



ELITE ALLIANCE H O S P I T A L I T Y

RENTAL MANAGEMENT AGREEMENT

This Rental Management Agreement (“Agreement”) is made this _____ day of _____, _____ by and between Elite Alliance Hospitality, LLC, a Texas limited liability company, (“Manager”), and _____ (“Owner”). Throughout this Agreement, Manager and Owner are sometimes respectively referred to as a “party” or collectively as the “parties.”

This agreement is to be effective for a two (2) year term from _____ (“Commencement Date”) to _____ (“Expiration Date”) unless earlier terminated in accordance with the terms of this Agreement.

RECITALS

A. Manager, a United States tax resident legal entity, provides customized hospitality and rental management services for luxury properties.

B. Owner is the owner of _____ fractional interest(s) (“Interest”) in a residence (“Residence”) at _____ as a mixed-use condominium project (“Project”) created by and subject to that certain Condominium _____, a Condominium Regime (“Regime”).

C. Owner has the right to request reservations annually for up to twenty-one (21) nights of occupancy referred to as planned vacation nights (“PVNs”), seven (7) space available vacation nights (“SAVNs”) or seven (7) short notice vacation nights (“SNVNs”) for each interest they own at the Association but may voluntarily choose to offer some or all of these PVNs, SAVNS, and SNVNs in return for potential compensation.

D. The Project is located _____ and is operated as a resort under the name Island Sky Residence Club. The residences are members under a Condominium Regime and its and its Covenant, Conditions, and Restrictions (“CC&Rs”) of the Project, including reciprocal easement agreements or cost sharing arrangements, applicable to the some or all parts of the Condominium including, without limitation, any master condominium instrument or any one or more segment or any regulations or standards of finish, use, operation or brand identity generally applicable to the Project.

E. Owner desires to engage Manager in procuring rental occupants (“Rental Guests”), managing the reservations for rental occupancy of the Residence, and providing housekeeping services for the Residence in connection with a rental program. Manager agree to provide such services, on the terms and conditions set forth below.

NOW, THEREFORE, Owner, Manager agrees that each of the Recitals is incorporated into and made a part of this Agreement for all purposes, and in consideration of the terms, conditions, and warranties hereinafter set forth, Owner and Manager agree as follows.

AGREEMENT

1. Appointment of Manager. Owner hereby appoints Manager during the term hereof as the exclusive rental manager for the Residence and Manager hereby accepts said appointment and undertake to perform all of the services and responsibilities set forth herein in such capacity and to comply with all provisions of this Agreement. The services and responsibilities established herein will be undertaken by Manager or through third parties. Manager's performance hereunder shall be as independent contractor and not as an employee of Owner. Manager's agency shall not be deemed to be coupled with an interest in or to the Residence. Owner shall not employ or permit any other person or entity to engage in the procurement of Rental Guests or the management of the reservation process, nor shall Owner act as a rental manager for the Residence or provide similar services for the Residence or any other owner of a residence in the Project. Manager shall make Owner's Residence available for rent pursuant to the provisions of this Agreement. Owner acknowledges that (a) Manager will be performing similar services for other owners of residences in the Project; (b) no inducements or representations of any kind have been made directly or indirectly to Owner by or on behalf of any operator of the Project, its agents or employees, as to any tax or other economic benefits or implications which may or may not be realized from owning and/or leasing the Residence as part of the rental program; (c) Owner has not been required to place the Residence in the rental program or to retain Manager or any other designee of Project to rent the Residence to third parties, and Owner recognizes that it may choose or to not lease the Residence at all; (d) neither Manager nor any of its agents or employees (including any operator of the Project) makes, or has made, any guarantees or representations regarding rental income with respect to the rental of the Residence and/or participation in the rental program; (e) to the extent any sales agent, Manager or representative of Project has made, suggested or permitted an inference with respect to, or implied any projection of, rate, occupancy, profit or loss in connection with the rental program, such information does not constitute a representation of Manager or any operator of the Project or any other designee of Manager or Project and has not been relied on, or considered, by Owner in making the decision to enter into this Agreement; (f) revenues received from the residence's participation in the rental program will be recorded separately in the accounts of the rental program and not as pooled, and each owner of a residence in the rental program will receive income attributable to the actual rental of his or her residence as set forth in this Agreement; and (g) Owner has been advised to consult with tax and legal advisors of his or her own choosing regarding the legal and tax obligations, benefits and risks of participation in the rental program.

2. Use of the Residence by Owner and Rental Availability of Residence.

2.1 Rental Availability. Owner acknowledges that the Residence will be made available to Rental Guests and Owner waives his or her right to use the Residence and to permit use of the Residence by Owner's family or non-paying guests unless otherwise reserved in accordance with Section 2.2 below.

2.2 Owner Usage. Owner may reserve the Residence for Owner's use by securing a PVNs, SAVN, or SNVN during the term of this Agreement. To make a reservation, Owner shall contact Manager's reservations department.

2.3 Unreserved Dates and Conflicts. If Manager has not received a confirmed reservation for the Residence on the dates provided by Owner to Manager, Manager will accommodate Owner's request. Manager is not obliged to inform Owner of any changes in availability based on cancellations, no-shows, change in dates, reduced group reservation blocks, or any other similar circumstances but shall provide such information upon request.

2.4 Owner's Obligation to Comply with Management Policies. All Owner Occupants will be required to comply with the policies of Manager, including, but not limited to, check-in and check-out procedures, housekeeping policies and fees, arrival and departure requirements, CC&Rs and the Project policies and procedures, as such policies may change from time to time. Manager may from time-to-time establish additional rules and regulations with respect to use of the Residence by Rental Guests.

3. Compensations.

3.1 Rental Management Fee. As compensation for rental management services provided under this Agreement, Manager shall receive thirty five percent (35%) and Owner shall receive sixty five percent (65%) of the Net Rental Proceeds, as defined below, subject to deductions as set forth in this Agreement. As used throughout this Agreement, the term "Net Rental Proceeds" shall mean the proceeds actually received and paid by a Rental Guest Manager for the total amount received (100%) for the occupancy of the Residence, based on the nightly occupancy rate actually charged, excluding:

- 3.1.1 Travel agent or other commissions not otherwise deducted by the travel agent prior to payment to the Manager.
- 3.1.2 Booking agency, website, or other booking fees and third-party charges associated with the stay in the Residence.
- 3.1.3 Any value added, sales, use, occupancy, bed, resort, tourism and/or other similar taxes assessed by a governmental authority in conjunction with the renting of the Residence.
- 3.1.4 Credit Card Processing Fees.
- 3.1.5 Gratuities or service charges payable to employees through the Manager's bill.
- 3.1.6 Any revenue collected from the Rental Guest for the stay in the Residence for any facility, goods, or services other than room revenue.
- 3.1.7 Any cost incurred by the Manager in providing services for the stay which are specific to Residence rental operation and not incurred for personal use by the Owner.

3.1.8 Housekeeping service fees.

3.2 Change in Management Fee. Manager shall notify Owner in writing of any proposed changes to the compensation. Any such changes shall be effective on the sixty-first (61st) day after the date of notice, unless Owner gives Manager written notice on or before the proposed effective date following Manager's notice that Owner does not accept such changes, in which case this Agreement shall terminate in accordance with Section 8.

4. Manager's Rights, Duties and Responsibilities.

4.1 Rental Offer. Manager shall apportion available Rental Guests on a fair and equitable basis between the Residence and all other comparable residences at the Project for which Manager serves as a rental manager, as determined by Manager in its sole and exclusive discretion. Manager need not; however, adhere to a strict rotation system and may vary the rental of the Residence for reasonable reasons including but not limited to the following: (a) preferences for a particular size, feature, view orientation, location or type of residence requested by potential Rental Guests; (b) prior reservations or other occurrences making any residence unavailable for the duration of occupancy desired by potential Rental Guests; (c) needed or ongoing repair or replacement of items necessary for rental of the Residence or unsuitability of the Residence for rental; (d) personal usage of the Residence by Owner or Owner Occupants; or (e) repeat rentals by the same renter.

4.2 Occupancy Rates. Manager shall set nightly occupancy rates and policies as Manager shall determine in its sole and exclusive discretion. Manager, in its discretion, shall have the right to reserve the occupancy of the Residence at rates less than the regularly advertised rates in circumstances such as, but not limited to, extended length of stay, group discounts, company or corporate discounts, package plan discounts, holiday or promotional discounts. Manager and Owner shall mutually agree to occupancy rates for extended stays. Extended stays pertain to a Rental Guest reserving more than thirty (30) consecutive nights in the Owner's Residence.

4.3 Refunds. Owner agrees that Manager may offer a refund of all or part of the rent paid by any Rental Guest if Manager, in its sole discretion, deems a refund is necessary to retain Rental Guest satisfaction.

4.4 Cancellations. Manager may change its cancellation policy from time to time, due to market conditions or other reasons as Manager shall determine in its sole and exclusive discretion. Upon request, Manager will inform Owner of any changes to its cancellation policy.

4.5 Rental Guest "No Show" Reservation Revenue Disbursement. In the event of no-show reservations and/or late arrivals and/or early departures or any other instances where Rental Guests are obligated to and have paid full costs for their original intended reservation, Manager and Owner will receive their customary share of the Net Rental Proceeds as described in Section 3.1 above.

4.6 Collection of Rents and Management Services. Manager shall collect rent from all Rental Guests and shall provide all accounting services necessary for the collection of such rental revenue. Manager is specifically authorized by Owner to take necessary or advisable actions to request, demand, settle, compromise, collect and receive any costs and expenses chargeable to Rental Guests. Manager shall proceed with any such action in its prudent business judgment at no additional expense to Owner.

Manager or any other third party agrees to perform other services including, but not limited to, check-in and check-out of all Rental Guests and Owner Occupants, distribution of keys, reservation services, accounting services, housekeeping services, linen service, marketing, and advertising. Manager shall comply with the requirements of the laws of St. John, USVI with regard to the handling of rents and other monies, monitoring books of accounts, record-keeping, and related activities.

4.7 Eviction Authority. Manager is authorized to evict and remove any Rental Guests, their guests or any other person occupying the Residence, excluding Owner Occupants, at any time deemed appropriate by Manager.

4.8 Housekeeping.

(a) Departure Cleaning Services - Owner Occupants. Upon the departure of Owner Occupants, Manager will provide through third parties departure housekeeping services in order to ensure the Residence is clean and habitable for Rental Guests. Manager will require Owner to pay all fees established by Manager for the departure housekeeping services to ensure the Residence meets the Manager's standards for housekeeping services, including the laundering, and changing of all linens. Manager shall apply departure housekeeping services to the Owner's account statement.

(b) Housekeeping Service. Housekeeping service shall include general cleaning, changing linens, and other related services.

4.9 Books and Records. Manager shall maintain accurate books and records for all deposits and proceeds collected and for all expenses chargeable to Owner in connection with this Agreement. At Owner's request, Manager shall make its records regarding the Owner's Residence available to Owner's representatives at reasonable times for examination, inspection, and transcription. Such Books and Records will be retained in Manager's corporate office, where applicable.

4.10 Monthly Accounting Statements. Manager shall furnish Owner with monthly accounting statements, on or before the twentieth (20th) day of each month, identifying, for the previous month: (a) fulfilled rental reservations; (b) the Residence's Net Rental Proceeds (as defined in Section 3.1); (c) the total Rental Management Fee (as defined in Section 3.1); (d) the total Owner's Proceeds (as defined in Section 3.1); and (e) any amounts that may be due to Manager pursuant to this Agreement or otherwise. If the accounting statements reflect a balance due to Manager, Owner shall remit the amount due within thirty (30) days, following date of the accounting statements. If the statements reflect a balance owed to Owner, Manager shall include with the statement, a check made payable to Owner for any amounts due to Owner for the previous month. Payments shall be issued in US dollar currency.

4.11 Insurance. Manager shall maintain liability insurance covering its activities and those of its agents and employees under the operation of the rental program under this Agreement.

4.12 Damage or Theft. Manager shall use reasonable efforts to deter damage to the Residence or damage or theft of property from the Residence and to collect from any Rental Guest all costs of repairs or replacement of those items, should theft or damage occur. Manager shall promptly investigate and make a full written report as to all accidents or claims for damage or destruction to the Residence or the furnishings, fixtures or household goods by any Rental Guest and cooperate with and make any and all loss or accident reports required by any insurance company.

4.13 Marketing by Manager. Manager shall market and advertise the Residences as Manager shall determine in its sole and exclusive discretion. In order to facilitate the marketing efforts of Manager's rental program, Owner shall allow Manager to post photographs of the Residence on Manager's web sites, or alternate marketing channels for the rental program. Owner authorizes Manager to photograph the interior and/or exterior of the Residence.

4.14 Right to Enter Residence. Manager or their employees, contractors, or agents, shall have the right to enter the Residence for all purposes set forth in this Agreement or as may be deemed necessary or desirable to carry out the intent of this Agreement.

4.15 Business Licensing and Lodging Memberships. Manager shall obtain, for the benefit of Owner, and maintain, at Owner's expense, all necessary licenses, memberships, and affiliations, if any, to permit the rental and occupancy of the Residence.

4.16 Financial Risk. Manager will act in a commercially reasonable manner to seek room rates and levels of use of the residences in the rental program comparable to units operated directly by Project operator for its own account reserved and occupied in the same periods. This does not guarantee that Owner will (a) receive any minimum amount of payments hereunder, or (b) receive rental income equivalent to that generated by any other residence in the rental program or the Project, or (c) receive rental income equal to or in excess of assessments or other costs associated with the Residence.

4.17 Rental Guest Complaints. Manager shall have the right to handle complaints from Rental Guests concerning the Residence through any variety of methods consistent with Manager's operating practices including, without limitation, transfer to another unit or offering a Rental Guest rate adjustments, credits, reimbursements, and refunds. Owner further agrees that the Rental Guest may be transferred to another residence in the rental program or Project if requested by the Rental Guest or if such reduction in rental rate is not acceptable to the Rental Guest. Owner understands and agrees that events of the type herein discussed or other events outside of Manager's control may cause a loss of rental income.

5. Residence Quality and Maintenance.

5.1 Residence Quality - Furnishing of Residence and Smallwares. The Association shall be responsible for furnishing and maintaining the Residence in a rentable manner and condition with complete furnishings, fixtures, equipment, and smallwares.

6. Owner's Rights, Duties and Obligations.

6.1 Income Withholding Tax and Other Taxes. Owner acknowledges that the income attributable to Owner from Rental Guest occupancy may be a taxable transaction, and Owner is responsible for any and all such income taxes. Owner is responsible for providing to Manager a completed Form W-9, attached hereto Exhibit B, upon executing this Agreement. Owner further represents and warrants to Manager that Owner has not relied upon Manager for tax advice and acknowledges that Manager recommends consulting with competent legal counsel in connection with the tax consequences of Owner's execution of this Agreement. Any sales, use, lodging, excise, and other state and local taxes or similar governmental charges shall be charged to the Rental Guest. Manager shall be responsible for administering the payment of all such applicable sales and other taxes or charges.

6.2 Annual Assessments for the Association. Owner must be current on any and all assessments for the Association in order for this Agreement to be effective. Should Owner become delinquent in the payment of their annual assessments during the term of this Agreement, the Owner's PVNs, SAVNs, or SNVNs will not be accepted and/or shall be removed until such time that the Owner assessments are paid in full.

6.3 Owner Information Sheet. Owner is responsible for completing the Owner Information Sheet, attached hereto as Exhibit A. Owner is responsible for notifying Manager of any changes to the information required by Manager.

6.4 No Pooled Income. Owner acknowledges that the terms of this Agreement do not provide for pooled income or distributions from pooled rental proceeds.

7. Sale of Interest by Owner.

7.1 Notification. Owner shall immediately notify Manager, in writing, if the Interest is for sale. Sale of the Interest shall be subject to any reservations (with deposit) made prior to the date Manager receives written notice of a contract of sale. Owner shall obtain the written agreement of any potential purchaser that all confirmed or tentative rental reservations for the Residence, existing as of the date of the sale, will be honored.

7.2 Rental Guest Privacy. Owner acknowledges the need of Manager to protect the privacy of all Rental Guests.

7.3 Accounting Information. Manager shall release accounting information pertaining to the Residence to Owner's agent or a prospective purchaser of the Residence only if Manager has received prior written authorization from Owner. If Manager does not receive such prior written authorization, then they will not provide such information to any third party.

7.4 Indemnification and Release. Manager shall not be liable to Owner for, and Owner hereby releases Manager from the acts, negligence or failure to act of Rental Guests, and any act or failure of Manager to act so long as Manager is not guilty of fraud or gross negligence in such performance or failure. Owner shall indemnify Manager and any employee or agent of Manager against any claim, damage, loss or threat of loss as a result of any claim or legal proceeding related to this Agreement, which shall include the payment of reasonable attorney's fees of counsel for Manager, or other expenses incurred in settling any such claim or liability incurred in any finally adjudicated legal proceeding, as long as Manager is not guilty of acts of fraud or gross negligence. The obligations of Owner described herein shall survive the expiration of this Agreement or termination of this Agreement by either party hereto and shall inure to the benefit of Manager, its employees and agents and their respective heirs, executors, administrators, successors and assigns.

8. Term and Expiration.

8.1 Term. This Agreement shall become effective on the Commencement Date and shall end on the Expiration Date, with automatic renewals for subsequent two (2) year periods on each anniversary of the Expiration Date thereafter unless otherwise terminated in writing by either Owner or Manager. The parties agree to jointly amend this agreement in writing to extend the agreement for an additional two (2) years not less than ninety (90) days prior to the expiration of this Agreement, unless the parties jointly agree on a different term of extension, or termination.

8.2 Termination For Cause. This Agreement may be terminated by either party for cause at any time upon ten (10) days prior written notice if the other party is in material breach or default of its obligations hereunder; provided, however, that if the cause constitutes a breach of or a default under this Agreement which is capable of being cured, the defaulting party may avoid termination by curing the same within thirty (30) days following notice of such breach or default except that if such breach or default is not reasonably curable within such thirty (30) day period, then a good faith effort must have been commenced within such thirty (30) day period to cure the same and the default must then be cured within ninety (90) days of receipt of the notice. Owner may specifically terminate this Agreement in the event a bankruptcy proceeding is instituted by or against the upon ten (10) days prior written notice.

8.3 Outstanding Balances at Termination. Should Owner owe Manager any monies after termination of this Agreement, sale of the Residence or foreclosure, then Owner shall pay Manager any such monies owed, and Owner personally and severally guarantees Manager payment for all monies owed within fifteen (15) days after written demand from Manager.

8.4 Force Majeure. If the Residence or any other part of the Project is so damaged by fire, catastrophe, natural occurrences, civil commotion, war or other casualty as to render the Residence unfit for rental purposes, as determined by Manager in its sole and exclusive discretion, then all reservations that cannot be fulfilled may be cancelled, and the obligations of Owner and Manager hereunder shall be temporarily abated until the Residence is restored to an acceptable condition in accordance with Manager's standards for the rental program.

8.5 Confirmed and Existing Reservations. If this Agreement is terminated for any reason, Manager may honor all tentative and confirmed reservations of the Residence held by Manager prior to the effective date of the termination. Expiration of such termination, Manager shall not accept any reservations for the Residence.

8.6 Actions Upon Termination. Upon termination of this Agreement, Manager shall promptly account for and deliver to Owner the Owner's Proceeds received by Manager subsequent to the termination of this Agreement. Upon termination or expiration of this Agreement, Owner and Manager shall be released from further performance hereunder; provided; however, that all rights and obligations of Owner and Manager up to and including such date, including without limitation, any reservations made prior to expiration, any rights to receive payments and the indemnification provisions contained herein, shall survive the termination or expiration of this Agreement.

9. Miscellaneous.

9.1 Binding Effect; Assignment. This Agreement shall inure to the benefit of and constitute a binding obligation upon the contracting parties, their successors, heirs, personal representatives and assigns; provided, however, Owner may assign this Agreement only with the prior written consent of Manager and only on condition that the assignee unconditionally assumes all of Owner's duties and obligations under this Agreement, regardless of when such duties and obligations arose. Manager may, without the consent of Owner, assign this Agreement to a third-party managing agent or may delegate its duties pursuant to a sub-management agreement to a third-party managing agent. This Agreement shall constitute the entire Agreement between the contracting parties, except that the parties hereto recognize that this Agreement shall be read in conjunction with the governing documents which further define the rights and obligations of the parties hereto and no variance or modification thereof shall be valid and enforceable except by a supplemental agreement in writing.

9.2 Arbitration. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

9.3 No Partnership. Nothing herein contained shall be deemed or construed by the parties, or by any third party, as creating the relationship of partnership or of joint venture between the parties.

9.4 Waiver. No consent or waiver, express or implied, by Manager or Owner to or of any breach or default by the other party in the performance by the other party of its obligations hereunder shall be deemed or construed to be a consent to or a waiver of any other breach or default in the performance of such party or any other party of the same or any other of its obligations hereunder. Failure on the part of any party to complain of any act or failure to act of any other party or to declare any such party in default, regardless of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.

9.5 Section Headings and Terms. The section headings of this Agreement are for convenience of reference only and shall not be deemed to alter or affect any provision of this Agreement. When required by context, the singular shall include the plural, and the use of any term is generally applicable to any gender, corporation, or other entity.

9.6 Partial Invalidity. The invalidity or unenforceability of any term or provision of this Agreement by the application of such term or provision to any person or circumstance shall not impair or affect the remainder of this Agreement, and its application to other persons and circumstances and the remaining terms and provisions hereof shall not be invalidated but shall remain in full force and effect.

9.7 Notice. All notices, requests, demands and other communications hereunder shall be in writing, and shall be deemed to have been duly given if (a) hand delivered, (b) three (3) days after being mailed via first class U.S. mail, postage prepaid, or (c) transmitted by facsimile with printed confirmation of receipt, in each case to the parties and to the addresses following each party's signature hereof or to such addresses as may be established by notice duly given. Owner shall designate in writing one party with whom all of Owner's business shall be transacted and who shall be fully authorized to act as Owner.

9.8 Governing Law. This Agreement shall be governed by the laws of State of _____ without regard to conflicts of laws principles.

9.9 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

9.10 Amendments. This Agreement may not be amended or modified by any act or conduct of the parties or by oral agreement, unless reduced to a writing signed by both parties.

9.11 Residence Closing. The effectiveness of this Agreement is contingent upon the closing of the sale of the Residence, the terms and conditions of which are set forth in the Purchase and Sale Agreement executed by Owner.

[Signature Page Follows]

DRAFT

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

OWNER:

Signature

Printed Name

Date

Primary Street Address

Primary City, State, Zip Code

MANAGER:

Elite Alliance Hospitality, LLC
100 Corporate Woods, Suite 220
Rochester, NY, USA 14623

Signature

Printed Name

Title

Date

DRAFT

Exhibit A - Owner Information Sheet

Legal Name of Owner(s): _____

Legal Name of Ownership: _____

Address: _____

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

Phone Number (Cell): _____

Phone Number (Home): _____

E-mail Address: _____

E-mail Address: _____

Emergency Contact Name: _____ Phone Number: _____

Residence Type Deeded Into: _____ # of Interests: _____

Citizenship/Nationality for Tax Purposes: _____

Owner Proceed Checks Payable to: _____

Address (if different than above): _____

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

Wire Transfer Instructions:

Bank Name	
Bank Street Address	
Bank City, State, Zip	
Bank Country	
Business or Personal	
Name on Account	
Street Address on Account	
City, State, Zip on Account	
Country on Account	
Routing Number	
Account Number	
SWIFT Code or National ID	