

RENTAL MANAGEMENT AGREEMENT

This Agreement dated the ____ day of _____, 200____, is between _____ (“Owner”), residing at _____, and whose mailing address is _____ and **ResortQuest Northwest Florida, LLC, 546 Mary Esther Cut Off Ste 3, Fort Walton Beach, FL 32548**, doing business as ResortQuest (“Manager”).

WHEREAS, the Manager is in the business of providing rental and property management services to owners of vacation and resort properties and is desirous of providing such services for the Owner; and

WHEREAS Owner is desirous of utilizing Manager’s services;

Now therefore, in consideration of the mutual covenants contained herein and other good and valuable consideration, the parties hereto do hereby agree as follows:

1. Engagement of Manager.

1.1 Owner hereby grants to Manager the sole and exclusive right to rent and manage Owner’s condominium located at _____ (the “Unit”) for the Term hereof.

1.2 Owner will conduct all rentals of the Unit only through Manager, will pay to Manager any rent or fees received by Owner for the rental of the Unit and will refer to Manager all inquires for rentals of the Unit, received in any form, from any source.

1.3 Owner acknowledges that Manager may manage other similar units within the property in or on which the Unit is situated and further acknowledges that Manager makes no representations concerning occupancy levels of the Unit or any income to be received by Owner as a result of Manager’s efforts hereunder.

1.4 Owner represents and warrants that it is the lawful owner of the Unit and has full authority to execute this Agreement.

1.5 Owner hereby authorizes Manager to charge, collect and remit sales tax levied under Chapter 212, Fl. Stat., to the Department of Revenue. Owner acknowledges that, by renting, leasing, letting, or offering a license to others to use any transient accommodations, as defined in subsection 12A-1.061(2), Fl. Admin. Code, Owner is exercising a taxable privilege under Chapter 212, Fl. Stat., and as such acknowledges that Owner is ultimately liable for any sales tax due the State of Florida on such rentals, leases, lets, or licenses to use. Owner fully understands that should the State be unable to collect any taxes, penalties, and interest due from the rental, lease, let or license to use Owner’s property, a warrant for such uncollected amount will be issued and will become a lien against Owner’s property until satisfied.

2. Term of Agreement; Termination; Effect of Termination.

2.1 The term of this Agreement (the “Term”) shall commence upon the date of this Agreement and will continue, as such may be amended from time to time, until terminated by either party on sixty (60) days prior written notice. The date of termination specified in the notice is the “Termination Date”. Following a notice of termination, Manager will cease accepting rental reservations for the Unit for any dates subsequent to the Termination Date.

2.2 In the event either party breaches this Agreement and such breach remains uncured following written notice thereof for more than ten (10) days as to matters involving the payment of monies, or for fifteen (15) days as to all other matters, then the non-breaching party may, upon written notice to the breaching party, terminate this Agreement.

2.3 Following its receipt of Owner’s notice of termination, Manager shall use its reasonable efforts to transfer any confirmed reservations for dates subsequent to the date of the Owner’s notice of termination to another comparably priced unit(s). In the event that such transfer cannot be accomplished, Manager may transfer such reservation(s) to a higher priced unit, and Owner will pay Manager, upon demand, for any differences in the rental rate. If another unit is not available and Manager must cancel such a reservation, Owner will pay to Manager, on demand, any out of pocket expense incurred by Manager, including but not limited to: returned deposits or rental payments and credit card charge backs.

3. Insurance.

3.1 Owner shall, at Owner's expense, maintain in effect during the Term and thereafter for so long as persons are occupying the Unit whose reservation was made by or through by Manager: (i) property damage insurance an amount equal to the replacement cost of the Unit, its improvements and furnishings and (ii) liability insurance in an amount of no less than **Three Hundred Thousand Dollars (\$300,000)** for each and every occurrence.

3.2 All such policies of insurance shall be with an insurance company rated at least A-VII by A.M. Best and Company. Owner will provide to Manager certificates of insurance evidencing the insurance coverage required hereunder within thirty (30) days of the date hereof..

4. Indemnification of Manager.

4.1 Owner agrees to indemnify, defend and hold Manager and ResortQuest International, Inc. and their officers, employees, agents, subsidiaries and affiliates harmless from and against any and all loss, cost, judgments, expenses, attorneys' 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 whosoever belonging), by reason of any cause whatsoever, including without limitation, any such loss, cost, judgments, expenses, attorneys' fees, suits, liabilities, damages or claims for damages occurring as a result of the non performance of this Agreement by Owner, the performance of this Agreement by Manager, its agents, employees or independent contractors. Owner will have no obligation to indemnify Manager for Manager's gross negligence or willful and intentional misconduct as such may be determined by a final unappealable judgment to have been the sole cause of liability, in which event, Owner shall be entitled to reimbursement of all expenses advanced in such defense.

4.2 Owner agrees to defend, promptly and diligently, at Owner's expense, any claim, action or proceeding brought against Manager, arising out of or connected with any of the matters referred to in Section 4.1 above. Defense of any such claim shall be accepted within ten (10) days after the date tendered, or if sooner, when the first action in response to any such claim is required. Defense will be with counsel reasonably acceptable to Manager. Failure to accept any tender of defense will entitle Manager to conduct such defense at the expense of Owner.

5. Management Services.

5.1 Owner will furnish and maintain the Unit in the same manner and condition as it exists as of the date hereof, including, but not limited to: maintaining the levels of kitchen inventory, furniture, furnishings and appliances as determined by Manager. Owner shall pay to Manager an advance fee of \$ 300.00 from which the Manager will pay charge backs and other charges related to guest satisfaction issues for persons renting the Unit; to replace items that Manager deems necessary from time to time including, but not limited to: furnishings, repairs, kitchenware, locks and for any other purpose consistent with Owner's duties and responsibilities hereunder (collectively, "**Charges**") and not otherwise assumed by Manager under Section 5.3.2. If at any time the Manager's expenses for these Charges have exceeded \$300.00, the Owner will immediately, upon notice from the Manager, reimburse Manager for the Charges Manager paid on behalf of the Owner to the extent the Charges exceeded \$300.00 and will pay an additional advance fee of \$300.00 from which the manager will pay future Charges. After receiving notice from the Manager that Charges have exceeded or will exceed \$300.00, Owner will be charged interest (provided it is permitted by the laws of the state in which the Unit is situated) at a rate equivalent to the lesser of the highest rate permitted by law or 1% per month on all outstanding unreimbursed amounts due to the Manager and on any unpaid \$300.00 advance fee.

5.2 Owner will pay for any repairs deemed reasonably necessary by Manager to maintain the Unit in such manner and condition as it exists as of the date hereof. Notwithstanding any provision herein to the contrary, Manager may, without the Owner's prior consent, make any repairs deemed by Manager to be necessary for the immediate safety or preservation of persons, rental reservations, rental income or property. Manager will advise Owner in the monthly Owner's Statement of such repairs. Manager may reimburse itself for such expenditures out of rental proceeds, or in the event such proceeds are insufficient, Owner will pay Manager for same, upon receipt of Manager's invoice.

5.3 Owner authorizes Manager to collect from rental guests, on behalf of Owner, at Manager's option, either a refundable damage deposit or a damage waiver fee.

5.3.1 When a refundable damage deposit is collected, Manager agrees that it will inspect the Unit for damage, loss or theft after departure of (or when, in the discretion of the Manager, such requirement is waived) guests and before the rental deposit is returned. The cost of any damage, losses, or theft shall be deducted

from the guest's damage deposit. Manager will use commercially reasonable efforts (which expressly does not require Manager to bring legal action) to recover damages, losses or theft in excess of the guest's damage deposit (or for damages not covered by a damage waiver), in addition to all court costs and legal fees, from the guest. [Any damages, costs or legal fees not covered by the Owner's or Manager's insurance will be borne equally by Owner and Manager.] Household items such as kitchenware and small appliances, linens, decorating accessories, DVDs, music CDs, and other similar items ("Expendable Items") are deemed expendable and are therefore not covered by this Section 5.3, except for obvious or blatant damage or large scale theft. Manager will take into account normal wear and tear in calculating the replacement costs for items covered by this Section 5.3.1.

5.3.2 When a damage waiver fee is collected, and Manager agrees that it will inspect the Unit for damage, loss or theft after departure of rental guests, Manager will then assume, as part of its general management obligations hereunder, and notwithstanding Section 5.1., the expense and responsibility for any damage which is within the terms of the damage waiver agreement with the rental guest. It is understood that Manager shall not be responsible, among other things, for ordinary wear and tear, Expendable Items, intentional damage, Acts of God or damage by non-guests.

5.4 Owner will notify the Manager of any reservation of the Unit by the Owner provided however, that the Owner's intended use of the Unit may not interrupt any confirmed rentals of the Unit. Owner will make the Unit available to Manager for rental for at least eight (8) weeks during the period beginning the Friday prior to Memorial Day and ending on Labor Day of each year.

5.5 Owner will permit the Manager to enter into any contract on behalf of the Owner reasonably necessary for Manager to perform its duties hereunder.

5.6 If the Owner lists the Unit for sale or otherwise offers to sell or transfer legal or equitable title to the Unit, other than by a mortgage or deed of trust, the Owner will notify the Manager of such listing or offer for sale within ten (10) days of offering the Unit for sale or transfer. Owner will cause any Realtor showing the property to communicate first with the Manager in order to cause the least disturbance to guests who may be occupying the Unit. Owner agrees that any contract for sale of the Unit will provide that the purchaser will assume this Agreement, but only with respect to any confirmed rentals of the Unit which are scheduled for dates beyond the date of closing under said contract. Owner expressly agrees to notify Manager in writing within ten (10) days of any sale or change in control of the Unit, by faxing or emailing to the following address:

ResortQuest Northwest Florida, LLC
Operations
546 Mary Esther Cut Off, Suite 3
Fort Walton Beach, FL 32548
Office: (850) 275-5000
Facsimile: (850) 243-4130

Owner will ensure that the Unit at all times complies with all applicable building, fire and life safety codes and, upon notice from Manager, will make any repairs necessary to maintain such compliance.

5.7 Owner will promptly pay the Manager the fees as described on attached Fee Schedule ("**Fees**"). Manager is authorized to retain or pay itself such Fees from rentals received by Manager on behalf of Owner. To the extent any such rental receipts are insufficient to pay the Fees, Owner will remit the balance due promptly to Manager following receipt of Manager's invoice for same. In the event that Manager refunds rent to a guest, Owner will reimburse Manager for same to the extent that Owner received such rent.

5.8 Manager may maintain monies received on behalf of the Owner in an interest bearing account and Manager is entitled to retain any and all interest derived from said account. Within fifteen (15) days following the end of the month in which monies are received, Manager will remit to Owner all monies received on behalf of the Owner after deducting from these monies any monies the Manager is entitled to under this Agreement and its attachments.

5.9 Owner will promptly pay when due all bills related to the ownership and operation of the Unit, including but not limited to: utilities, telephone, cable TV, homeowners' association dues, property taxes, pest control fees and insurance premiums. Manager is not responsible for paying Owner's bills and does not provide this service.

5.10 Manager will provide full-time property and rental management of the Unit, including, but not limited to: setting rental rates and collecting rental(s); setting discount rates; settling ancillary fees, such as damage waiver fees; determining which, if any travel or other intermediaries or distributors to use for renting the Unit; advertising and marketing the Unit for rental (including, but not limited to: displaying the Unit on Manager's and third party web site(s), in brochures, and in any other media in any form; and Owner hereby grants to Manager a limited, non-exclusive license for the term hereof to make, use, copy, distribute and display images of the Unit and text describing the Unit in any media in any form for the purpose of advertising Manager's services and the Unit); making such repairs as are authorized by this Agreement; settling guest satisfaction issues and setting discount rates, providing housekeeping and routine maintenance services.

5.11 Manager may book rentals of the Unit for promotional use without payment of rental to the Owner or payment by Owner to Manager of any cleaning fees for a maximum of five (5) nights per year.

5.12 Owner hereby grants its permission, subject to any homeowner's association rules or covenants, for Manager to place one or more signs on or about the Unit advertising its availability for rental.

5.13 Manager will furnish the Owner with a monthly statement of all rental receipts and expense disbursements relating to the Unit for the preceding month. Manager shall remit any sums due the Owner on a monthly basis.

5.14 Manager will charge, collect, and remit sales tax levied under Chapter 212, Florida Statute, to the Department of Revenue.

6. **Miscellaneous.**

6.1 This Agreement will be governed by and construed under the laws of the State of Florida, without giving effect to such state's laws concerning conflict of laws. Any actions brought to enforce this Agreement shall be brought in the state courts of Florida and in the county in which the Unit is located and Owner hereby irrevocably submits to the jurisdiction of such courts. In any action by Manager to enforce this Agreement, Owner will pay Manager's reasonable legal fees and court costs. Owner hereby waives any right to a trial by jury.

6.2 If any portion of this Agreement is held invalid, then the other portions shall be deemed valid, and so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid.

6.3 Except as provided in Section 5.6 above, any notices to be given pursuant to this Agreement shall be in writing and addressed to each party at the address noted on the first page. A notice will be deemed given: (i) at the time delivered if hand delivered; (ii) one (1) day following delivery to FedEx; or (iii) three (3) days after depositing, postage prepaid, in the U.S. Mail.

6.4 This is the entire agreement between the parties and may only be modified by a writing signed by both parties hereto, provided however that Manager may amend this Agreement from time to time upon sixty (60) days prior written notice to Owner's mailing address shown in this Agreement or otherwise reflected in Manager's records, calculated from the date of mailing by first class mail. Unless the amendment otherwise provides, it shall be effective for all purposes on the first day following expiration of such notice period unless prior to such time Owner has objected to such amendment in writing to Manager at its address set forth above. In the event of such objection, Manager may, at its option, deem such objection as notice of termination.

6.5 All information concerning persons occupying the Unit, including, but not limited to names, addresses and credit card data is the sole and exclusive property of Manager. This Agreement confers no rights upon Owner to use the service marks or trademarks of Manager.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

OWNER (S) or MANAGING PARTNER(S):

Date

Signature

Date

Signature

Owner's Social Security Number or Federal ID (for IRS 1099 purposes): _____

Address

Preferred Phone Number

City/State/Zip

Alternate Phone Number

Email

On Behalf of Manager, RESORTQUEST NORTHWEST FLORIDA, LLC.:

By: _____

Title: _____

Date: _____

Fee Schedule

1. Owner hereby agrees to pay the Manager:
 - A. Owner agrees to pay an origination fee of \$250 (\$150 for a Unit already managed by Manager) to Manager to defray all or part of Manager's expenses in establishing Owner's Unit in Manager's systems.
 - B. A "**Management Fee**" of: (i) **30%** of all "**Rental Revenue**" for rental periods of less than 30 days; and (ii) **22%** of all "**Rental Revenue**" for rental periods of 30 days or more; derived from the rental of the Unit during the Term and for such period following the expiration of the Term as persons occupy the Unit who reserved such occupancy during the Term, whether rented by Owner or Manager. Rental Revenue does not include any taxes and surcharges imposed by any governmental 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 greens fees; pool fees; tennis fees; fees for use of boats and bicycles; video rentals; rebates from suppliers and vendors; food and beverage charges; and apparel.

2. All housekeeping expenses related to rental departures will be borne by renter, unless the owner reserves the unit. The Owner will be responsible for a semi-annual Deep Cleaning Fee of twice the amount of a regular clean, depending on the type of unit owned.

3. Owner authorizes Manager in Owner's name and at Owner's expense to make or cause to be made such repairs to Unit as may be required for its operation.

4. Owner will pay a linen set up fee to start on the ResortQuest rental program of \$75 times the amount the unit sleeps. Linen replacement fees will be half the amount of the set-up fee and will be charged annually. One set of linens will be returned to Owner upon termination of this Agreement.

5. Manager may provide services in its sole discretion, beyond normal housekeeping, maintenance and inspections of Unit, upon request of Owner. For such services of Manager there will an additional charge, at Manager's option, for each service provided of \$45 for each hour, or portion thereof, expended to provide such services.

6. Owner will pay Manager a Florida State Tax of \$5 annually.

7. Owner will pay for the installation and maintenance of electronic locks on the Unit.

8. Owner is solely responsible securing any area the Owner may designate as an "Owner's Closet" in the Unit. Manager is not responsible for inspecting the Owner's Closet, and will not be liable for any property left in or losses from the Owner's Closet.

9. Owner may be required to install a keyless entry system at Owner's sole expense.

10. Pet cleaning fee: Guests of Owner are never allowed to bring pets on the property. In the event Owner brings pets into the Unit, the Owner will be charged an appropriate fee for any additional cleaning made necessary because of the pet's presence, odors, or damage to any part of the property including common areas and grounds.

11. All provisions of this addenda providing for a specific percentage, fee or sum may be increased/decreased from time to time provided that notice of said increase is given to the Owner with not less than 90 days notice.

Owner's Initials