



## Property Management Agreement

Property Street Address: \_\_\_\_\_

Location/Complex: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Property Name (if different than street address) \_\_\_\_\_

Owner: \_\_\_\_\_

Ownership percentage: \_\_\_\_\_

SSN/FEIN: \_\_\_\_\_

Street Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Home phone: \_\_\_\_\_ Cell phone: \_\_\_\_\_

Business phone: \_\_\_\_\_ Email address: \_\_\_\_\_

Second owner (if applicable): \_\_\_\_\_

Ownership percentage: \_\_\_\_\_

SSN/FEIN: \_\_\_\_\_

Street Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Home phone: \_\_\_\_\_ Cell phone: \_\_\_\_\_

Business phone: \_\_\_\_\_ Email address: \_\_\_\_\_

Paradise Beach Homes, Inc. (PBH) is in the business of managing short-term rental properties owned by others and of finding renters for the same. Subject to the terms of this Agreement, the OWNER/S, who represents the right and authority for subject property, desires to engage the management services of PBH to offer the OWNER'S Property 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

This agreement shall continue in force on a year-to-year basis unless cancelled by either party by giving a sixty (60) day written notice. Cancellation is subject to reservations that have already been made by PBH. PBH shall make every effort 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. OWNER agrees to pay PBH its earned management fee for previously booked and confirmed reservations. **Property will be available for rental starting:** \_\_\_\_\_.

### PROPERTY

**Dwelling/Furnishings/Household Items** – Owner shall maintain property to meet requirements set forth by Florida Statutes, Florida Department of Business & Professional Regulation, and all other state and local codes and ordinances. The parties acknowledge that in order for the Property to successfully rent, OWNER will maintain dwelling, furnishings, and household items to meet the standards of PBH. The dwelling, furnishings, and household items must also be of high quality, style, and utility which are consistent with other accommodations being offered for transient rental on Pensacola Beach. 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.

Upon execution of this contract, OWNER will provide to management six (6) sets of keys to the OWNER'S unit including mailbox keys. If OWNER does not provide keys, PBH 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.

**Annual Inspection** – PBH will make annual inspections of the Property. If necessary, the OWNER shall be provided a copy of the inspection report and/or written recommendations as to needed repairs, improvements, and upgrades.

**Bedrooms/Sleeping/Bathrooms**

Please indicate bed arrangement in each bedroom (King, Queen, Twin, Bunk, Sleeper, etc.)

1. Sleeping arrangement:
  - a) Bedroom 1 \_\_\_\_\_
  - b) Bedroom 2 \_\_\_\_\_
  - c) Bedroom 3 \_\_\_\_\_
  - d) Bedroom 4 \_\_\_\_\_
  - e) Bedroom 5 \_\_\_\_\_
  - f) Bedroom 6 \_\_\_\_\_
  - g) Living Room \_\_\_\_\_
  - h) 2<sup>nd</sup> Living Room \_\_\_\_\_
2. Number of Bathrooms \_\_\_\_\_
3. Maximum Advertised Occupancy \_\_\_\_\_

**FEES and COMPENSATION**

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.

PBH allows for rental prepayments or other charges to be made by credit cards. PBH will split these credit card usage fees with the owner on a 70/30 split, with the OWNER paying 70% and PBH paying 30% of the total. Currently, Bank charges related to the use of credit cards are 3.5% for Visa, Mastercard, and Discover and 4% for American Express. 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.

**DELIVERY OF RENTAL PROCEEDS / ACCOUNTING**

On or around the 10<sup>th</sup> day of each month, PBH will ACH to Owner those rental proceeds which are earned and collected for the Property during the previous calendar month, less PBH's management fee and any other set-offs or deductions authorized by 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, insufficient funds, credit card charge backs, or fraud.

PBH shall maintain accurate books and records of all funds received and disbursed in connection with the management and operation of the Property. PBH will email monthly Owner Statements on or around the 10<sup>th</sup> of each month. Additionally, PBH will provide end of year statements and required tax documentation. PBH will maintain property management records in a manner suitable for audit.

**RATES AND RESERVATIONS POLICIES**

PBH will periodically conduct market surveys and establish rental rates accordingly. PBH reserves the right to increase or decrease rates in an effort to maximize OWNER'S income. A yield management approach may be utilized to establish rate increases or decreases, including published rates discounts when appropriate.

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 10<sup>th</sup> 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.

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.

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 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.

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.

PBH reserves the right to relocate any unsatisfied tenant who, for good reason, needs 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.

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.

The following rates shall be used as a standard for rental rates for the said property:

	<b>Nightly</b>	<b>Weekly</b>	<b>Monthly</b>
<b>Summer Season</b>	\$ _____	\$ _____	\$ _____
<b>Peak Summer</b>	\$ _____	\$ _____	\$ _____
<b>Spring &amp; Fall</b>	\$ _____	\$ _____	\$ _____
<b>Winter</b>	\$ _____	\$ _____	\$ _____
<b>Easter/Thanksgiving/Christmas</b>	\$ _____	\$ _____	\$ _____

**OWNER'S RESPONSIBILITY**

OWNER and his/her family and guests may use and occupy the unit at any time, but only by prior reservation with PBH. OWNER agrees that the Property will be made available to PBH for rental not less than eight (8) weeks during the period May 20 through August 15. **OWNER agrees that all reservations for which revenue has been collected will be administered through PBH.** PBH will provide check-in/check-out services, address any maintenance/television/internet issues that may arise during the guest's stay, and lawfully collect taxes for the State of Florida and Escambia County on behalf of the owner.

**Friends/Guests of OWNER** – Non-paying guests of the OWNER may pay the cleaning/linen fee to PBH upon check-in, or Owner may opt to have these charged to their Owner account/statement. Non-paying guests (other than OWNERS) may not elect to provide their own housekeeping service.

**CLEANING/LINEN SERVICES**

**Departure Cleans** – After each occupancy by a rental guest, OWNER, or guest of Owner, PBH shall arrange for the Property to be cleaned (hereafter called "departure clean"). A departure cleaning/linen fee will be charged to the guest, Owner, or guest of Owner. OWNER may elect to clean the Property themselves after their personal use only; in that case, no cleaning/linen fee will be due to PBH. This option is NOT available to OWNER's guests. If an OWNER has

performed their departure clean, PBH will schedule an inspection prior to the next guest arrival. If the property needs additional attention, any corrections will be made, and if linens/supplies are required, PBH will bill OWNER accordingly. Cleaning/Linen Fee: \_\_\_\_\_

**Semi-annual Deep Cleaning** – With prior approval, PBH shall undertake, at OWNER’S expense, a semi-annual deep cleaning. Deep cleaning 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. Deep Cleaning Fee: \_\_\_\_\_

**MAINTENANCE**

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. 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.

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.

For any item of maintenance, replacement or repair performed by PBH or a contractor hereunder, OWNER shall be charged PBH’s cost to perform such item, along with a reasonable administrative fee.

Light bulbs, vacuum bags, A/C filters, batteries, etc. will be replaced as necessary and charged to the OWNER.

**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.

**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.

**PETS**

Unless otherwise directed by the OWNER (in Additional Terms), 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.

**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**

In the event of sale of property, PBH shall use its best efforts to transfer any confirmed reservations to another comparably priced property, and if it cannot, OWNER agrees to honor any existing reservations. The OWNER shall notify PBH when the unit is being placed on the market for sale.

**INSURANCE/LIABILITY**

The OWNER shall carry liability insurance, at OWNER’S expense, for his/her property in the amount no less than \$1,000,000, and OWNER shall provide copy of policy to PBH.

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 including (i) negligent or willful acts by Guests, 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.

**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.

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

**ADDITIONAL TERMS**

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IN WITNESS THEROF, the parties hereto have signed and delivered this Agreement on the Date(s) below:

**Owner**

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Date

**Paradise Beach Homes, Inc.**

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Date