

GORE CREEK PROPERTIES MANAGEMENT AGREEMENT

This Management Agreement, made and entered into this _____ and between, _____ hereafter called "Owner", and Gore Creek Properties, hereafter called the "Manager".

Owner is the owner of, _____ herein after called the "Unit", located in Vail CO 81657, and desires to rent said Unit through Manager.

In consideration of the terms, covenants, and conditions herein, the parties hereby agree as follows:

1. Exclusive Rental Agent. Manager shall be the exclusive rental agent for the Unit beginning the _____ and until owner or manager cancels relationship in writing as spelt out in section 12. _____

2. Management Duties.

- A. Manager agrees to use its best efforts to rent said Unit during the term of this Agreement, but shall have discretion to determine whether to rent the Unit at any time and from time to time, and shall not be liable for any failure to rent the Unit.
- B. Manager shall be obligated to advertise and promote the benefits of this Unit including, but not limited to, individual Internet advertising particular to the Unit.
- C. Manager shall, as part of its commission to be paid by Owner, pay all costs *of* obtaining any rental(s). Such costs shall include, but not be limited to, credit card charges, 800 number, advertising, office expenses and other related expenses.
- D. Manager agrees that all tenants shall provide Manager with credit card information at or before the time of check in. The purpose of this information is to cover any and all damages that may occur during the rental of the Unit. Manager agrees to use best efforts to collect all amounts owed by such tenant for any damage and Owner gives Manager specific authority to collect such amounts. Any recovered amounts shall become the sole property of the Owner as reimbursement for the damage done.
- E. Manager shall maintain at all times a broad form comprehensive liability insurance policy covering all of the actions of the Manager and its agents. Manager agrees to notify Owner immediately if such coverage should lapse for any reason.
- F. Manager shall, consistent with Section 8(B) of this Agreement, provide to Owner on a request basis a Form 1099 (or equivalent) for Owner's tax purposes. Manager, however, is not obligated to file any other reports on behalf of Owner.
- G. All Owner reservations shall be confirmed by owner to manager in writing, by phone, GCP website, email, or by FAX. Owner shall immediately notify the Manager of any errors therein.
- H. Manager agrees to check Unit for temperature and vandalism on a "regular basis" during periods when the Unit is not occupied if requested by owner. Manager shall conduct such checks as a matter of course during the rental season.

3. Owner Use. Manager agrees that Owner may reserve the Unit for personal use, use by Owner's family members, or Owner's personal guests for any time during the period of the Agreement, provided Owner gives Manager a written or verbal notice of the period(s) of intended use and such written or verbal notice is received by Manager prior to reservation of the Unit by Manager. The website also allows owner access to reserve dates. Notification of said rentals must be given within a reasonable amount of time prior to arrival. Owner will incur the additional charges if Management reservation has to be moved or upgraded. If no such written or verbal request is received, Manager shall be free to rent the Unit during any and all unreserved periods.

Unless arranged differently, it will be assumed that owner will utilize linen, maid services, and supplies provided during its occupancy of the Unit at a per time expense of *\$115.00*. If Owner should require laundering of Owner linen in addition to a clean, an additional fee of \$25.00 will be charged. Owner must provide manager adequate notice of cleaning requirements, particularly in the off season i.e. not winter! It will be automatically assumed that the unit will be cleaned by GCP on departure of owner or owner's guests per the website occupancy. If the owner does not want a clean they must contact the office and say so no less than 24 hours in advance.

4. Furnishings of the Unit and Operating Expenses. Owner shall be responsible for furnishing and maintaining the Unit in a rentable, first-class manner and condition, with complete furniture, furnishings, and appliances. Owner shall be responsible for replacing any item of furniture, furnishings or appliances necessary to maintain the Unit in such aforementioned condition. Living room and dining area furniture shall be comparable to the amount of Unit's bedding. Manager shall use its best efforts to maintain and protect the items in the Unit, but assumes no liability for them, except as provided in Section 2, Paragraph D. Manager shall, with prior written or verbal consent of and on behalf of Owner, undertake any repair or maintenance that may be required in connection with the condition, including the replacement of furniture, furnishings or appliances. Manager shall use its best efforts to contact and advise owner in advance of necessary expenditures for repairs, maintenance or replacement. If unable to contact Owner, Manager may make repairs to the Unit, furniture, furnishings or appliances thereof, as it may deem necessary, without the prior consent of Owner, provided the total cost of such repairs at any one time shall not exceed five hundred dollars (\$500.00), or an aggregate of \$1,000 during the term of this Agreement.

Owner agrees to purchase items deemed to be reasonable extras to the Unit to provide greater comfort for guests. Items shall include but not be limited to: new pillows, new blankets, hairdryers, iron/board, new mattress covers, adequate kitchen wares, alarm clocks, new shower curtain liners, bath tub anti slip guards, CO2 alarms (where applicable), security latches.

Owner shall install and maintain a telephone, cable television service with expanded basic as a minimum service and a color television with a minimum 40inch diagonal screen, a *DVD* and stereo system with CD. A second television in a bedroom is a recommended amenity. Flat screens score better on your Lodging Quality rating.

5. Vail Lodging Quality Assurance. All rental properties must be inspected through the 'Vail Valley Tourism and Convention Bureau' Lodging Quality Assurance Program at the owners expense. This rating program is done annually for every rentable property in the Valley. Properties may not be rented through Vail Beaver Creek Central Reservations and other wholesalers, without completing this Lodging Quality Assurance rating program.

Manager will send Owner a quality checklist detailing repairs and improvements that Owner should make in order to keep the Unit competitive in the rental market. Improvements and upgrades must be completed within a 6 month time period of the touring or the unit's rating will be lowered. Manager will notify applicable persons of improvements and upgrades. The ratings are categorized into five groups: platinum, gold, silver, bronze, and substandard. Manager can provide criteria of the Lodging Quality Assurance upon request.

6. Supplies and Services. Manager shall supply, at their own cost, all linen services, toiletry, kitchen supplies, and maid service incurred on rental of Unit. Manager shall select and use their own supplies and service provider.

7. Repairs and Maintenance. Notwithstanding the foregoing, in the event of an emergency, Manager shall be authorized to cause any repairs to be made which are necessary and appropriate. Manager will attempt to contact the owner in the event of emergency repairs. Cost for these repairs shall be paid by Owner and may be offset against rents collected on behalf of the Owner. Determination of what constitutes an emergency shall be within the absolute discretion of the Manager.

8. Compensation and Accounting

- A. As compensation to Manager for services provided hereunder, Manager shall be **40%** **for nightly rentals** of the rent received.
- B. Manager shall furnish Owner with a monthly accounting regarding the Unit by the 15th day of the month, together with a check for amounts due to Owner, if any, for the preceding month. Monthly statements will not be sent if activity has not occurred in the Unit.
- C. Accounts not paid within thirty (30) days of receipt will be assessed a late fee equal to 3 percent on the outstanding balance per month.
- D. Owner agrees that the published rack rate for the Unit is a guideline only. Owner agrees that Manager may use their best discretion to change the nightly rate to facilitate maximum rental revenue where appropriate.

9. Keys. At the time this Agreement is executed, Owner shall be required to supply Manager with as many of the key cards as possible but at least 6

10. Other Services.

- A. Owner shall supply firewood, where necessary, as determined by Manager, for the Unit.
- B. Owner shall provide phone and internet service in Unit. Owner shall put block on all long distance services from phone. If long distance charges are incurred, Owner will take full monetary responsibility. Manager will not be responsible for any charges to the Unit phone.

11. Promotional Rental. Owner agrees Manager may use Unit for a maximum of (3) three nights for promotional reasons. Manager will not use abuse this privilege or use Unit at the expense of rental income for Unit.

12. Term of Agreement. Owner must honor confirmed reservations up to 3 months from the date of termination. This Agreement will remain in effect, unless terminated by owner or manager upon written notice to the other.

13. Indemnifications and Insurance. Owner hereby agrees to indemnify and hold Manager harmless from and against any and all claims, demands, judgments, liabilities, expenses, damages, injuries, or other costs arising in conjunction with renting of the Unit, services provided hereunder, or injuries suffered by any tenant in the Unit or on the premises upon which the Unit is located. This indemnification provided by Owner does not apply to claims, demands, judgments, liabilities, expenses, damages, injuries, or other costs arising out of the gross negligence or misconduct of Manager, Manager's agents, or Manager's employees. Nothing in this Agreement, however, shall cause the Owner to be liable, in any way, for damages, expenses, costs, injuries, or liabilities caused by, or to Agents or employees of Manager. Owner shall maintain a broad form of comprehensive public liability insurance covering the Unit in the amount of a minimum of three hundred thousand dollars (\$300,000.00). Owner shall provide to Manager proof of such insurance upon request. If there is any dispute between the parties to this Agreement, the prevailing party shall be paid by the losing party, who indemnifies the prevailing party fully as to all costs and expense including, but not limited to, all attorney fees incurred by the prevailing party.

14. Management Relationships and Manager's Liability. This Agreement shall not be deemed to create any relationship of employer and employee between Owner and Manager and it is specifically agreed that Manager is an independent contractor working in the best interest of the Owner. This Agreement creates no property interest in the Manager except that Owner does give Manager the right to enforce this Agreement and the payments contemplated hereunder by any lien or statute allowed by Colorado law. Manager shall not be liable or responsible for any damage to the Unit or its contents caused by any tenant, except as provided in Section 2 paragraph D, and Section 11. Manager assumes all responsibility for the actions of, or damage caused by its employees and agents. It is specifically understood by Owner that Manager acts in capacity of rental Manager only and not as custodian of Owner's property, except to the extent provided elsewhere in this Agreement. Manager shall be liable for its gross negligence and willful misconduct, including that of its agents and employees

15. Notices. All notices, requests, consents and communications under this Agreement shall be in writing and shall be deemed to have been sufficiently given or served if delivered or mailed by first class regular or certified mail, postage prepaid, *phone, fax, or emailed*, addressed as follows:

Owner address:

Cell:

Home:

Email:

Owner: Tim Parker
Gore Creek Properties
3971 Bighorn Road #7CC
Vail, CO 81657
Tel: 970 479 2858
Email: tim@gcpvail.com
Website: www.gcpvail.com

16. Benefit. This Agreement contains the entire Agreement between the parties and supersedes all prior Agreements and shall inure to the benefit of, and be binding upon, the parties, their heirs, successors, and assigns. This Agreement may not be amended or altered except by instrument in writing signed by the Manager and Owner.

17. Sale of Unit.

A. Gore Creek Properties is a Real Estate and Rental Management Company. Gore Creek Properties would enjoy working with Owner on any Real Estate transactions. Gore Creek Properties Owners may be entitled to a reduced selling commission when listing their property with us!

B. If Owner places Unit for sale, showings, tours, and open houses shall be scheduled through Manager and around the current rentals. Under no circumstances is Unit to be entered without consent of Manager.

C. If Owner sells or transfers the Unit, such sale or transfer must be subject to confirmed reservations held by Manager. Owner must obtain the written Agreement of any transferee that confirmed reservations for the Unit existing on the date of signing of a definitive sales Agreement will be honored and that the transferee will assume all of Owner's rights and duties hereunder and continue this Agreement. Nothing in this Agreement shall prevent Owner from assigning this Agreement upon sale or transfer of Unit.

18. No Interest. No interest shall be paid or accrued for the benefit of Owner with respect to any amount held on its behalf invested in an insured depository.

19. Unfair Housing Practice Prohibited. Owner and Manager agree that they will not discriminate against prospective tenants on account of any reason prohibited by State and Federal laws.

20. Titles. Titles to the various sections hereof are used for convenience of reference only and shall be considered of no effect in the construction of any provision of this Agreement.

21. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the term of Agreement, all of the other provisions of this Agreement shall remain in full force and effect.

22. Representation. Owner represents (a) that he is the Owner as of the date hereof and that Owner is not in default of any provision or obligation to which unit is subject, including but not limited to the payment of any mortgages, dues, fees or taxes owed; (b) that he was not induced by Manager to purchase the Unit by any representations regarding that rental thereof; (c) that he selected Manager by its own initiative and on the basis of its own investigation; and (d) that Manager has not made any representations regarding the amount of rent to be received by Owner hereunder or if any representations by Manager have been made, those representations are based upon either the history of this Unit or comparable units and are no guarantee of any future rents.

23. Jurisdiction. This Agreement is made in Colorado and for all purposes shall be construed in accordance with and governed by the laws of such State.

24. Uses Not Permitted. Manager agrees that its agreement with any tenant will provide for the following restrictions:

- A. Under no circumstances is the Manager to permit any animals or pets of any kind without consent from owner.
- B. Smoking will not be permitted in the Unit or on the property.

25. Tenant Indemnification of Owner. Manager agrees not to rent the Unit to any tenant unless such rental is conditioned upon Agreement by the tenant to indemnify and hold Owner harmless from and against any and all claims, demands, judgments, liabilities, expenses, damages, injuries, or other costs arising in conjunction with or out of renting of the Unit.

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

"MANAGER"

Gore Creek Properties

By: _____ Date: _____
Agent for Gore Creek Properties

"OWNER"

By: _____ Date: _____