

SANIBEL ARMS WEST CONDOMINIUM ASSOCIATION, INC.

RENTAL AGREEMENT FOR

UNIT (S) _____

In this Agreement, the term "Owner" refers to the owner or owners listed below who have signed this Agreement and own the Unit, which is within the Condominium. The word "Association" refers to the Sanibel Arms West Condominium Association, Inc., a Florida not-for-profit corporation. The word "Unit" refers to the specific, above referenced unit(s) owned by Owner within the Sanibel Arms West Condominium. "SAW Rental Program" refers to the rental of units within the Sanibel Arms West Condominium by the Association on behalf of unit owners in accordance with agreed terms. The "Effective Date" of this Agreement shall be the date executed on behalf of the Association.

Please print or type all information

Owner(s) _____

Permanent Mailing Address: _____

City: _____ State: _____ Zip Code: _____ Country: _____

Home Telephone: _____ Cell Phones _____

Office Telephone: _____ Office Fax: _____

E-Mail Address(es): _____ / _____

1. Association's Responsibilities and Powers. The Association shall use a reasonable effort to rent the Unit under the terms and conditions set forth within this Agreement.

2. Term. The term of this Agreement shall be one year from the Effective Date or until terminated as provided in Section 20 of this Agreement, whichever shall occur first (the "Term"). Thereafter, this Agreement shall automatically renew on a year to year basis until either party shall terminate the Agreement in accordance with Section 20.

3. Rental Rate. The rental rate to be charged for the occupancy of the Unit shall be determined by the Association's Board of Directors and the Association's general manager, in their sole and absolute discretion, as follows: (i) the Association's Board of Directors will set all rental rates, and (ii) the Association's general manager will set all discount promotional rates based on general manager's absolute and unfettered opinion regarding market conditions. Owner can set discount rates for their unit.

4. Marketing. The Association may advertise and market the Unit at the Association's expense. Owner may also advertise and market the Unit at the Owner's expense. The Association may review any Owner marketing and advertising and may regulate the content of such marketing and advertising. **Owner may not make any comparisons of Owner's advertised rental rates to SAW rental rates.**

5. Commission. Owner shall pay the Association a commission for each and every rental or occupancy of the unit during the term by any and all third parties (the "Commission"), regardless of who obtained the rental except as specifically exempted within this Agreement. The Association may subtract the Commission from rental proceeds prior to delivering the remaining rental proceeds to the Owner. The dollar amount and/or percentage of rental income of the Commission will be determined and is subject to change by the Association Board of Directors.

SAW Generated Rentals

The Commission rate will be a percent of the SAW rate charged for each rental.

Owner Generated Rental of Their Unit

A Commission rate will be a percent of the owner's rate for each rental.

6. Collection of Rent. The Association has the sole and absolute right to collect any rent paid for the use of the Unit during the Term. Further, Owner shall not accept any rent or compensation from third parties relating to the use of the Unit without the SAW Manager's approval. Owner grants the Association any and all right to collect and seek collection of rent for the Unit from any party whomsoever. Further, Owner agrees to assist the Association in any reasonable manner in obtaining the rent from any party whomsoever.

7. Cleaning; Maintenance and Repairs. Owner and the Association agree to the following requirements, liabilities and procedures regarding the cleaning, maintenance and repair of the Unit:

- (a) After each rental, Owner's or guest's use of the Unit, the Association's cleaning service will clean the Unit and exchange the linens. For this service, Owner will be charged a fee determined and subject to change by the Association's Board of Directors. **Note: The Association's cleaning service must be used after each rental, Owners or guest's use of the Unit so long as the Unit is in the SAW Rental Program.**
- (b) After each rental, the cleaning service and/or a SAW staff member will complete an inspection report detailing obvious, excessive abuse, damages and/or theft of major equipment within the Unit and report to the unit owner. The Association will generate a bill for the abused, damaged or stolen major equipment, and will make reasonable, cost-effective efforts to obtain reimbursement from the renter for the damages and/or theft.
- (c) Owner agrees, at Owner's sole expense, to maintain the Unit in good order and repair. The Association, with or without the Owner's approval, will perform minor maintenance to the Unit and charge the Owner an hourly rate for all time expended, plus material costs.
- (d) The Association will make or will contract to have performed, at Owner's expense, repairs to the Unit for which Owner is responsible and which the Association deems reasonable and required, and which do not exceed \$750.00 in projected expense. Owner grants the Association the authority to determine what and when repairs or replacements are necessary, to inspect the work, to pay the contractor, and include the cost on the Owner's monthly statement and deduct the cost of the work from rental income of the Unit. The Owner agrees that the Association will have complete and unfettered discretion regarding the above.
- (e) The Association will obtain the Owner's approval in advance for any repairs to the Unit for which Owner is responsible that are estimated to cost in excess of \$750.00. With Owner's approval, the Association will pay the contractor and include the cost on the Owner's monthly statement and deduct the cost of the work from rental income of the Unit. Under emergency conditions, as determined by the Association's unfettered opinion, arrangements will be made for repairs without notice to Owner.

8. Rental Priorities. Owner understands that the Association rents numerous units. The Association will rent the units to third parties as currently, and as will be, determined by the Association's Board of Directors. Currently, the units are being rented on a rotation basis on the rating number and location. However, a third party's preference for a particular unit or location will take priority in the rental process.

9. Rating Number for Association's Rental Program. All units in the Association's Rental Program are evaluated as follows: Gold, Silver and Bronze; Gold being the highest and Bronze being the lowest. Units will be evaluated on a bi-yearly basis. Owner may ask for a unit evaluation after any

improvements have been made to the Unit. A unit rated Bronze is considered substandard, and the Owner will need to make substantial improvements within six months after the evaluation to remain within the Rental Program. If the Unit has not been improved to a higher rating within six months, the Owner will be notified by mail that the Unit will be taken out of the Rental Program in 90 days. Unit evaluation standards will be established from time to time by the Association's Board of Directors and shall be available to Owner upon request.

10. Deep Cleaning. Owner agrees to have a yearly deep clean completed before the end of each calendar year. If Owner does not do a deep cleaning, the Association will have it done at Owner's expense and include the cost on the Owner's monthly statement and deduct the cost of the work from rental income of the Unit.

11. Accounting. The Association will provide Owner with a monthly accounting statement detailing all expenses and income, and will mail a check with any money owing to Owner by the tenth day of each month. Owner agrees to pay the Association, in full, any amounts owed to the Association within 15 days from Owner's mailing of the monthly accounting statement.

12. Interest. Any amount past due and owing by Owner to the Association shall include a payment of interest at such rate as shall be determined from time to time by the Association's Board of Directors beginning on the date the amount is past due and owing by Owner.

13. Utility and Other Bills. Owner agrees to fully and promptly pay all utility and other bills for or on the Unit that could potentially, in the Association's sole and unfettered opinion, affect the ability to rent the Unit. If the Association pays delinquent utility or other bills, Owner agrees to pay the Association the amount, plus a 10% surcharge for the service rendered to the Association, plus the interest amount detailed in Section 14 of this Agreement. In addition, the Association may include the cost on the Owner's monthly statement and deduct the cost of the work from rental income of the Unit.

14. Insurance. Owner agrees to maintain a comprehensive liability and casualty insurance policy in the minimum amount of \$100,000 for each occurrence.

15. Complimentary Nights. Owner, in an effort to assist in promoting rental business, authorizes the Association to use the Unit three (3) complimentary nights per year to house bona fide generators of rental business, including, but not limited to advance conference planners, tour planners, travel writers and airlines' representatives. The Association agrees to provide all linens and cleaning during said complimentary use at the Association's expense. Owner understands and agrees that Owner shall not receive any compensation for the above described potential three (3) complimentary nights.

16. Communication and Correspondence. All Owner instructions or requests to the Association regarding reservations, maintenance, or any other matter whatsoever, shall be confirmed in writing or email.

17. Default and Remedies. If the Association violates any term of this Agreement, including but not limited to the payment of money, or if the Association is guilty of negligence or other improper conduct resulting in damages to the Owner, Owner's sole recourse and remedy shall be to terminate this Agreement as provided in Section 20 of this Agreement. If Owner violates any term of this Agreement, including Owner's failure to pay taxes, utility bills or rental commissions, or failure to maintain the Unit and its contents in good order and repair, unless otherwise agreed to in writing by the Association, the Association shall have the right to terminate this Agreement as provided in Section 20 and seek only actual damages from Owner at law.

18. Termination. This Agreement will continue in force and govern all transactions between Owner and the Association concerning the Unit until terminated in writing by either party by registered mail or personal delivery of notice to the other party as follows. Termination shall take effect six (6) months after receipt of the written notice of termination, except as otherwise provided herein. However, both parties agree that the termination, with or without cause, shall not affect any confirmed or existing unconfirmed reservations by any and all future renters of the Unit for dates less than three hundred sixty

five (365) days from the date of receipt of the notice of cancellation, or any fees to be collected by the Association from those rentals unless agreed to in writing by the Association.

19. Sale of Unit. Owner will notify the Association at least thirty (30) days prior to Owner's transfer of the Unit's title to any party whomsoever. Owner will notify and deliver to all potential buyers of the Unit, prior to closing, and disclose in any written contract for the sale of the Unit that this Agreement exists and that this Agreement shall predominate over the new owner's possessory rights and obligate the new owner to the terms and provisions of this Agreement. The new owner shall be bound by this Agreement but shall have the right to terminate this Agreement, as provided in Section 20 of this Agreement. Owner further warrants that he will notify SAW in writing if they do not want SAW to disclose any information regarding their unit including rental earnings.

20. Owner's Limited Use of Unit. Owner understands and acknowledges that Owner's use of and accessibility to the Unit is and shall be limited by this Agreement, as detailed or implied in this Agreement, including but not limited to the following limitations:

- (a) Owner must deliver and the Association must receive a written notice or email at least ninety (90) days in advance of their desire or intent to use the Unit.
- (b) Owner must refrain from employing or enlisting any party except the Association in regard to the renting or leasing of the Unit to any and all third parties.
- (c) During any and all periods in which Owner and their guest occupies the Unit during the Term, Owner or their guest shall check in at the Association's front desk on the first day of any occupancy of the Unit by Owner or their guest or the next scheduled business day, and check out at the Association's front desk on the last day of any occupancy of the Unit.
- (d) Owner or their guest will abide by all rules and regulations made by the Association that affect any occupant of the Unit, including but not limited to check-in and check-out procedures.
- (e) Notwithstanding the above, the Association shall allow the Owner or their guest to use the Unit, as requested in writing by them, if the Unit has not been reserved by the Association for renters or other parties.
- (f) Owner will not enter the Unit, or permit any person, whether family member, repairperson, realtor, agent or guest, to enter the Unit while the Unit is being occupied by any party whomsoever.
- (g) Owner will not have the right to force the Association to remove any renter or occupant of the Unit under any confirmed rental reservation.
- (h) The Association reserves the right to reject Owner's request for special restrictions in connection with renting of their unit. Owner can make the Unit non-smoking. Renter, Owner, or guest then cannot smoke in that Unit. In smoking Units, no one is allowed to smoke on either lanai of any Unit.

21. Hold Harmless. Owner agrees that the Association shall not be liable; Owner shall hold the Association harmless for Owner's negligence.

22. Miscellaneous. Any disputes that develop under this Agreement will be settled according to Florida law. If any part of this Agreement violates a provision of law, the law will control. In such case, however, the rest of the Agreement (not in violation) will remain in force. The performance of all obligations within the time provided for in this Agreement is of the essence and failure to so perform on

time is a default hereunder. This Agreement may be executed in duplicate counterparts and by facsimile copies, which together shall be treated as an original.

23. **Waiver of Jury Trial.** The Association and Owner agree that neither the Association, Owner, nor any assignee, successor, heir, or legal representative of Owner or Association (all of whom are hereinafter referred to as the "parties") shall seek a jury trial in any lawsuit, proceedings, counterclaim, or any other litigation procedure based upon or arising out of this Agreement or any instrument evidencing or relating to the same, or any actions, dealings or relationships between or among the parties, or any of them. None of the parties will seek to consolidate any such action, in which a jury trial has been waived, with any other action in which a jury trial has not been waived. The provisions of this paragraph have been fully negotiated by the parties and these provisions shall be subject to no exceptions. Association has in no way agreed that the provisions of this paragraph will not be fully enforced in all instances.

OWNER(S)

SANIBEL ARMS WEST CONDOMINIUM ASSOCIATION

Signature
Print Name: _____
Date: _____
Social Security # _____

By: _____
Signature
Print Name: _____
Its: _____
Effective Date: _____

Signature
Print Name: _____
Date: _____