

## RESERVATION MANAGEMENT AGREEMENT

THIS RESERVATION MANAGEMENT AGREEMENT is made and is effective this \_\_\_\_\_ day of \_\_\_\_\_ 201\_\_\_\_\_ by and between \_\_\_\_\_ ("Owner"), and \_\_\_\_\_ ("Management")

WHEREAS: Owner wishes to employ Management as exclusive agent to offer Owner's condominium hotel suite ("GUEST ROOM") at Riverside Villas, A Condominium, Homosassa, Florida for RESERVATION to guests ("GUESTS") under the terms and conditions set forth below; and

WHEREAS: The maintenance of goodwill of all Guests and prospective Guests, exclusive of those destructive of property or in violation of the terms and conditions set forth below, shall be the paramount objective of both parties.

NOW THEREFORE, Owner hereby employs Management as exclusive agent and Management hereby accepts said employment and said parties further agree as follows:

(1) TERM. This Agreement shall commence on the date first above written and shall continue in full force until termination by either party, as provided herein.

This Agreement may be terminated by either party upon 365 days written notice delivered personally or by registered or certified mail, subject only to those Guest reservations which have been accepted prior to receipt of notice of termination but which Management is unable to cancel or transfer.

In the event of termination, Owner shall direct Management in writing to process Guest reservations during the 365 day notice period in accordance with one of the following alternatives:

a. Management will immediately cease to accept Guest reservations for the Guest Room and use its best efforts to cancel and/or transfer all accepted Guest reservations within the 365 day notice period.

b. Management will continue to accept Guest reservations and not cancel or transfer accepted Guest reservations during the 365 day notice period.

If instructed to do so, Management shall use its best efforts to cancel and/or transfer all Guest reservations which have been accepted for the period subsequent to the date that termination is effective. However, if Management is unable to cancel or transfer reservations that have been accepted by the termination date, Owner will honor all confirmed reservations in place and will pay Management any commission or fees to which Management is entitled under this Agreement.

A termination of this Agreement, whether pursuant to this paragraph, paragraph 3, paragraph 7 or otherwise, shall not affect the respective rights of Management and Owner to recover any amounts remaining due to them hereunder on the effective termination date.

(2) RESORT MANAGEMENT OFFICE. Management shall maintain a Resort Management Office on the resort site with appropriate facilities, personnel and hours of operation to serve as the single point of contact with Guests and Owners.

(3) ACCOUNTING SYSTEM. Management shall maintain an accounting system to provide accounting services for Owner and Guests with respect to the RESERVATION of the Guest Room.

Owner authorizes Management to:

- a. Collect all Guest room reservation payments and applicable sales taxes in Management's name with any interest earned from such payments accruing to Management, and credit Owner's account with reservation income after deducting all travel agent commissions and payments by Guests for use of facilities or services provided by Management or third parties. (See Paragraphs 8 and 9).
- b. Charge Owner's account the management fee.
- c. Charge Owner's account for expenses for housekeeping during Owner and Guest reservation periods, Guest Room Maintenance and Consumables, Guest Room service contracts and all other charges and expenses related to the reservation of Owner's Guest Room.
- d. Settle Owner's account quarterly within 15 days after the end of each calendar quarter and remit the funds if any due to Owner. Owner's account will be subject to an offset provision allowing Management to deduct monies owed to Management from Owner's proceeds.
- e. Remit to proper taxing authority all collected State sales and tourist taxes.

The parties agree that Management shall not be responsible for uncollectible reservation fees. Owner shall pay the cost of all credit card commissions on reservation income for the Guest Room. Owner agrees to remit to Management within 15 days of receipt of quarterly accounting any net amount due to Management on Owner's account. Owner's failure to remit to Management any amount due within the 15 day period shall entitle Management to immediately terminate this Agreement notwithstanding the termination provisions of paragraph (1) of this Agreement. In this event, Management may cancel or transfer all confirmed Guest reservations to other Guest Rooms without further notice.

RESERVATION SYSTEM - Management shall maintain a reservation system within the Resort Management Office. Owner agrees all occupancies of, and entrance to the Guest Room including Owner entrances, shall be administered through this reservation and keyless entry system.

To maintain reservation uniformity, Owner agrees not to submit to management any special conditions in connection with Guest reservations and Guest occupancy for the Guest Room.

Owner authorizes Management to accept Guest reservation for the Guest Room up to 13 months in advance except for excluded dates submitted in writing by Owner.

Owner agrees to submit advance reservations as below for Owner and COMPLIMENTARY FRIENDS OF OWNER ("Owner Reservations"). Owner Reservations will not exceed ninety (90) days in each calendar year. Management will use its best efforts to accommodate last minute Owner Reservations however, all Owner Reservations are subject to any previously confirmed Guest Reservation.

Owner may make or modify Owner Reservations at any time subject to the maximum nights occupancy stated above and Guest reservations accepted at time of receipt of Owner's request. All Owner Reservations must be submitted to management in writing or by email or by fax and shall be confirmed by confirmation Number to Owner to be valid.

Owner and complimentary friends of Owner shall check in and check out at the Resort Office and abide by standard arrival and departure times required by Guests.

Both Owner and Management will use their best efforts to avoid reservation conflicts. If

through Manager's error a Guest is occupying the Guest Room during a period of confirmed Owner Reservation, Management shall first attempt in good faith to transfer the Guest to another Guest Room managed by management. Owner and Management agree to recognize the occupancy right of the Guest in the event of any reservation conflict.

(4) HOUSEKEEPING SERVICE. Management shall maintain a housekeeping service and Owner will bear the cost for daily maid service for Guests and Owners in their Guest Room. Maid service shall include cleaning the Guest Room and furnishing linens, paper goods, laundry and other Guest supplies.

Management will provide during Owner Reservation periods standard maid service (which shall be mandatory.) Daily maid service will be provided on request at the rates and standards then in effect. These services shall be billed to Owner's account.

Management may provide once annually or at other time deemed necessary, at Owner's expense, a general cleaning of the Guest Room to include carpet, upholstery and drapery cleaning, floor waxing and window cleaning not provided by the condominium association.

Manager shall inspect the Guest Room from time to time to ensure its contents are in order, and that its appliances and electrical, plumbing and mechanical systems are in good working order, but Management shall not be liable for its failure to so inspect. Management shall also effect emergency inspections when warranted in Management's opinion. Management shall arrange extraordinary cleaning in accordance with the provisions of paragraph (7) of this Agreement.

(5) CONSUMEABLE EXPENSE. Management shall provide at Owners expense the necessary convenience items for guests (Consumables) at market price. Consumables include, but are not limited to toiletries, paper products, light bulbs, coat hangers, batteries. Owner agrees that a flat fee representing the average estimated cost for such items will be deducted from Owner's statement and may change from time to time to adjust for actual costs of supplies.

(6) FURNISHINGS AND EQUIPMENT. The parties agree that Management shall endeavor to maintain the Guest Room and the furnishings and equipment located herein, in first class condition at all times at Owner's expense.

**Owner agrees neither to modify the interior of the Guest Room nor to substitute any furnishings or equipment therein,** Owner further agrees not to store any personal belongings in the Guest Room except during Owner Reservation periods. Manager will not accept responsibility for Owner's personal property

(7) GUEST ROOM MAINTENANCE. Management shall maintain service contracts or otherwise arrange for all maintenance in the Guest Room at Owner's expense.

Replacement and repair of furnishings, equipment, floor coverings, fixtures and plumbing, electrical and mechanical systems not covered by service contracts shall be arranged for by Management as deemed necessary by management, and charged to Owner's account. No more than \$500.00 shall be spent on any individual replacement, repair or cleaning without first notifying and obtaining approval from Owner, except that emergency repairs to the Guest Room, or other emergency expenditures for said Guest Room which may become necessary for the preservation or safety of life or property may be made by Management irrespective of the cost limitation imposed by this subparagraph.

Management shall maintain high quality standards necessary for Reservations, shall periodically conduct, and inventory of all major furnishings and equipment, evaluate the general condition of the Guest Room and provide Owner with an inventory report and statement of Guest Room condition together with recommendations for improvement.

Should Owner elect not to approve Management's written recommendation for improvements and/or an individual replacement or repair over \$500.00 which, in the sole opinion of the Management, are needed

to maintain the marketability for reservations of the Guest Room, Management may terminate this Agreement immediately notwithstanding the termination provisions of this agreement. In this event, Management may cancel or transfer all confirmed Guest Reservations to other Guest Rooms.

(8) RESORT FACILITIES. The execution of this Agreement entitles Owner to the exclusive use of Managers boat slip during Owner Reservation period(s) based on availability and on a first come first serve basis. Boats overall length may affect the proximity of the boat slip to Owner's Guest Room as well as availability during peak seasons. Manager reserves the right to charge a fee for this service.

(9) GUEST SERVICES. Management is authorized to provide all Guests resort services deemed suitable and necessary by management for Guest's vacation enjoyment. These may include, but shall not be limited to: room, valet, mail, laundry, business center, dock tending, babysitting and other services, Guest orientation information, professional guided fishing excursions, dock slips, watercraft rentals, land and water taxi, river cruises, bike or scooter rentals, sightseeing and eco tours, Management may affix a charge to Guests for any or all of these services for the benefit of Management Operation.

(10) RESERVATION PROMOTION. The parties agree Management shall establish, operate and bear the cost of promotional activities in management's sole judgment to obtain reservations for occupancy for Owner's benefit.

Owner and Management agree that Owner shall participate in the promotion of reservations of the Guest Rooms by authorizing Management to give complimentary occupancy of the Guest Room for up to 7 nights each year to persons connected with the travel business, entertainment, promotional, group leaders as well as other persons, who in Management's opinion, may promote reservations of the Guest Rooms ("VIP"s). Manager shall bear the expense of maid service for promotional occupancy under the same terms and conditions as for Guest occupancy.

(11) MANAGEMENT/RESERVATION FEE. For its services as described in this Agreement, management will earn and receive: These rates may change periodically, by Manager giving Owner 30 days written notice of its intent. If Owner chooses not to accept such changes then Owner may terminate the contract based on the termination provisions applicable to this Agreement.

a. A management fee equal to 45% (forty-five percent) of all gross reservation revenue collected.

b. A service fee of 18% for arranging for or coordinating maintenance and repairs and replacement items in the Guest Room pursuant to paragraph 7.

c. A monthly accounting fee of \$15.00 for owners and guests record keeping services. These services include the recording of usage and payment of utilities and association dues as well as other records required for the reservation, licensing, sales and resort tax remittance of the Owners account. Owner is required to maintain a working balance of \$350.00 in Owner's Account.

(12) RESERVATION RATES. Owner agrees Management shall have full authority to determine RESERVATION rates, may offer special discounts or package plans to Guests as deemed necessary in Management's opinion to increase rentability, and may change RESERVATION rates, or offer upgrades or promotions from time to time to meet market conditions as Management, in its sole discretion, may determine.

(13) CONDOMINIUM REGULATIONS. Management shall attempt to require all Guests to adhere to Riverside Villas Condominium Association's regulations and any future changes in these regulations for the protection of Owner's property and shall assist the condominium association in identifying rule violations by

guests and correcting Guest behavior. Management and Owner agree that pets shall be prohibited in all Guest Rooms.

(14) TELEPHONE. Management DOES NOT provide a guest room telephone.

(15) ELECTRIC SERVICE. Owner agrees to bear the cost of all electrical utility charges for the Guest Room, and the parties agree Management shall pay these charges and charge Owner's account accordingly. Owner agrees to notify the electric company to direct the bill to Management.

(16) KEYS. Management shall provide an electronic key entry system at Owner's expense Owner must obtain keys from the Management's Onsite Resort Office to obtain entry to Guest Room.

(17) OCCUPANCY LEVELS AND RESERVATION INCOME. It is mutually agreed that Management has not and cannot guarantee at any time the level of occupancy and/or reservation income for the Guest Room. Any projections provided by Management are good faith estimates and Management shall have no liability whatsoever if occupancy or income does not equal projection.

(18) LISTING FOR SALES. Owner shall notify Management in writing when the Guest Room is made available for sale, whether listed with a real estate agent or for sale by Owner. During the period that the Guest Room is available for sale, this Agreement shall continue in effect until terminated pursuant the Agreement. The Guest Room cannot be shown for sale during any period of Guest occupancy. Owner and/or his real estate agent shall obtain Guest Room key through the Front Desk effect and shall be responsible for any additional housekeeping costs necessary to prepare the Guest room for occupancy. No For Sale or similar Signs are permitted to be placed on about the Guest Room or the Association's property.

(19) MANAGEMENT LIABILITY AND INSURANCE. The owner agrees to indemnify and hold harmless, Management and its employees from and against any claims, suits, damage, costs, losses, expenses or other liability arising from injury to any person or property occurring in or about the Guest Room or any other liability relating to the performance of this Agreement. Owner acknowledges that losses from theft, vandalism, acts of God, or the elements, etc., shall be borne by owner, and that Owner bears the responsibility for obtaining casualty insurance for furnishings and equipment within the Guest Room. Owner agrees to obtain from an insurance company acceptable to Management an insurance policy for the Guest Room giving public liability coverage for rentals with coverage of at least \$500,000.00 per occurrence, in which Management is named as co-insured. Owner shall furnish proof of such coverage to Management.

(20) FLORIDA STATUTES GOVERNING RESERVATIONS. This Agreement and the consequent RESERVATION of the Guest Room, subjects the Owner and Management to the regulations of Chapter 509, Florida Statutes, governing hotels and restaurants. As these and other governmental regulations may be applicable to the rental of the Guest Room to the public, pursuant to this Agreement, Owner and Management agree to comply with and abide by such laws as may be applicable. Owner hereby designates Management as the operator of Owner's Guest Room as contemplated by Chapter 509, Florida Statutes. Management will endeavor, but shall not be obligated to advise Owner with respect to existing and new laws, and necessary measures to comply with same.

(21) ADDITIONAL COVENANTS. Owner hereby acknowledges that this Agreement was not offered in conjunction with Owner's purchase of the Condominium. Owner further acknowledges that this means of renting Owner's Guest Room is not restricted by the Declaration of Condominium for Riverside Villas, and that Owner is otherwise free to rent the Guest Room through owner's own efforts, to list it for rental with a real estate broker, or to pursue any other means of renting the Guest Room. Owner is aware that services offered by Management that are not apart of the Condominium Association may be available to Owner or Owners guest on a fee per service basis.

(22) ENTIRE AGREEMENT. This Agreement constitutes the entire contract between

Management and Owner superseding all prior understandings and agreements, and shall not be affected by the terms and conditions of any other contract or agreement between said parties, and no oral representations, statements or previous action(s) shall be considered a part of this Agreement.

(23) ASSIGNMENT. Owner may assign this Agreement only to a person purchasing the Guest Room, after giving Management 30 days written notice, Owner agrees that Owner will advise purchaser of the Guest Room as to the existence of this Agreement prior to the closing of the sale. Management reserves the right to assign this Agreement upon giving 30 days written notice to Owner. Owner and Management hereby bind their respective heirs, successors and assigns by the terms and conditions of this Agreement.

(24) COSTS AND ATTORNEY'S FEES. In the event of a default by either party under this Agreement, the prevailing party shall be entitled to the payment by the defaulting party of all costs, expenses and reasonable attorney's fees incurred in the enforcement of any of the terms and conditions hereof, including those costs, expenses and reasonable attorney's fees incurred in appellate proceedings.

(25) NONCIRCUMVENTION. For a period of three (3) years after termination of this Agreement, owner agrees not to circumvent this Agreement by renting Owner's Guest Room to anyone who has contacted Management at any time about renting any of the Guest Rooms in the resort, without paying Management the applicable Management fees. If Owner does so rent to management's customer, Management shall be entitled to full management fees for said direct RESERVATION.

(26) MISCELLANEOUS PROVISIONS. The execution of this Agreement or the performance of any of the terms hereof shall not be deemed or construed to have the effect of creating, between Owner and Management, the relationship of a partnership or of a joint venture. This Agreement shall be construed under Florida Law. The venue of any action or suit brought in connection herewith shall be in Citrus County Florida.

(27) NOTICE. Notice shall be sent in writing as follows:

Owner: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_ Fax # \_\_\_\_\_  
Email address \_\_\_\_\_

Management: Homosassa Riverside Resort  
5297 S. Cherokee Way, Homosassa, FL 34448  
352-628-2474 Tel 352-628-5208 Fax email: [info@riversideresorts.com](mailto:info@riversideresorts.com)

IN WITNESS THERE OF, the parties hereto have caused this Agreement to be duly executed as of the date first written above. If more than one owner, all owners must sign and person must be designated as the single point of contact with Management (Owner Designee)

Owner Designee: \_\_\_\_\_ Owner: \_\_\_\_\_  
Signature

MANAGEMENT: \_\_\_\_\_ Homosassa Riverside Resort, LLC  
Signature

## ADDENDUM TO RESERVATION MANAGEMENT AGREEMENT

THIS ADDENDUM TO RESERVATION MANAGEMENT AGREEMENT, made this day of \_\_\_\_\_, 2015, is an addendum to that certain RESERVATION MANAGEMENT AGREEMENT dated the \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by and between ("OWNER") and and/or its Assigns.

The OWNER is: (check one)

- a. United States Citizen
- b. United States Corporation
- c. United States Partnership, Trust or Estate
- d. Resident Alien Individual (defined below)
- e. Non-Resident Alien Individual
- f. Foreign Corporation
- g. Foreign partnership
- h. Foreign Trust
- I. Foreign Estate

Non-resident and Resident Alien Defined: An individual whose residence is not within the United States and who is not a U.S. Citizen is a non-resident alien. An alien is considered a U.S. Resident and is not subject to the withholding provision discussed in item 3 if the alien: (1) is a lawful permanent resident of the Guest Roomed States at any time during the calendar year ("green card" test), or (2) meets a "substantial presence" test for the calendar year. For more information on resident and non-resident status, the tests for residence and the exceptions to them, see Internal Revenue Service Publication 519, U.S. Tax Guide for Aliens.

If the OWNER checked item 1 a through 1 d, complete item 2 below.

If the OWNER checked item 1 e through 1 i, complete item 3 below.

2. The Agent/Manager is required to report the gross rents collected on behalf of United States citizens, partnerships, trusts and estates (excludes U.S. Corporations) and resident aliens to the Internal Revenue Service on Form 1099-MISC, Statement for Recipients of Miscellaneous Income.

If the OWNER is a United States citizen, partnership, trust or estate or a resident alien and does not provide a taxpayer identification number, the Agent is obligated to withhold twenty percent (20%) of the gross rents collected on behalf of the OWNER under the "Backup Withholding" rules. Any amounts so withheld will be remitted to the Internal Revenue Service.

The OWNER'S taxpayer identification number is: \_\_\_\_\_

See item 4 for comments regarding taxpayer identification numbers.

3. The Agent is required to report the gross rent collected on behalf of nonresident alien individuals, foreign corporations, foreign partnerships, foreign trusts, and foreign estates

("foreign person") to the Internal Revenue Service on Form 10425, Foreign - Person's U.S. Source Income subject to Withholding.

If the OWNER is a "foreign person", the Agent is required to withhold thirty percent (30%) of the gross rents collected on behalf of the OWNER under the 'Withholding at the Source' rules (see exception below). Any amounts so withheld will be remitted to the Internal Revenue Service.

The thirty percent (30%) withholding can be avoided if the OWNER signs, in duplicate, Form 4224 Exemption from Withholding of Tax on Income Effectively Connected with the Conduct of a Trade or Business in the Guest Roomed States, if the OWNER signs Form 4224, the OWNER will be required to file a tax return with the Internal Revenue Service and must provide the Agent with its taxpayer identification number.

The OWNER elects to sign Form 4224 and attests that its taxpayer identification number is \_\_\_\_\_. Form 4224 is not valid if a taxpayer identification number is not provided. If the OWNER does not have a taxpayer identification number, the OWNER must apply for one and provide the number to the Agent when received. The Agent is obligated to start "withholding at the source" if the number is not provided within 60 days.

See item 4 for comments regarding taxpayer identification numbers. For 4224 must be attached, in duplicate, for each applicable year.

The OWNER elects to not sign Form 4224 and acknowledges that the Agent withholds thirty percent (30%) of the gross rents collected on behalf of the OWNER.

4. For U.S. citizens and resident aliens, a taxpayer identification number (TIN) is the social security number (000-00-000). For all other U.S. taxpayers, the (TIN) is the employer identification number issued by the IRS (00-0000000). For foreign persons, the (TIN) is an IRS issued identification number (00-0000000).

OWNER'S Signature: \_\_\_\_\_

Date: \_\_\_\_\_