

RENTAL AGENCY AGREEMENT

THIS RENTAL AGENCY AGREEMENT (this “**Agreement**”) is made effective this __ day of _____, _____, by and between Escalante Kingsmill Resort LLC, a Virginia limited liability company (“**Agent**”), and the owner(s) (“**Owner**”) of the condominium unit (“**Unit**”) identified below:

Condominium: _____
Unit Number: _____
Name of Unit Owner(s): _____

(If multiple persons are the “Owner” of the Unit, please attach a list of the names and complete mailing and e-mail addresses of all such persons. The person designated immediately below shall be deemed the primary contact for Agent to communicate with and who is authorized to act on behalf of all other owners of the Unit and make and receive payments on behalf of all such owners.)

Owner/Primary Contact Information

Name: _____
Home Address: _____

Home Phone: (____) _____
Work Phone: (____) _____
Facsimile Number: (____) _____
E-mail address: _____
SSN or Taxpayer ID #: _____

Recital

Owner desires to appoint Agent as its exclusive rental agent for the purposes and functions described herein. Agent desires to accept such appointment, subject to the terms and conditions of this Agreement.

Agreement

Now, therefore, in consideration of the mutual promises, covenants, terms and conditions of this Agreement, Owner and Agent hereby agree as follows:

1.0 DEFINITIONS

1.1 **Basic Definitions.** As used in this Agreement, the following terms have the meanings given to them in this Section 1.1.

1.1.1 “**Adjusted Gross Rental Revenue**” means Gross Rental Revenue, less all (a) promotional discounts, reservation fees, credit card fees and other commissions, fees and charges customarily paid to travel agents, tour brokers, lodging services or others in the travel and tourism industry, (b) refunds paid under Section 5.2 below, and (c) lodging, sales and similar taxes paid by Rental Guests.

1.1.2 “**Agent**” has the meaning set forth in the introductory paragraph of this Agreement.

1.1.3 “**Agent Released Parties**” has the meaning set forth in Section 8.5 below.

1.1.4 “**Agreement**” has the meaning set forth in the introductory paragraph of this Agreement.

1.1.5 “**Amenity Fees**” means the fees set forth on Exhibit “B” attached hereto that are charged each night during Unit rental for access to and use of Resort amenities, which fees shall be retained by Agent.

1.1.6 “**Annual Preventative Maintenance**” means the annual preventative maintenance services necessary to maintain the Unit in accordance with the Operating Standard, including, but not limited to, those services listed on Exhibit “B” attached hereto.

1.1.7 “**Claims**” has the meaning set forth in Section 8.5 below.

1.1.8 “**Condominium**” means the Condominium project set forth in the introductory paragraph above.

1.1.9 “**Condominium Association**” means the condominium owners association established for the governance of the Condominium and the units located therein.

1.1.10 “**Condominium Association Fees**” means fees, charges or assessments imposed by the Condominium Association against the Unit.

1.1.11 “**FF&E**” means all furniture, fixtures and equipment required to be located in the Unit at Owner’s sole expense in accordance with the Operating Standard, including those items listed on Exhibit “C” attached hereto.

1.1.12 “**Gross Rental Revenue**” means any income received for Rental, except for Amenity Fees and monies paid for other services that Agent may provide in addition to the rental of the Unit. Any “no-show” collections will be included in Gross Rental Income.

1.1.13 “**High Demand**” means the following annual periods:

- Spring Break (generally the full week before and after Easter)
- Memorial Day Weekend (Friday, Saturday, Sunday)
- Labor Day Weekend (Friday, Saturday, Sunday)
- The months of July and August
- Thanksgiving (Wednesday - Saturday nights)
- Christmas (December 23-26)
- New Year’s (December 30-31)

1.1.14 “**Interior Deep Cleaning**” means the cleaning services labeled as such on Exhibit “B”.

1.1.15 “**Interior Pest Control**” means those pest control services labeled as such on Exhibit “B” necessary to maintain the Unit in accordance with the Operating Standard.

1.1.16 “**KCSA**” means the Kingsmill Community Services Association, a Virginia non-stock corporation.

1.1.17 “**KCSA Fees**” means fees, charges or assessments imposed by the Master Declaration against the Unit.

1.1.18 “**Management Fee**” means the management fees set forth in Section 7.1 of this Agreement.

1.1.19 “**Master Declaration**” means that certain Declaration of Covenants and Restrictions for Kingsmill, dated September 18, 1973 and recorded in the Clerk's Office of the Circuit Court of the City of Williamsburg and County of James City in Deed Book 147, Page 642, as the same may be amended and/or supplemented from time to time.

1.1.20 “**Month**” or “**Monthly**” means either a twenty-eight (28) day month or a thirty-five (35) day month in accordance with the Rental Year.

1.1.21 “**Net Rental Revenue**” means the Adjusted Gross Rental Revenue less Management Fee and any other amounts charged to Owner under this Agreement.

1.1.22 “**Operating Standard**” means the level of service and quality of accommodations and furnishings required for the Resort and all components thereof, including without limitation the Condominium and the Unit, to secure and thereafter maintain a Four Diamond rating from AAA.

1.1.23 “**Owner**” has the meaning set forth in the introductory paragraph of this Agreement.

1.1.24 “**Owner Guest**” means a person to whom the Owner intends to make the Unit available without charge.

1.1.25 “**Owner Released Parties**” has the meaning set forth in Section 8.5 below.

1.1.26 “**Renovations**” means the substantial upgrading, repairing, refurbishing, remodeling, repainting or other redecorating of the Unit, and the purchase and replacement of FF&E, as may be required to comply with the Operating Standard from time to time as set forth in Exhibit “C”.

1.1.27 “**Rental Guest**” means a guest for rental occupancy of the Unit.

1.1.28 “**Rental Program**” means the lodging rental and reservation service for units within the Condominium made available by Agent.

1.1.29 “**Rental Year**” means the Agent's accounting and reporting year with each quarter of the accounting year consisting of three monthly periods comprised of two (2) 4-week months of twenty-eight (28) days each and one (1) 5-week month of thirty-five (35) days.

1.1.30 “**Resort**” means the Kingsmill Resort located in Williamsburg, Virginia, of which the Condominium and the Unit are a part.

1.1.31 “**Set Up Fee**” has the meaning set forth in Section 7.3 below.

1.1.32 “**Unit**” has the meaning set forth in the introductory paragraph of this Agreement.

2.0 EXCLUSIVE RENTAL AGENCY APPOINTMENT AND AUTHORITY

2.1 Appointment. Subject to the terms and conditions set forth in this Agreement, Owner hereby appoints Agent (a) as the exclusive rental agent for the Unit, and (b) to manage the Unit in accordance with the Operating Standard by providing the services set forth herein, and Agent hereby accepts such appointment by Owner.

2.2 Unit Rental. Subject to Owner's use of the Unit described in Section 4.0, Owner authorizes Agent, in Agent's sole discretion, to offer the Unit for overnight rental (meaning, used for rental periods of less than thirty (30) consecutive days) or for long-term rental (meaning, used for rental periods of thirty (30) or more consecutive days), to enter into rental agreements with Rental Guests, to perform the Services described herein and to do all other things necessary to carry out the intent of this Agreement. Agent expressly disclaims any guarantee that the Unit will be occupied for any number of room nights or that Owners will receive any income as the result of Unit rental. Agent will not pool rental income received from rental of the Unit with the rental income attributable to any other unit.

2.3 Exclusive Rental Authority. Subject to Owner's use of the Unit pursuant to Article 4.0 below, Agent shall have sole discretion to determine whether to allow a Rental Guest to occupy the Unit. Owner shall refer to Agent all rental inquiries Owner receives and may not market, lease or arrange for any occupancy of the Unit other than through Agent. Owner shall not accept any payment for rental of the Unit from any person other than Agent. Owner authorizes Agent to accept reservations for the Unit up to twelve (12) months in advance during the term of this Agreement.

2.4 Owner Grant of Authority and Agent Funds. Owner grants to Agent the exclusive, contractual authority on behalf of Owner to establish rental rates and collect rental income resulting from occupancy of the Unit. Owner and Agent acknowledge their expectation that the Unit will generate sufficient Gross Rental Revenue to pay all Agent and third party costs and fees; provided, however, that Owner shall, immediately upon Agent's request, pay any unpaid costs and fees, including Agent's fees. Owner agrees that Agent shall not be required to advance any of its own funds on behalf of Owner.

3.0 GRANT OF LICENSE

Owner hereby grants Agent a license to use the Unit for the performance of Agent's obligations and the exercise of Agent's rights under this Agreement. Agent may, without Owner's approval, grant sublicenses to use the Unit to any agent or independent contractor that Agent engages to perform any of Agent's obligations or to exercise any of Agent's rights under this Agreement (e.g., plumbers, electricians and other service providers conducting maintenance, repair and replacement services as contemplated to be performed by Agent hereunder).

4.0 RESERVATION AND USE BY OWNER

4.1 Owner's Reservation of the Unit. Subject to the conditions below, Owner may reserve the Unit for use by Owner, Owner's family, or an Owner Guest during any Rental Year by: (a) delivering notice to Agent at least one (1) year in advance specifying the specific date(s) Owner or Owner Guest desires to reserve the Unit in the coming year; (b) delivering notice to Agent at least thirty (30) days before Owner or an Owner Guest desires to use the Unit and specifying the date(s) of such reservation; or (c) delivering notice to Agent at least 48 hours before Owner desires to use the Unit. Procedures and policies related to making Owner or Owner Guest reservations are set forth on Exhibit "A" attached hereto and incorporated herein by reference.

4.1.1 Any request to use the Unit timely made by Owner pursuant to Section 4.1(a) above shall be guaranteed, regardless of whether Agent has received a reservation for use of the Unit by a Rental Guest on any of the dates on which Owner or an Owner Guest desires to use the Unit.

4.1.2 Any request to use the Unit made by Owner pursuant to Section 4.1(b) above shall not be guaranteed, provided that if Agent has received a reservation for use of the Unit on any of the dates in which Owner or an Owner Guest desires to use the Unit, Agent shall use commercially reasonable efforts to move the reservation to another unit in the Rental Program similar to the Unit. In the event that Agent is unable to move the reservation, Agent may deny Owner's reservation request and Owner shall have no right to use the Unit for the requested dates. Agent will use commercially reasonable efforts to inform Owner of any changes in availability on any of the dates requested by Owner to use the Unit under this Section that are based on cancellations, no-shows, change in dates, reduced blocks for group reservations or any other business circumstances.

4.1.3 Any request to use the Unit made by Owner pursuant to Section 4.1(c) above shall not be guaranteed and shall only be made available to the extent no existing reservation for the Unit exists for the dates requested.

4.1.4 Owner may only reserve the use of the Unit up to fourteen (14) nights per year during periods of High Demand without incurring any charges other than departure cleaning or optional daily housekeeping services. For any days reserved by Owner above fourteen (14) during periods of High Demand, Owner will be charged a daily fee of \$50 per guest room and \$75 per suite. These fees will be paid by the Owner or Owner Guest to Agent upon departure and shall be in addition to the departure cleaning fee and any daily service fees.

4.1.5 Owner or any Owner Guest occupying the Unit during a reserved stay will have the same level of access to all Resort amenities as available to paying Resort guests.

4.2 Unless reserved by Owner as contemplated in Section 4.1(a) above, Agent may assume that the Unit is available for occupancy for all dates during the Rental Year.

4.3 Cancellation. Any reservations made by Owner on behalf of itself, its family or an Owner Guest which are canceled less than 24 hours in advance during periods of High Demand shall be considered "no-shows" and shall be assessed a cancellation fee of \$50 per room.

4.4 Compliance with Reservation Policies. Owner shall comply with any reasonable reservation policies and procedures that Agent may adopt from time to time, including without limitation those set forth on Exhibit "A".

4.5 Owner's Use Limitations. Owner shall not enter the Unit, other than during previously reserved dates of occupancy by Owner, without previously notifying and receiving approval from Agent.

5.0 RENTAL RATES

5.1 Rates. Agent shall have the right to set rental rates in its sole discretion. Agent shall have the right to rent the Unit at reduced rates for the purpose of creating attractive packages, obtaining business from groups or conferences and marketing special promotions in order to generate occupancy, including to travel and tourism industry professionals such as travel companies, travel writers, tour planners, conference planners or other leaders of group occupancy packages.

5.2 Refunds. Agent may offer a refund to any Rental Guest of the rent paid by such Rental

Guest if Agent, in its reasonable business judgment, deems such action necessary. In the event that a Rental Guest deems a refund to be unacceptable and requests transfer to another unit in the Rental Program, Owner hereby agrees that Agent may transfer such Rental Guest to another unit in the Rental Program.

5.3 Complimentary Occupancy. Not more than ten (10) days per key per calendar year, Agent may provide complimentary use of the Unit for those purposes set forth in Section 5.1 above. Owner shall not be entitled to any compensation for such complimentary use of the Unit.

6.0 AGENT RIGHTS, RESPONSIBILITIES AND OBLIGATIONS

6.1 Rental and Collection. Agent shall place the Unit into the Rental Program and use commercially reasonable efforts to rent the Unit on an overnight or long term basis as provided herein and collect rent from Rental Guests.

6.2 Accounting and Disbursement of Rental Revenue.

6.2.1 Agent shall have the right to deduct from the Adjusted Gross Rental Revenue, in Agent's sole discretion: (a) the Management Fee, and (b) any other amounts that may be charged to Owner under this Agreement.

6.2.2 Agent shall furnish Owner with a Monthly accounting statement identifying for the previous Month: (a) the Gross Rental Revenue, (b) the Adjusted Gross Rental Revenue, (c) the Net Rental Revenue, (d) Management Fee, and (e) any other amounts that may be charged to Owner under this Agreement.

6.2.3 If the Monthly accounting statement reflects a balance due Owner, Agent shall pay such balance to Owner. If the Monthly accounting statement reflects a balance due Agent, Owner shall pay to Agent the balance due within twenty (20) days after request for payment by Agent. Agent shall have the right to offset such balance due Agent with Adjusted Gross Rental received the following Month.

6.2.4 Agent, on Owner's behalf, shall comply with all collection, remittance and record keeping requirements for any applicable lodging, sales or similar taxes. Any such taxes as may be required by law will be collected from Rental Guests and paid on Owner's behalf directly to the taxing authority.

6.3 Services.

6.3.1 Agent shall provide housekeeping and departure cleaning services as set forth on Exhibit "B" when the Unit is occupied by a Rental Guest, which services shall be covered by the Management Fee.

6.3.2 Agent shall initially provide in the Unit, at Owner's sole cost and expense, which cost is included as part of the Set Up Fee, the expendables set forth on Exhibit "D" attached hereto. After initially providing such expendables in the Unit, Agent shall maintain, replace and restock the expendables in the Unit, at Owner's cost, to ensure the Unit's compliance with the Operating Standard, which services shall be covered by the Management Fee.

6.3.3 Agent shall maintain a broad form of comprehensive public liability insurance covering Agent's services in an amount not less than Five Million Dollars (\$5,000,000.00). The costs to

maintain such insurance shall be covered by the Management Fee. A copy of such insurance will be maintained at Agent's office for inspection. Owner and Agent waive any right that each may have against the other for loss or damage to its property or property in which it may have an interest where such loss is caused by a peril covered by insurance held by Owner or Agent, as the case may be, or arising from any cause which the claiming party was obligated to insure against under this Agreement.

6.3.4 Agent shall perform an Interior Deep Cleaning of the Unit annually as set forth on Exhibit "B," which services shall be covered by the Management Fee.

6.3.5 Agent shall provide the administrative services set forth on Exhibit "B" in connection with the rental of the Unit. The initial rates for such administrative services are set forth on Exhibit "B".

6.3.6 At the request of Owner, Agent shall provide daily housekeeping services as set forth on Exhibit "B" when the Unit is occupied by Owner or an Owner Guest. The initial rates for such daily housekeeping services are set forth on Exhibit "B".

6.3.7 Agent shall perform departure cleaning services as set forth on Exhibit "B" when the Unit is occupied by Owner or an Owner Guest. The initial rates for such departure cleaning services are set forth on Exhibit "B".

6.3.8 Agent shall perform such routine or daily maintenance services that are required to keep the Unit in compliance with the Operating Standard. Such maintenance shall include the tasks described as routine maintenance services on Exhibit "B", provided, that any service call to perform such routine or daily maintenance provided hereunder shall not exceed thirty (30) minutes or \$10.00 in materials costs. The initial rate for the routine maintenance services is set forth on Exhibit "B".

6.3.9 If, as determined by Agent, the Unit requires non-routine maintenance services, repairs, replacements, and/or improvements to bring the Unit into compliance with the Operating Standard or if any service call under Section 6.3.8 above exceeds thirty (30) minutes or \$10.00 in materials costs, Agent shall undertake or contract for such services, repairs, replacements, Renovations and/or improvements at Owner's sole cost and expense; provided, however, Agent will not undertake or contract for such services, repairs, replacements and/or improvements in excess of \$300 per service call without Owner's prior authorization except in the case of an emergency. Such services shall be billed at an amount equal to (a) the current hourly billing rate for skilled employees of Agent plus the cost of materials with a fifteen percent (15%) mark-up, or at the actual invoice amount for outside contractors and vendors, whichever method is utilized, in Agent's sole discretion, and (b) a service fee equal to ten percent (10%) of such costs.

6.3.10 If, as determined by Agent, the Unit requires Renovations in order to bring the Unit into compliance with the Operating Standard, Agent shall, with Owner's prior written consent, undertake or contract for such Renovations at Owner's sole cost and expense. Agent shall provide reasonable notice to the Owners of the need for such Renovations prior to commencement thereof and shall thereafter invoice Owner for all related costs periodically throughout the renovation process as Agent incurs costs. Owner shall pay such invoices to Agent within twenty (20) days from the date of receipt.

6.3.11 Agent shall perform the Annual Preventative Maintenance of the Unit as required by the Operating Standard or as Agent otherwise deems necessary. Such maintenance shall include the tasks described on Exhibit "B". Owner shall pay for such services when performed. The rates for such services shall be calculated as set forth on Exhibit "B".

6.3.12 Agent shall perform Interior Pest Control services for the Unit as required by the Operating Standard or as Agent otherwise deems necessary as described on Exhibit "B". The rates for such services shall be calculated as set forth on Exhibit "B".

6.3.13 Agent may, in Agent's sole discretion, provide or arrange for the provision of room service to the Unit to Owner, Owner Guests and Rental Guests. Owner grants to Agent the right to enter the Unit for such purposes as provided in Article 3.0 above.

6.4 Unit Cleaning Charges for Pets. If Owner or an Owner Guest has a pet in the Unit, Agent shall have the right to bill Owner for any actual charges plus a ten percent (10%) service charge for fumigation and additional cleaning services. Rental Guests shall not be allowed to have pets in any rented Unit and will be charged for fumigation and all other necessary cleaning services if found to have violated this policy.

6.5 Unit Cleaning Charges for Smoking. If Owner or an Owner Guest smokes in a non-smoking Unit, which is specifically prohibited by Section 8.1.3, Agent shall have the right to bill Owner for any actual charges plus a ten percent (10%) service charge for additional cleaning services.

6.6 Marketing.

6.6.1 Agent, at its sole expense, will be responsible for all marketing, sales, promotional and reservation services in connection with the rental of the Unit. For purposes of marketing the Unit, Agent shall have the right to show the Unit to prospective Rental Guests.

6.6.2 Owner shall allow Agent to photograph and videotape the interior and/or exterior of the Unit for marketing purposes. Such photographs and videotapes shall be the sole property of Agent.

6.6.3 All marketing shall be in the sole discretion of Agent, and the Unit may be included in brochures, flyers, internet, radio, television and other media.

6.7 General. Agent shall have the right to perform any and all other acts which in Agent's sole discretion are necessary to maintain the Unit in accordance with the Operating Standard, and shall have the continuing right to institute any procedures and requirements as it may deem necessary.

6.8 Inspection of Unit and Inventory of FF&E and Unit Expendables. Without limiting the generality of Section 6.7, Agent shall have the right to inspect the Unit and inventory all FF&E and Unit expendables (as set forth on Exhibit "D" attached hereto) on at least an annual basis (or more frequently, as determined by Agent). After Agent's inspection of the Unit, Agent will deliver written notice to Owner of damaged or unsatisfactory FF&E or Unit expendables required to be purchased or replaced in order to maintain the Unit in accordance with the Operating Standard. The cost of replacement of any Unit expendables shall not exceed \$300 on an annual basis without the Owner's prior authorization.

6.9 No Guaranty or Warranty of Income; No Pooling. Agent makes no representation, guaranty or warranty, express or implied, regarding income potential, profitability or revenue Owner might realize by placing the Unit in the Rental Program. Furthermore, the income from rental of the Unit shall not be pooled and the Owner will only receive the rental income attributable to the rental of the Unit, as the same is accounted for herein.

7.0 AGENT COMPENSATION/PAYMENT

7.1 Management Fee. On the first day of each Month during the term of this Agreement and for the services provided during the prior Month, Agent shall retain from rent collections one of the two amounts stated below as its Management Fees for the management services it provides hereunder:

7.1.1 Overnight Rental. If Agent used the Unit for “overnight rental” then Agent shall retain fifty-five percent (55%) of the Monthly Adjusted Gross Rental Revenue.

7.1.2 Long-Term Rental. If Agent used the Unit for “long-term rental”, then Agent shall retain twenty percent (20%) of the Monthly Adjusted Gross Rental Revenue minus the Amenity Fee.

7.2 Amenity Fee. Agent shall charge the Amenity Fees set forth in set forth in Exhibit “B” for each Unit night of rental based upon whether the rental is an “overnight rental” or “long-term rental”. Agent reserves the right to waive the Amenity Fee or charge a lower Amenity Fee as necessary in order to compete within the market, as determined in Agent’s sole discretion.

7.3 Set Up Fee. If the Owner is initially joining or is rejoining the Rental Program pursuant to this Agreement, Owner shall pay a one-time set up fee to Agent (the “**Set Up Fee**”) to cover the costs associated with inventorying the Unit, posting rental information for the Unit, creating the initial keys, and configuring the system to include the Unit within the Rental Program. The Set Up Fee will be \$200 for a one-bedroom suite unit, \$250 for a two-bedroom suite unit and \$300 for a three-bedroom suite unit.

7.4 Other Services. For those services under Section 6.3 not covered by the Management Fee, Agent shall separately invoice Owner for such services.

7.5 Late Payments. Should Owner fail to make a timely payment of any amount due to Agent under this Agreement, Agent shall have the right to impose an interest charge in the amount of one and one-half percent (1.5%) per Month on the balance due, to the extent that such interest charge is not in excess of any applicable usury laws. If this interest charge exceeds any usury laws, such interest charge shall be adjusted to the maximum amount permitted under applicable usury laws.

8.0 OWNER RESPONSIBILITIES

8.1 Owner's Use Requirements/Limitations.

8.1.1 Except with respect to items that may be stored in lockable Owner's closets in the Unit, Owner shall not store or leave any personal property or possessions in the Unit, other than the FF&E. In the event that Owner stores or leaves any personal property or possessions in the Unit in violation of this Section 8.1.1, Agent, may, but shall not be obligated to, remove such personal property or possessions and dispose of or store the same on Owner's behalf and at Owner's sole cost and expense. Agent shall not be liable for any loss or damage to any personal property or possessions kept in the Unit in violation of this Section 8.1.1.

8.1.2 Owner shall not install or permit to be installed in the Unit any item not meeting the Operating Standard.

8.1.3 Except for designated smoking Units, Owner shall not, and shall not permit any Owner Guest, to smoke in the Unit.

8.2 Costs. Except as otherwise set forth in this Agreement, Owner shall be responsible for all costs associated with the use, operation, maintenance and repair of the Unit and the FF&E, including all repairs, replacements, improvements and/or Renovations to bring the Unit in compliance with the Operating Standard as set forth in Section 6.3.8 and Section 6.3.9 above.

8.3 Room Service. Owner shall be responsible for all room service charges incurred by Owner and any Owner Guest.

8.4 Damage/Theft. If Rental Guests damage the Unit or damage or steal FF&E or any of Owner's personal property or possessions stored in the locked Owner's closet in the Unit, then Agent shall use commercially reasonable efforts to cause the Rental Guests to pay all costs incurred in connection therewith. If Agent is unable to collect such amounts from the Rental Guests, then Owner shall file a claim with Owner's insurance company. Owner shall be responsible for payment of the deductible and for all uninsured losses. At Owner's cost, Agent will repair any damage and/or replace any stolen FF&E. Agent shall bill Owner for such costs, and Owner shall pay the same to Agent, within twenty (20) days after the date of the bill. Agent assumes no responsibility for any loss, theft or damage to the Unit.

8.5 Release. (a) Except as otherwise expressly provided for in this Agreement, Owner shall: (a) release and hold harmless Agent, its parent companies and affiliates, and all principals, directors, officers, managers, members, employees or agents thereof (collectively, the “**Agent Released Parties**”) from and against all claims, suits, damages, costs, losses or expenses, including reasonable attorneys' fees (collectively, the “**Claims**”): (i) relating to or arising from Owner's, Owner's Guest's or any invitees of Owner's use or occupancy of the Unit or the Resort; (ii) any act, omission, negligence or willful misconduct of Owner, Owner's Guests or any invitee of Owner; or (iii) Owner's or Owner's Guests breach of any provision of this Agreement, except for those Claims resulting from the gross negligence or reckless misconduct of one or more of the Agent Released Parties. Agent shall have no liability for punitive or consequential damages. This release shall survive the termination of this Agreement.

(b) Except as otherwise expressly provided for in this Agreement, Agent shall: (a) release and hold harmless Owner, its principals, affiliates, directors, officers, managers, members, employees or agents thereof (collectively, the “**Owner Released Parties**”) from and against all claims, suits, damages, costs, losses or expenses, including reasonable attorneys' fees (collectively, the “**Claims**”): (i) relating to or arising from the management or control of the Unit by Agent or Agent's agents, contractors, employees or invitees; (ii) any act, omission, negligence or willful misconduct of Agent or its agents, contractors, employees or invitees; or (iii) Agent's breach of any provision of this Agreement, except for those Claims resulting from the gross negligence or reckless misconduct of one or more of the Owner Released Parties. This release shall survive the termination of this Agreement.

8.6 Sale of Unit and Assignment of Owner Rights.

8.6.1 Prior to any sale of the Unit, the Unit will not be made available for showing to agents, potential purchasers or any other third parties without written notification to Agent of the listing and coordination of showings with booked reservations. Such showings shall not be allowed on the day of a reserved guest arrival and will not be available while guests are occupying the property pursuant to a reservation. If the Owner requires the Unit to be placed out of service during periods of High Demand in order to accommodate a showing thereof, Owner shall be subject to those fees as set forth in Section 4.1.3 above to the extent Agent could otherwise have rented the Unit during such time.

8.6.2 Owner may not assign this Agreement without the prior written approval of Agent, which shall not be unreasonably withheld. Notwithstanding the foregoing, any such consent to assignment shall be conditioned on assignee's execution of an assumption of all Owner's duties under this

Agreement. Upon execution of any such assumption by an assignee, Owner shall be released from any obligations and liabilities with respect to future reservations of the Unit that may be made under this Agreement.

8.7 Condominium Association Fees and KCSA Fees. Owner shall be responsible for the timely payment of all Condominium Association Fees and all KCSA Fees and for otherwise remaining a member in good standing at all times of both the Condominium Association and KCSA. In the event that Owner fails to timely pay any such amounts, then Agent shall have the right, but not the obligation, to pay any past due amounts to the Condominium Association and/or KCSA, as applicable, using funds due Owner under this Agreement.

8.8 Cooperation. Owner will cooperate with Agent in facilitating Agent's performance of its services and exercise of its rights hereunder and will assist Agent in obtaining any permits or licenses required for the rental or Renovation of the Unit, including, if requested, executing all documents required by any governmental authority and reasonably requested by Agent for such purpose.

8.9 Automatic Deposit. Owner shall provide all information and make all arrangements as are necessary to allow Agent to pay any balance due to Owner hereunder by automatic deposit.

8.10 Insurance. Owner shall be responsible for procuring at its sole expense liability coverage in a minimum amount of \$500,000.00 per occurrence for personal injury and property damage related to the Unit. Owner agrees to supply Agent with proof of such insurance and to cause their insurer to name Agent as additional insureds under such policy. All Owner property shall be stored/kept in the Unit at Owner's sole risk and Agent assumes no liability for the loss or damage of any such Owner property. Agent shall not be liable for any loss or damage to the Unit, the FF&E, other appurtenances of the Unit, or any other property of any nature brought thereon resulting from any accident or occurrence in or upon the Unit or the building of which it is a part that is caused by or arises from any negligent or willful action or omission of Owner, an Owner Guest or any invitee of Owner, any damage caused by wind, rain or other natural elements or occurrences, or theft, vandalism, fire or acts of God.

9.0 TERM OF AGREEMENT

9.1 Commencement. This Agreement shall commence as of the date set forth in the introductory paragraph of this Agreement and shall continue in full force and effect thereafter until terminated by Owner or Agent as provided in this Section.

9.2 Termination without Cause. Agent or Owner may terminate this Agreement upon sixty (60) days prior written notice to the other party at any time and from time to time without cause.

9.3 Termination for Cause. Agent or Owner may terminate this Agreement upon ten (10) days prior written notice to the other party if the other party fails to comply with any provision of this Agreement or any term or condition of any rules or regulations Agent may adopt applicable to the Unit.

9.4 Confirmed and Existing Reservations. If this Agreement is terminated for any reason, Agent may honor all Unit reservations up to 12 months out held by Agent as of the effective date of the termination. Upon the effective date of such termination, Agent shall not accept any further reservations for the Unit and Agent shall use commercially reasonable efforts to relocate Rental Guests' reservations from the Unit to other units in the Rental Program.

9.5 Termination Upon Sale. This Agreement shall automatically terminate upon the closing date of the sale of the Unit by Owner to a bona fide purchaser, unless the Agreement is otherwise

assigned by Owner to such purchaser as contemplated in Section 8.6.2 above. In the event that this Agreement terminates. Owner Shall give Agent at least 30 days' notice of intent to sell. Agent shall then have thirty (30) days to move the then existing guest(s) to a different unit.

9.6 Casualty; Eminent Domain. If the Unit is damaged by fire or other casualty which requires closing all units, this Agreement shall terminate upon Agent's written notice to Owner. If the Unit, or any portion thereof, is taken under the power of eminent domain, this Agreement shall terminate upon written notice from either party to the other.

10.0 GENERAL PROVISIONS

10.1 Notices. Any notices to be given by either party to the other shall be in writing and shall be transmitted either by (a) personal delivery, (b) mail, registered or certified, postage prepaid with return receipt requested, (c) by a nationally-recognized overnight delivery service (e.g., FedEx) or (d) by facsimile or other electronic transmission with a confirmation copy delivered by one of the previous three delivery methods. Overnight delivery or mailed notices shall be addressed to the parties at the addresses listed below. Electronic notices shall be transmitted to the facsimile telephone numbers or e-mail addresses, as listed below. Notices shall be deemed properly given and received (i) when actually given and received, if delivered by personal delivery or by facsimile or other electronic transmission (as evidenced by confirmation of receipt by telephone, facsimile or e-mail); (ii) three (3) business days following deposit in the United States Mail, as evidenced by a return receipt; or (iii) one (1) business day after deposit with an overnight courier as evidenced by a receipt of deposit. Each party may change its contact information below by giving written notice in accordance with this Section. If "Owner" is more than one (1) person, Agent shall be required only to deliver notice at the address, e-mail address or facsimile number set forth in the introductory paragraph of this Agreement for the "primary contact", and Agent shall be under no obligation to contact or attempt to contact any other person or send any notice to another address, e-mail address or facsimile number for any notice required to be delivered hereunder. The addresses, e-mail addresses and facsimile numbers of the parties are as follows:

If to Agent: Escalante Kingsmill Resort, LLC
d/b/a Kingsmill Resort
Attention: Rental Properties Office
1010 Kingsmill Road
Williamsburg, VA 23185
Facsimile Number: (757) 258-1625
E-Mail Address: kingsmill.rentalprogram@kingsmill.com

with a copy to: Escalante Kingsmill Resort, LLC
d/b/a Kingsmill Resort
Attention: General Manager
1010 Kingsmill Road
Williamsburg, VA 23185
Facsimile Number: (757) 258-5322
E-Mail Address: gm@kingsmill.com

If to Owner: At the address, e-mail address and facsimile number listed in the introductory paragraph of this Agreement.

10.2 Governing Law; Venue. This Agreement shall be interpreted under the laws of the Commonwealth of Virginia, without giving effect to principles of conflicts of laws. Exclusive venue for

any legal action shall be the courts located in the City of Williamsburg and County of James City, Commonwealth of Virginia. The parties agree that such jurisdiction and venue are proper.

10.3 Partial Invalidity. If for any reason whatsoever, any term, obligation or condition of this Agreement, or the application thereof to any person or circumstance, is to any extent held or rendered invalid, unenforceable or illegal, then such term, obligation or condition shall be deemed to be independent of the remainder of the Agreement and severable and divisible therefrom, and its invalidity, unenforceability or illegality shall not affect, impair or invalidate the remainder of the Agreement or any part thereof.

10.4 Effect of Waiver. No waiver of any breach of any term, covenant, agreement, restriction or condition of this Agreement shall be construed as a waiver of any succeeding breach of the same or any other covenant, agreement, term, restriction or condition of this Agreement. The consent or approval of either party to or of any action or matter requiring consent or approval shall not be deemed to waive or render unnecessary any consent to or approval of any subsequent or similar act or matter.

10.5 Attorneys' Fees. In the event any action at law or in equity is initiated to enforce or interpret the terms of this Agreement, or arises out of or pertains to this Agreement, the substantially prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which that party may be entitled.

10.6 Force Majeure. If either the Project or Unit is damaged by fire, catastrophe, acts of God, civil commotion, war, acts of terrorism or other casualty so as to render the Unit unfit for rental purposes, as determined by Agent, in its sole and absolute discretion, then all Unit reservations that cannot be fulfilled due to the condition of the Project or Unit may be canceled, and the obligations of the parties hereunder shall be temporarily abated until the Project and/or Unit is restored to a condition suitable for renting; provided that this Agreement has not been previously terminated pursuant to Section 9.6 of this Agreement.

10.7 Remedies. Enforcement of any provision of this Agreement shall be by proceedings at law or in equity against any persons or entities violating or attempting to violate any promise, covenant or condition contained herein, either to restrain violation, compel action and/or to recover damages. Any and all remedies provided by this Agreement, operation of law or otherwise, shall be deemed to be cumulative, and the choice or implementation of any particular remedy shall not be deemed to be an election of remedies to the mutual exclusion of any other remedy provided for herein, by operation of law or otherwise.

10.8 Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, personal representatives, successors and assigns of each of the parties hereto. Neither party shall assign their rights and obligations under this Agreement without the prior written approval of the other party; provided, however, that Agent may assign its rights and obligations as Agent hereunder to any entity who purchases all or a majority interest of Agent's ownership interest in the Resort without the prior written approval of Owner.

10.9 Final Agreement. It is intended by the parties that this Agreement be the final expression of the intentions and agreements of the parties regarding the subject matter hereof. This Agreement supersedes any and all prior or contemporaneous agreements, whether oral or in writing, between the parties hereto and contains all of the covenants and agreements between the parties regarding the subject matter contained herein. No other agreements, representations, inducements or promises regarding the subject matter contained herein and not contained in this Agreement shall be valid or binding. Any

modification of this Agreement shall be effective only if it is in writing and signed by the party to be charged.

10.10 Electronically-Delivered Signature. Electronically-delivered signature pages shall be deemed original signature pages.

10.11 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, all of which together shall constitute one (1) and the same instrument.

10.12 Usage of Terms. Wherever the context of this Agreement so requires:

10.12.1 References to one (1) gender include all genders;

10.12.2 Words used in the singular shall include the plural and words used in the plural shall include the singular;

10.12.3 References to any person include such person's successors and assigns but, if applicable, only if such successors and assigns are permitted under this Agreement;

10.12.4 "Including" is not limiting;

10.12.5 "Or" has the inclusive meaning represented by the phrase "and/or";

10.12.6 The words "hereof," "herein," "hereby," "hereunder" and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement;

10.12.7 Article, Section and Exhibit references are to this Agreement unless otherwise specified; and

10.12.8 References to any agreement, document or instrument (including this Agreement and any exhibits attached hereto) means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof.

10.13 Exhibits. All exhibits attached to this Agreement are a part of, and are incorporated into, this Agreement.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, Agent and Owner have executed this Agreement as of the effective date set forth above.

AGENT:

Escalante Kingsmill Resort LLC,
a Virginia limited liability company

By: _____
Name: _____
Title: _____

OWNER:

By: _____
Signature of Owner or Primary Contact (if multiple owners)

Status of Foreign Ownership Certification – By checking the applicable box below, Owner certifies that:

Owner **is not** a Foreign Owner, or

Owner **is** a Foreign Owner

Exhibit "A"

(Owner and Owner Guest Reservation Procedures and Policies)

1. Requests for Owner or Owner Guest reservations should be faxed, e-mailed or mailed to the Agent at:

Escalante Kingsmill Resort, LLC
d/b/a Kingsmill Resort
Attention: Rental Properties Office
1010 Kingsmill Road
Williamsburg, VA 23185
Facsimile Number: (757) 258-1625
E-Mail Address: kingsmill_rental_program@kingsmill.com

If Agent does not receive Owner or Owner Guest reservations at least one (1) year in advance in accordance with Section 4.1(a), Agent will book all reservations in accordance with Section 4.2 of the Agreement.

2. As a reminder, check in is 4:00 p.m. and check out is 11:00 a.m. **If you need an early check in (before 4:00 p.m.) or a late check out (after 11:00 a.m.) please extend your stay an extra day on either side so that we can accommodate you.**

3. Owner vs. Owner Guest Reservations. The following is a clarification of the difference between "Owner" and "Owner Guest" reservations provided to ensure that Owner chooses the correct type of reservation when completing reservation requests.

An Owner reservation ensures all charges associated with the reservation (including incidentals, departure cleaning fees, telephone calls and in-Resort charging, etc.) are posted directly to Owner's statement. An Owner Guest reservation should be used for any friend or family member who may be using the Unit but are to pay for their own incidentals upon check-out. These Owner Guest reservations have no pre-authorized credit, meaning that Agent will require a credit card authorization at time of check-in to cover all charges associated with their stay. Unless specified, departure cleaning fees for Owner Guest bookings will automatically default to the Owner's statement.

4. Authorizing Additional People to Make Reservations for the Unit. Agent's Rental Properties Coordinator and/or Reservations staff will only make Owner and Owner Guest reservations requested by people who are listed as being authorized to do so. For security reasons, Agent cannot make reservations without the primary Owner's approval. To avoid any confusion or unnecessary concern, Owner will need to specifically list any people who it wishes to authorize to make Owner or Owner Guest bookings. Agent will then add their names to the Owner's contact sheet for reference at the time of booking.

These people may include part Owners of the Unit or family members for whom Owner is comfortable providing the ability to make reservations (with or without Owner's knowledge). Owner is encouraged to carefully consider who it chooses to list people authorized to make reservations as there may be times where revenue producing reservations will be moved from Owner's Unit to accommodate Owner/Owner Guest reservations if Agent is requested to do so at the time of booking.

Exhibit “B”

(Amenity Fees and Administrative, Housekeeping, Maintenance and Interior Pest Control Services)

WHERE THERE IS A CONFLICT BETWEEN THE SERVICES PROVIDED ON THIS EXHIBIT “B” AND THE OPERATING STANDARD, THE OPERATING STANDARD SHALL CONTROL. AFTER JANUARY 1, 2022, ALL RATES SET FORTH ON THIS EXHIBIT “B” SHALL BE SUBJECT TO CHANGE ANY TIME AND FROM TO TIME WITHOUT NOTICE TO OWNER.

I. Amenity Fees

<u>Dates</u>	<u>Overnight Rental(2020/2021) Per Key</u>	<u>Long-Ter m Rental(2020/2021) Per Rental</u>
March 1 – Nov 30	\$40.00	\$25.00
Dec 1 – Feb 28/29	\$30.00	\$25.00

II. Administrative Services

Agent shall coordinate all activities between Agent and Owner in connection with the rental of the Unit through a rental properties office to be operated and maintained by Agent. Agent shall operate and maintain a reservation system to process all reservations in connection with the Unit, shall perform all accounting processes in connection with the rental of the Unit in accordance with Section 6.2 of this Agreement, and provide or cause to be provided telephone service to the Unit and the wireless access point and related equipment required to utilize the internet service provided to the Unit.

<u>Unit Size</u>	<u>Administrative Services Fee (2020/2021)</u>
One Bedroom Suite	\$49 per month
Two Bedroom Suite	\$71 per month
Three Bedroom Suite	\$92 per month

III. Housekeeping Services

A. Daily Housekeeping

Daily housekeeping services shall include the following:

Kitchen: Cleaning all dishes, pans, utensils, etc., cleaning counters, sweeping floors, removing garbage and replenishing all necessary kitchen supplies (garbage bags, dish soaps, paper towels, dish cloths, etc.).

Dining Room: Cleaning/dusting all surfaces and vacuuming.

Living Room: Cleaning/dusting all surfaces, straightening furnishings, vacuuming and cleaning interiors of windows.

Bathrooms: Cleaning the tub/shower, toilet, mirror and sink. Checking the shower curtain and replacing towels, bath mats, toilet paper and guest amenities (tissue, toilet paper, soap, lotion and conditioner) as necessary. Replacing towels and terry as necessary.

Bedrooms: Cleaning/dusting all surfaces, vacuuming, changing bed linens as requested, and making beds.

Patio: Cleaning/arranging all patio furniture and cleaning interior and exterior of windows.

Daily housekeeping services shall be included in the Management Fee when the Unit is occupied by a Rental Guest. When the Unit is occupied by Owner or Owner Guests and daily housekeeping services are requested by Owner, Agent shall charge the following rates for daily housekeeping services:

<u>Unit Size</u>	<u>Daily Housekeeping Services Fee (2020/2021)</u>
One Bedroom Suite	\$25 per day
Two Bedroom Suite	\$35 per day
Three Bedroom Suite	\$45 per day

B. Departure Clean

Departure cleaning services include all of the above tasks as well as the following:

Kitchen: Cleaning interiors of all appliances, wiping all cabinets and cupboards, , cleaning floors, removing all left over food stuffs.

Living Room: Cleaning windows and tracks, lamps, removing and cleaning chair cushions and sofa cushions and cleaning window .

Bathrooms: Cleaning walls and door, wiping inside vanity drawers and underneath cabinets, cleaning baseboards and floors.

Bedrooms: Cleaning and vacuuming behind and under furniture, wiping out all drawers, cleaning windows, sills, blinds and tracks.

General: Checking for damage, checking inventory levels and maintenance items, sweeping cobwebs, neatening and straightening all furniture and decorative items and collecting personal items left behind.

Departure cleaning services when the Unit is occupied by a Rental Guest shall be included in the Management Fee. When the Unit is occupied by Owner or Owner Guests, Agent shall charge the following rates for departure cleaning services:

<u>Unit Size</u>	<u>Departure Cleaning Services Fee(2020/2021)</u>
One Bedroom Suite	\$35 per stay
Two Bedroom Suite	\$50 per stay
Three Bedroom Suite	\$65 per stay

C. Interior Deep Cleaning

Agent will, at its sole cost and expense and as part of the Management Fee, provide for a yearly comprehensive cleaning of each Unit to include a one-time per year full steam cleaning of the Unit's carpet and a thorough spot cleaning of the upholstery and drapery. (NOTE: carpet and upholstery cleaning that may be necessary because of spills or other incidental use throughout the year as a result of rental activity will be at Owner expense).

The annual interior deep cleaning services will also include all other cleaning services as may be necessary to maintain the Unit in accordance with the Operating Standard, including:

Kitchen: Removing all vents and cleaning, cleaning inside and outside all cabinets and drawers, pulling out moveable appliances and cleaning behind, removing light fixtures and cleaning, and scrubbing tile floor

Dining Room: Cleaning vents, moving all furniture and vacuuming and washing walls

Living Room: Moving all furniture and vacuuming, washing walls, checking fireplace and washing windows, cleaning of sliding glass door tracks

Bathrooms: Removing and cleaning vents and light fixtures

Bedrooms: Cleaning light fixtures and vents, moving beds and turning the mattress, furniture and vacuuming, cleaning all doors on both sides and washing walls

General: Identify for appropriate repair any maintenance or FFE deficiencies

IV. Routine Maintenance Services

The following list of routine maintenance items provides examples of services covered under the routine maintenance services fee:

- Provide 24 hour response to all calls for maintenance or safety to inspect and diagnose problems
- Replace burned out light bulbs
- Unstop toilets, sinks and tubs by use of a plunger
- Unclog and reset garbage disposals
- Replace batteries in smoke detectors, remote controls, card key locks and clocks as needed
- Reconnect or replace drapery and blind cords, pulls, glides and hooks
- Reset/turn on circuit breakers as needed

- Respond to information technology problems and instruct guests on use of the internet, TVs, DVD players and other equipment. Reprogram TV(s) as needed
- Make adjustments to and/or lubricate screens, cabinets and sliding glass doors and all door locks
- Replace broken/damaged plastic electrical wall plate covers with standard plastic covers
- Respond to and inspect all appliance malfunctions
- Re-hang artwork, towel racks and any other attached wall items
- Install and remove any loaner appliances or equipment (TV, etc)
- Replace air conditioning/heating system filters four (4) times a year
- Perform seasonal check of heating and cooling systems for proper operation twice a year
- All other routine maintenance visits handled by Agent that are completed in thirty (30) minutes or less (time does not include travel time to and from the Unit) and that the cost of materials does not exceed \$10.00

<u>Unit Size</u>	<u>Routine Maintenance Services Fee (2020/2021)</u>
One Bedroom Suite	\$300 per year
Two Bedroom Suite	\$450 per year
Three Bedroom Suite	\$600 per year

Any maintenance service visit exceeding thirty (30) minutes in duration (time does not include travel time to and from the Unit) or exceeding \$10.00 in the total cost of materials necessary to address the service visit shall be considered a non-routine maintenance service and shall be billed in accordance with Section 6.3.9 of this Agreement.

V. Non-Routine Maintenance Services

Owner shall be responsible, at Owner's sole cost and expense, for all non-routine maintenance and repairs as determined by Agent, subject to any prior authorization by Owner that may be required pursuant to Section 6.3.9 of this Agreement.

Non-Routine Maintenance Services would include any third-party service contracts with individual vendors to perform warranty services on appliances or other safety items. Examples of Non-Routine Maintenance Services could include:

- Chimney cleaning
- Dryer vent cleaning
- Electronic lock service
- Bath tub repairs or resurfacing

These items and others will be completed by Agent as required to meet the Operating Standard.

VI. Annual Preventative Maintenance

Agent shall conduct a comprehensive preventive maintenance visit of each Unit, each year. The following maintenance services are included and are conducted as noted:

- Caulk bathtub, vanity tops, and kitchen counter.
- Re-grout tiled areas as necessary.
- Adjust/repair all doors and door stops.
- Adjust/repair movable windows.

- Verify windows and door screens are operable and in good repair.
- Perform minor touch-up paint as needed.
- Check all appliances for condition/operation.
- Remove range drawer and clean behind range.
- Refrigerator – Pull from wall and clean coils.
- Washer & Dryer – Clean filters, check trap.
- Check/repair light fixtures.
- Check/repair electrical outlets and switches.
- Check/repair plumbing fixtures.
- Kitchen sink – check fixtures and operation, test disposal with ice.
- Toilets – flush and verify operation and check for leaks.
- Floor drains – run water and ensure traps are clean and full.
- Bath sink & tub – check fixtures, clean out drains and verify operation.
- Water heater – check operation and verify temperature of 120 degrees Fahrenheit.
- Check carpet and trim frays as needed.
- Clean and verify operation of exhaust fans.
- Clean and paint, as needed all HVAC vents.
- Verify in-room safe operation and replace batteries.
- Verify HVAC systems operation and settings.
- Replace batteries in flash light, TV remotes, and alarm clocks.
- Check overall condition of room.

Annual Preventative Maintenance Fees

The fee for the Annual Preventative Maintenance services shall be billed by Agent once yearly upon completion of the services. Such services shall be billed at an amount equal to the current hourly billing rate for skilled employees of Agent plus the costs of materials with a fifteen percent (15%) mark-up. Agent estimates that the amount of time to complete the Annual Preventative Maintenance service will be six (6) hours for a one bedroom unit, eight (8) hours for a two bedroom unit, and ten (10) hours for a three bedroom unit.

VII. Interior Pest Control

Pest control services of the interior of the Unit shall be performed quarterly by Agent’s third party pest management company. Any additional services or visits outside of the quarterly schedule will be billed as an additional charge.

<u>Unit Size</u>	<u>Interior Pest Control Fee</u>
One Bedroom Suite	Third party rate plus 10% service fee per quarter
Two Bedroom Suite	Third party rate plus 10% service fee per quarter
Three Bedroom Suite	Third party rate plus 10% service fee per quarter

Exhibit “C”

(Furniture, Fixtures and Equipment)

THE ITEMS LISTED ON THIS EXHIBIT “C” SHALL BE IN ADDITION TO, AND NOT IN LIEU OF, THOSE ITEMS REQUIRED UNDER THE OPERATING STANDARD. WHERE THERE IS A CONFLICT BETWEEN THE ITEMS REQUIRED ON THIS EXHIBIT “C” AND THE OPERATING STANDARD, THE OPERATING STANDARD SHALL CONTROL.

Owner Responsibilities and Costs

At its sole cost and expense, Owner is responsible for replacement of, but not limited to, any item of furniture, fixture or equipment listed below, necessary to maintain the Unit in accordance with the Operating Standard. Owner shall not hold Agent responsible for repair, restoration and/or redecorating or other expenses arising as the result of the rental or use of the Unit as a result of normal wear and tear, and acknowledges that such expenditures are the Owner's responsibility. Owner further recognizes that the rental occupancy will accelerate normal wear and tear and periodic refurbishing will be required to meet the rental guest's expectations regarding current aesthetic and quality standards for high end lodging.

To get an idea of the expected “rental life” of some of the major items, and for Owner to allow time to budget for these expenses, please note the following estimated rental life expectancies:

- Carpet - replace every 6-7 years
- Painting - interior repaint every 6-7 years (touch-up annually, as needed)
- Upholstered Furniture - replace every 6-7 years
- Case Goods Furniture – replace every 12 years
- Décor/Wall Hangings - every 7-12 years
- Major Kitchen Appliances - replace every 15 years
- Washer & Dryer – replace every 15 years
- Bathroom Fixtures - replace every 15 years
- TV's - replace every 7-12 years
- Bed Mattress and Box Spring – replace every 9-10 years

In addition to any other requirements under the Operating Standard, Owner responsibilities include:

Major Appliances:

Stove, refrigerator, microwave, dishwasher, washer & dryer

Decks:

Small Decks – High-end outdoor seating set for two (2) guests w/ a matching bistro table

Large Decks –Same as above with additional patio bench and table

Living Room:

Queen sleeper sofa, accent chair, lounge chair with ottoman, coffee table, side table, two (2) end tables, TV chest, floor lamp, two (2) table lamps, artwork, flat panel TV, and draperies with sheers (also desk, desk chair, and desk lamp if the same are not located in Master Bedroom)

Dining Room:

Table and chairs to seat sleeping capacity, lighting, artwork and window treatments

Master Bedroom:

King mattress & box spring, headboard, two (2) night stands, two (2) table lamps, bedroom sitting chair with ottoman(s), floor lamp, full length mirror, artwork, dresser, flat panel TV, and draperies with sheers (also a desk, desk chair, and desk lamp if the same are not located in Living Room)

Side Bedroom w/ King Bed:

King mattress & box spring, headboard, two (2) night stands, two (2) table lamps, two (2) bedroom sitting chairs, ottoman(s), floor lamp, full length mirror, artwork, dresser, flat panel TV, draperies with sheers, desk, desk chair and desk lamp

Side Bedroom w/ Double Beds:

Two (2) double mattresses & box springs, two (2) headboards, one (1) night stand with table lamp, one (1) bedroom sitting chair, ottoman(s), floor lamp, full length mirror, artwork, dresser, flat panel TV, draperies with sheers, desk, desk chair and desk lamp

Bathrooms:

Side cabinet (for baths without vanity), hair dryer, shower curtain with hooks and liner, wastebasket, lighted make-up mirror, towel racks and appropriate bathroom hardware

Bedrooms:

Clock radio, standard size ironing board with steam iron, hangers, mattress pad(s), luggage rack, ice bucket, waste basket, flashlight, umbrella

Kitchens:

Toaster, tea kettle, coffee maker, broom and dustpan, waste basket

Miscellaneous:

Fireplace set, door mats (at each exterior entrance)

OWNER ACKNOWLEDGES THAT OWNER'S RESPONSIBILITIES AND ITEMS SET FORTH ON THIS EXHIBIT "C" ARE SUBJECT TO CHANGE FROM TIME TO TIME UPON ADVANCE NOTICE TO OWNER

Exhibit "D"

(Unit Expendables)

THE ITEMS LISTED ON THIS EXHIBIT "D" SHALL BE IN ADDITION TO, AND NOT IN LIEU OF, THOSE ITEMS REQUIRED UNDER THE OPERATING STANDARD. WHERE THERE IS A CONFLICT BETWEEN THE ITEMS REQUIRED ON THIS EXHIBIT "D" AND THE OPERATING STANDARD, THE OPERATING STANDARD SHALL CONTROL.

Agent, at Owner's expense, shall equip and replace as needed the following kitchen expendables in order to maintain an adequate par. The Agent, at Owner's expense, is responsible for replacement of any such item on the condition that the need to replace such item arises in the normal course of business or due to obsolescence and not from an event or casualty, and provided that the cost of replacement will not exceed \$300 per year without prior notice to Owner and Owner's prior authorization:

- | | |
|---|---|
| 1. Dinner plates (8) | 28. Mixing bowls (set of 3) - Pyrex (1) |
| 2. Salad plates (8) | 29. Cookie sheet (1) |
| 3. Soup/Cereal bowls (8) | 30. Can opener |
| 4. Large serving bowl (2) | 31. Spatula - non-stain (1) |
| 5. Serving platter (1) | 32. Ladle (1) |
| 6. Dinner knives(8) | 33. Wooden spoon - 12" (1) |
| 7. Dinner forks (8) | 34. Cooking spoon (slotted) (1) |
| 8. Salad forks (8) | 35. Cooking spoon (solid) (1) |
| 9. Soup spoons (8) | 36. Pancake/egg flipper (1) |
| 10. Teaspoons (8) | 37. Wire whisk (1) |
| 11. Serving/carving fork | 38. Kitchen utensil holder |
| 12. Serving spoon (2) | 39. Colander - metal 10" diameter (1) |
| 13. Knife Set w/steak knives | 40. Grater (1) |
| 14. Paring knife | 41. Cork screw |
| 15. Bread knife | 42. Kitchen scissors (1) |
| 16. Butcher knife | 43. Silverware tray (1) |
| 17. Utility knife | 44. Drawer Organizer - for utensils |
| 18. Coffee mugs (8) | 45. Paper towel holder (1) |
| 19. Wine glasses (8) | 46. Wastebasket (1) |
| 20. Small glasses (8) | 47. Juice pitcher w/lid |
| 21. Large glasses (8) | 48. Pot holders - cotton (2) |
| 22. 7 pc. cookware set (1) | 49. Broom (1) |
| 23. 12" skillet w/lid (1) | 50. Dust pan/brush set (1) |
| 24. Pyrex microwave casserole w/lid (1) | 51. Vanity wastebasket (1) |
| 25. Plastic cutting board (1) | 52. Dish cloths |
| 26. Measuring spoons (set) – metal (1) | 53. Dish towels |
| 27. Measuring cup - 2 cup Pyrex (1) | |

OWNER ACKNOWLEDGES THAT THE ITEMS SET FORTH ON THIS EXHIBIT "D" ARE SUBJECT TO CHANGE FROM TIME TO TIME WITH PRIOR ANNUAL NOTICE.