are encouraged to maintain the highest possible maintenance, condition and appearance of rental units, utilizing furnishings of good quality and consistent motif. In the event of an "unacceptable" unit, the OWNER shall be provided a copy of the inspection report and a statement from PBH as to the reason for the rating. Other periodic inspections may be conducted by PBH to insure that properties are properly maintained.
4. **Painting** – OWNER agrees to have unit painted as necessary at OWNER'S expense. OWNER further agrees to fund this expense in advance upon the request of PBH.

SPECIAL FEATURES

Please record for our records the actual bed arrangement in each bedroom, such as: Master bedroom – 1 King, Bedroom 2 – 2 Twins, Living Room- 1 Queen sleeper sofa or Futon.

1. Sleeping arrangement:
 - a) Master bedroom _____
 - b) Bedroom 2 _____
 - c) Bedroom 3 _____
 - d) Bedroom 4 _____
 - e) Bedroom 5 _____
 - f) Bedroom 6 _____
 - g) Living Room _____
 - h) 2nd Living Room _____

2. Other Features: (Please check all that apply by quantity):

Indoor Jacuzzi	Ice Maker	Telephone	
Pool	Patio Furniture	Television(s)	
Hot Tub	Outdoor Grill	Cable TV	
Tennis Courts	Washer/Dryer	Satellite TV	
Fitness Area	Iron & Board	VCR Player(s)	
Handicap Accessible	Microwave	DVD Player(s)	
Fireplace	Dishwasher	Stereo w/CD player	
Garage	Broom, Mop & Dust pan	High Speed Internet	
Covered Parking	Vacuum	Toaster	
Outdoor Hose	Toilet Plunger(s)	Blender	
Pier	Bicycle(s)	Beach Chair(s)	

3. OWNER must provide cable television service to his/her unit. PBH offers Cable television at a reduced rate of \$50 on our Bulk Cable account through Mediacom Cable Company. PBH, also, offers Bulk High Speed Internet access through Mediacom at a rate of \$33 per unit. PBH reserves the right to increase the cable and internet rates as the rate is increased to PBH on our account without prior notification to the OWNER.
4. PBH also offers Pest Control services through Jones Pest Control at a reduced rate of \$18 on our Bulk Account. This is not a required service, but a necessary one.
5. OWNER'S Special Remarks: (Restrictions, Smoking/Non-Smoking, Pets, Handicap Assessible, Etc...)

FEES and COMPENSATION

1. For services rendered in obtaining tenants, managing the OWNER'S property, collecting rents, servicing accounts, advertising and providing financial reports, PBH shall be paid a **20%** Management fee for all rentals procured by PBH. PBH shall be paid a reduced Management fee of **15%** for any Owner Reservations referred to PBH for full rental services.
2. Forfeiture of Tenant's deposit or cancellation deposit forfeiture: PBH shall receive its standard commission on all monies received by OWNER, including, but not limited to monies received by virtue of tenant reservation forfeiture.
3. Said compensation shall be due PBH when the tenant was procured by PBH or any persons acting through PBH.
4. On weekly rentals, light bulbs, vacuum bags, A/C filters, batteries, etc. will be replaced as necessary and charged to the OWNER.
5. Upon execution of this contract, OWNER will provide to management six (6) sets of keys to the OWNER'S unit including mailbox keys. In the event OWNER does not provide keys, Management is authorized to make duplicate keys up to a total of six (6) sets; the cost of which shall be at the owner's expense. Any keys made thereafter shall be purchased at the expense of OWNER.

Owner acknowledges and agrees that PBH may immediately deduct from rents collected and retain for its own benefit all amounts due to PBH hereunder.

DELIVERY OF RENTAL PROCEEDS

On or before the 20th day of each month, PBH will mail to Owner those rental proceeds which are earned and collected for the Property during the previous calendar month, less PBH's compensation as provided in the "FEES AND COMPENSATION" section above and any other set-offs or deductions authorized by this Agreement. For purposes of this Agreement, rental proceeds are not deemed earned until the occupancy period associated with such rental proceeds has occurred. PBH shall use reasonable efforts to collect all rental proceeds due and owing for the Property; however, PBH 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", or fraud. Nothing contained in this Agreement shall be construed to obligate PBH to engage the services of a collection company or institute any kind of legal proceedings for the purpose of collecting unpaid rents.

RATES AND RESERVATIONS POLICIES

1. PBH will periodically conduct market surveys and establish rental rates accordingly.
2. PBH reserves the right to increase or decrease rates in efforts to maximize OWNER'S income. (That includes adjusting rates off of the published rates at PBH's discretion)
3. PBH shall maintain an advanced reservation system through which all daily, weekly, and/or monthly reservations for PBH managed properties shall be processed. Advance reservations will require an appropriate reservations deposit within 10 days from the date of placing the reservation where applicable, before reservations are confirmed in writing. If the deposit on a held reservation is not received by the 10th day, subject reservation will be cancelled. Forfeited advance rents will be credited to the OWNER, less the standard management fee and applicable taxes, if any.
4. PBH rents to families and responsible adults only and is very serious about maintaining a family atmosphere for the quiet enjoyment of all our guests. Any violators will be evicted according to Florida Statute 509.141. Special consideration for groups with chaperones may be considered with prior approval of PBH. Additional damage deposit, rent, and special signed agreements may be required before entry to any rental unit. Reservations made under false pretenses will result in eviction of guest, forfeiture of the total amount of the rent collected and forfeiture of security deposit.

5. PBH reserves the right to collect a damage waiver in lieu of a damage deposit, in which case PBH will be responsible for accidental damages to the property, not to exceed \$1000, and excluding pet damages. The pet fee is an additional charge that is charged to the guest and credited to the OWNER that covers pet damages and extra clean-up associated with pets.
6. The OWNER authorizes PBH to accept reservations up to ONE YEAR in Advance, except for excluded dates as submitted BY OWNER. OWNER'S reservations shall be subject to existing reservations previously confirmed to tenants.
7. The OWNER agrees not to enter his premises or permit any persons, whether family member, repairman, or guest, to enter the premises without prior and adequate notification to PBH.
8. PBH will inform the tenants with all of the rules and regulations regarding use of property.
9. PBH will attempt to distribute rentals evenly between similar units and place similar units for rental on a rotating basis. PBH shall not be bound to equalize number of nights each unit is rented nor income received by each OWNER, but will attempt to maintain a balance among similar categories and types of units.
10. PBH reserves the right to relocate any unsatisfied tenant who, for good reason demands to be moved to another property being managed by PBH. PBH will attempt to move any unsatisfied guest to a comparably priced property if available. If a comparable property is unavailable, PBH reserves the right to upgrade the guest to another property, even if the rates and locations are not the same. Guest satisfaction is our number one priority, and if a guest is transferred from one property to another, this transaction may involve one owner taking a reduced rate off of the published rate for that time period. OWNER shall be entitled only to rents earned during the period that tenant occupied OWNER'S property.
11. Both the OWNER and PBH shall use their best efforts to avoid reservation conflicts. If through an error that results in a double booking, a renter is occupying the premises when the error is discovered and if substitute accommodations are available, such accommodations shall be provided to the OWNER at the prevailing rate, less PBH's management fee.
12. It is understood and agreed that all rental reservations procured by PBH are property of and are controlled by PBH. PBH, in its sole discretion, retains the absolute right to assign or reassign reservations, as PBH deems necessary.
13. OWNER should make every effort to block times for personal use as far in advance as possible.
14. It is understood that all rental guests/clients procured by PBH are the exclusive property of PBH.
15. The following rates shall be used as a standard for rental rates for the said property: (the weekly below rates include taxes and all fees that guest will pay, but the daily rates include only tax)

	Nightly	Weekly	Monthly
Summer Season (Full season rates) May 20 – August 15	\$ _____	\$ _____	\$ _____
Peak Summer June 27 – July 18	\$ _____	\$ _____	\$ _____
Spring & Fall (25% off summer rates) Spring = March 1 to May 19 Fall = August 17 – October 31	\$ _____	\$ _____	\$ _____
Winter (40% off summer rates) November 1 – February 28	\$ _____	\$ _____	\$ _____

Weekly rates do include taxes and cleaning/laundry fees. Daily rates do not include all fees.

OWNER'S RESPONSIBILITY

1. Except as expressly provided herein, OWNER shall be responsible for paying all costs and expenses associated with the maintenance and operation of the Property as a transient rental accommodation. Such expenses include, but may not be limited to, Florida Department of Business and Professional Regulation licensing and inspection fees, pest control, telephone, cable television, garbage collection (including extra pick up during peak season on Saturdays arranged by PBH), locksmiths, gas, electricity, water, lawn maintenance/landscaping, debris/sand removal, ad valorem taxes, condominium/homeowners association assessments, mortgage payments (if applicable), liability and casualty insurance premiums, and any costs associated with keeping the Property in compliance from time to time with laws, ordinances, and administrative rules governing public lodging establishments and transient rental accommodations. OWNER shall provide PBH with proof of payment of any OWNER obligation upon PBH's request. In the event OWNER fails to pay any obligation when due, PBH shall have the right, but not the obligation, to make payment on OWNER'S behalf, under which circumstances OWNER hereby agrees to reimburse PBH promptly on demand. Funds not reimbursed to PBH within 30 days of demand shall accrue interest at the rate of one percent (1%) per month.
2. OWNER/S shall provide PBH with a copy of any Homeowner's Association documents and by-laws and to advise PBH of all Association rules and regulations pertaining to the use of said property, if applicable.
3. OWNER and his/her family and guests may use and occupy the unit at any time, but only by prior reservation with PBH Rental Department and only if the unit has not been rented for any portions of such period by the time that a request for such reservation is received by PBH Rental Department. OWNER agrees that the unit will be made available to PBH for rental not less than eight (8) weeks during the period May 20 through August 15. Any exception to this requirement will be done only at PBH's discretion and by separate written agreement. OWNER or his/her guest shall pay to PBH the current unit clean-up fee and linen fee, unless prior arrangements are made with PBH.
4. ***Friends of OWNER*** – Occupancy by non-paying guests of the OWNER will result in the OWNER being billed for the standard departure cleaning and linen fees. These fees and cleaning services are described in Section entitled CLEANING AND LINEN SERVICES. Such "friends of OWNER" may pay these fees in behalf of the OWNER upon registration, but they MAY NOT ELECT to provide their own housekeeping service. In an effort to avoid embarrassing situations that may arise with cleaning assignments, it is absolutely necessary that PBH retain control of all housekeeping services. If OWNER procures a tenant through OWNER'S own advertising efforts and makes "owner blocks" in PBH's rental software, PBH WILL NOT provide check-in and check-out services; however, PBH WILL provide these services if notified in advance for a reduced fee of 15% commission of the gross rental rated published for the time period blocked by OWNER.
5. OWNER understands that the State of Florida may require OWNER to collect appropriate taxes on rental revenue collected and file accordingly to the State of Florida and/or the Santa Rosa Island Authority. PBH agrees to collect taxes and file taxes on behalf of the owner for all occupants paying directly to PBH: however, OWNER understands that any OWNER guest paying directly to OWNER is also subject to tax and OWNER is subject to filing with State of Florida directly. PBH agrees to take over any reservations procured by OWNER for a reduced commission fee of 15%. PBH must be notified in advance if such services are required.

CLEANING AND LINEN SERVICES

1. **Departure Cleans** – After each occupancy by a rental guest or OWNER, PBH shall arrange for the Property to be cleaned (hereafter called “departure clean”) as deemed necessary by PBH in its professional judgment. A departure clean is charged every time a rental guest, owner, or owner guest departs a rental unit. OWNER may elect to clean the Property themselves after their personal use only during the off-season and only on a “non-turnover” departure clean; in that case, no Cleaning Fee will be due to PBH, only a Touch-up Inspection Fee of approximately \$15.00. This option does not apply to OWNER’S guests. If an OWNER has performed their Departure Clean, PBH will schedule a walk through on the date of the next check-in and bill OWNER for a Touch Up Inspection. If the property needs additional attention, any corrections will be made, and if linens/supplies are required, PBH will bill OWNER accordingly. A partial list of housekeeping services provided are:
 - a) Place clean linens on each bed, straighten spreads and shams, closet linens and wash mattress pads if needed. Linens for Sofa Sleepers and/or Futons shall be neatly folded and placed in a plastic bag and placed on each sofa and/or futon. Guest shall make these beds themselves as needed. PBH requires that the OWNER provides blankets and pillows for all extra sleeping areas.
 - b) Clean & Sanitize bathrooms and replace bath linens, soap and tissue. Clean kitchen counters, stove, oven, refrigerator, sink, microwave, and other small appliances. Wash dishes and utensils. Remove spills from cabinet fronts and clean garbage can and replace kitchen linens. Stock with trash liners, paper towels, etc.
 - c) Dust furniture, lamps, pictures, and windowsills. Clean windows and glass doors.
 - d) Sweep, vacuum, and mop all floor areas.
 - e) Wipe down patio furniture and lock all doors and windows.
 - f) Sweep patio area and clean outdoor grill.
2. **Semi-annual Deep Cleaning** – PBH shall undertake, at OWNER’S expense, a semi-annual deep cleaning, general interior housekeeping of the property in addition to normal housekeeping services. A semi-annual deep clean partial list of housekeeping services provided are as follows:
 - a) Clean all cabinets and drawers inside and out, organize. Clean all accessible windows.
 - b) Clean oven under stovetop, drip pans, under stove hood, behind, ontop and under refrigerator.
 - c) Remove cushions off furniture, wipe off frames and vacuum all cushions. Move all movable furniture to clean under and behind.
 - d) Clean ceiling fans, all air intake and exhaust grills and fans.
 - e) Take down accessible light fixtures to clean and wash/laundry all area rugs and mats that do not require deep cleaning.
 - f) Clean all blinds, vertical and other styles.

Deep clean charges do not include dry cleaning or laundering charges for bed spreads and/or drapes if necessary, and does not include carpet or upholstery cleaning if necessary. We do, however, provide labor for removal and transportation and re-installing bed spreads and/or drapes and is included in the deep clean fee.

The service fees are described and priced as follows:

Departure Clean & Linen Fee _____
Deep Clean Fee _____

3. **Carpets** – Carpets shall be cleaned at least twice a year at OWNER’S expense. Carpets may require additional cleaning from time to time, and will be charged to OWNER as needed.

ACCOUNTING

1. PBH shall maintain an accurate books and records of all funds received and disbursed in connection with the management and operation of the Property. Such books and records shall be open for inspection by OWNER at reasonable times upon reasonable notice. Each OWNER shall be mailed a copy of his/her monthly statement within approximately twenty (20) days after the end of the Rental Period, reflecting the transactions during the previous calendar month together with a net proceeds check.
2. The OWNER shall be responsible for payment of all utilities, unless prior arrangements have been made and agreed upon PBH and OWNER. Upon request of OWNER, PBH may agree to administer the payment of some or all of the OWNER obligations described under paragraph 1 under section "OWNER'S RESPONSIBILITY" for a processing fee of \$2.50 per check written. In order to utilize this service, OWNER must maintain a sufficient amount of funds on account with PBH to cover full payment of all the obligations subject to the service.
3. PBH will maintain property management records in a manner suitable for audit.
4. PBH will implement procedures that will minimize the possibility of lost revenue. PBH will not be responsible for losses incurred due to bad checks. It is further understood that PBH cannot be held responsible for acts of fraud and dishonesty from guest as long as PBH has taken reasonable measures to prevent such occurrences. Checks returned for Insufficient Funds or lack of Payment will be processed in accordance to Florida Law. In the event PBH is unable to collect these funds, the loss will be at the expense of the OWNER. OWNER shall carry personal liability insurance to his property in the amount of \$100,000 - \$300,000. A copy of the aforementioned shall be furnished by the OWNER to PBH.
5. Other than contracting for minor maintenance, repairs, cleaning and linen service, PBH may charge a reasonable additional fee should the OWNER direct PBH to pay ongoing periodic bills associated with the rental property (i.e. phone, utilities, etc.).
6. From time to time, PBH may, in its sole discretion, offer additional services to OWNER and/or guests for additional fees not contemplated by this Agreement. Such services may include, but not limited to, the bill paying service described in paragraph 1 under section "OWNER'S RESPONSIBILITY" above; assisting OWNER rebuild, repair or take any other action necessitated by natural disaster or other force majeure; and offering of tour packages, attraction tickets, equipment rentals and car rentals. Additional services offered by PBH may be increased or discontinued from time to time in PBH's sole discretion. Fees generated from such additional services shall belong exclusively to PBH.
7. PBH allows for rental prepayments or other charges to be made by credit cards. Currently, Bankcharges related to the use of credit cards are 3.5% for Visa, Mastercard, and Discover and 4% for American Express. PBH will split these credit card usage fees with the owner on a 30/70 split, with the OWNER paying 70% and PBH paying 30% of the total. These credit card usage fees shall be deducted as an additional cost from the OWNER'S net rental proceeds and itemized on the monthly OWNER statement.

GUEST RESPONSIBILITY

1. PBH will require valid identification from all potential guests prior to occupancy of Rental unit. The minimum age of registered guests is to be at least twenty-one (21) years old, unless an older age requirement is specified.
2. Evidence of financial responsibility will be obtained from Guest either by major credit Card, damage waiver, or a cash damage deposit. Any such deposits will be held by PBH until the unit has been inspected and found free of Guest damage.
3. Each registered guest will be required to wash and put away all dishes, remove all of bed linens from the beds and place in one general location along with the towels, take out the trash, close and lock all doors and windows, turn off all lights, and drop the keys and all passes off at PBH office to check-out.

4. PBH charges the guest a fee if furniture is moved during their stay in order to move everything back to its original arrangement.
5. Guest signs a guest rental agreement prior to taking occupancy and agrees to take full responsibility and pay for any damages, breakages, and stains that occur during occupancy.
6. Guest agrees to leave the unit in as good or better condition as when found upon arrival.

MAINTENANCE

1. OWNER shall be responsible for all costs associated with maintaining the Property and authorizes PBH to arrange for routine maintenance of OWNER'S property, its Furnishings, fixtures, appliances, and other equipment as needed to ensure the good will of the tenant and the profitability of the OWNER'S property. Items of maintenance, replacement or repair shall not exceed \$200.00 without prior approval of OWNER except for repairs necessary in an emergency, to avoid greater damage, or to otherwise restore the Property to a condition fit for occupancy by a guest.
2. OWNER agrees that PBH may offer a tenant a reasonable discount on rental rates in the event of a failure of any major appliances which can not be repaired within 12 hours, or that a tenant may be moved to comparable, acceptable property and the OWNER shall be credited his prorated share of rents.
3. For any item of maintenance, replacement or repair performed by PBH hereunder, OWNER shall be charged PBH's cost to perform such item, along with a reasonable administrative fee. In the event PBH enters into an agreement with a contractor to perform such item of maintenance, replacement or repair, OWNER shall be charged the amount charged by such contractor to PBH to perform such item, along with a reasonable administrative fee.
4. PBH will inspect or cause to be inspected the property after each tenant stay and report and repair damages, which in the opinion of PBH, are necessary to protect the property from damage, PBH will attempt to collect all such expenditures from tenant. The remaining expenditures for repairs and labor shall be deducted from OWNER'S rental income. Any deficiency shall be assessed to the OWNER, and OWNER agrees to remit balance due by the thirtieth (30th) of the month in which the bill is submitted for payment.

PETS

Unless otherwise directed by the OWNER (in writing), tenants will not be permitted to keep pets in or about the subject property. If directed by OWNER, there will be an additional \$_____ nonrefundable, pet fee paid by the tenant. This Pet Fee will show up on the Owner's Statement as additional income in addition to the rent. These fees are collected and given to the owner to offset any additional charges for excessive cleaning or flea treatment, should that occur. If there are additional charges, they will also appear on the Owner's Statement and will be deducted from the Pet Fee Income.

ADDITIONAL SERVICES

OWNERS frequently request that we purchase appliances, accept delivery on appliances, select and have installed new carpet, purchase draperies, furniture items and to make inspections other than our normal rental inspections. We are happy to provide these additional services, however, we must charge for additional manpower required at a rate not to exceed 25% over cost.

RIGHT OF SET-OFF

In the event OWNER fails to pay PBH any amount required under this Agreement when due, PBH shall have the right to deduct said amount from net rental proceeds payable to OWNER hereunder without notice. Likewise, in the event OWNER fails to pay any party other than PBH any amount required under this Agreement when due, PBH shall have the right, but not the obligation, to make payment to said party on behalf of OWNER and to deduct said amount from the rent payable to OWNER hereunder without notice. PBH's right of set-off under this

Agreement, including, but not limited to, costs associated with maintenance, replacement and repair of the Property; cleaning charges; and other costs that the Property may have incurred.

SALE OF PROPERTY

1. In the event of sale of property, OWNER agrees to honor any reservations that have already been made by PBH. PBH shall use its best efforts to transfer any confirmed reservations to another comparably priced property, and if it cannot, the OWNER shall notify PBH when the unit is being placed on the market for sale and arrange for disposition of committed and future rentals.

NOTE: It is understood that is very important for PBH as the OWNER'S rental agent to be aware of the status of OWNER'S premises.

INSURANCE

1. It is understood that the OWNER shall carry personal liability insurance, at OWNER'S expense, for his/her property in the amount of \$100,000/\$300,000, and OWNER is strongly encouraged to also carry an umbrella policy extending his coverage to \$1 million.
2. Name of Insurance company is

Phone # _____ Address _____

3. PBH and its employees shall not be liable for any loss or damage to the Unit or equipment, furnishings or furniture in the Unit caused by any accident or occurrence (i) negligent or willful acts or omission of sub-renters or their Guest, independent repairmen or maintenance contractors, (ii) injury done or occasioned by wind, rain, freezing temperatures, hurricanes, or other element, or (iii) theft, vandalism or similar acts.

NO REPRESENTATION OF OCCUPANCY LEVELS

OWNER acknowledges that PBH has made no representations or guarantees regarding the occupancy level of the Property or the amount of rental proceeds OWNER can expect to receive as a result of PBH's efforts under this Agreement.

GOVERNING LAW & VENUE

This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. Any litigation arising out of the Agreement shall be brought in a court of competent jurisdiction located in Escambia County, Florida.

VALIDITY

If any clause or provision of this Agreement shall be held invalid or void for any reason, such invalid or void clause or provisions shall not affect the whole of this Agreement and the balance of the provisions hereof shall remain in full force and effect.

HEADINGS

The captions, headings and titles to Paragraphs of this Agreement are for convenience of reference only, and shall in no way restrict or affect, or be in any way an interpretation of the provisions of any such Paragraph of this Agreement.

INDEMNIFICATION AND LIMITATION OF LIABILITY

OWNER agrees to indemnify and hold PBH harmless from any and all costs, expenses, attorney's fees, suits, liabilities, damages or claims for damages, including but not limited to, those arising out of any injury or death to any person or persons or loss or damage to any property of any kind whatsoever and to whomsoever belonging, including OWNER, in any way

relating to the management of the Property or authorities herein or hereafter granted to PBH, except as such may be the result of PBH's gross negligence or willful and intentional misconduct. PBH shall not be liable for any error of judgment or for any mistake of fact or law or for any loss caused by PBH's own negligence, except as such may be the result of PBH's gross negligence or willful and intentional misconduct.

SPECIAL CLAUSES & INSTRUCTIONS

ALL PROPERTIES MUST BE LEASED AND MANAGED WITHOUT REGARD TO PROSPECTIVE TENANT'S RACE, COLOR, RELIGION, SEX OR NATIONAL ORIGIN.

IN WITNESS THEROF, the parties hereto have signed and delivered this Agreement on the day and year first above written.

OWNER

Printed Name

Signature

Printed Name

Signature

Witness

Accepted By: