

1. **AGENCY:** OWNER hereby appoints **HAWAII DREAM REALTY LLC as AGENT** hereinafter called AGENT the exclusive right to lease, rent, operate and manage the real property, hereinafter called UNIT, upon the terms and conditions set forth within. UNIT includes any furnishings listed on the Inventory Addendum and is subject to AGENT's verification of condition and acceptance.

2. **PROPERTY MANAGER:** AGENT reserves the right to assign the management of OWNER's UNIT to a Property Manager working for or on behalf of AGENT, to supervise activities and responsibilities of property management enumerated herein, at the sole direction of AGENT. Property Manager must hold an active Hawaii RE license and subscribe to Honolulu Board of Realtors, Hawaii Association of Realtors and National Association of Realtors.

3. **RENTAL INFORMATION:** AGENT shall determine the lease terms and rent schedule and shall make all reasonable efforts to obtain maximum rents available in the current rental market.

Rent Range: \$\_\_\_\_\_ to \$\_\_\_\_\_ per month, week or night \_\_\_\_\_

Long Term (more than 180 days): \_\_\_\_\_ (tenant subject to income/credit check & landlord tenant code)

Short Term (1-180 days): \_\_\_\_\_ (guests subject to payment in full but no income/credit check)

30 Day Min (30-180 days): \_\_\_\_\_ (guests subject to payment of first month & partial deposit)

Pet(s) Allowed with Pet Addendum (Long term): \_\_\_\_\_ Smoking Restrictions: \_\_\_\_\_

Section 8 Tenant(s) Allowed (Long term): \_\_\_\_\_ If Yes, OWNER agrees to all repair requested by Section 8 Inspectors

\* Leases are subject to the provisions of Owner's Association Bylaws, House Rules, City Ordinances and Hawaii State Law.

4. **TERMS:** This agreement is valid effective \_\_\_\_\_ and shall remain in force for a period of not less than twelve months and shall continue to renew annually until cancelled or terminated.

- a. Either party may cancel or terminate this Agreement at any time by providing the other party with 45 days written notice. **However, if OWNER terminates within the first year, then #5 Termination Expenses shall apply.**
- b. This agreement shall terminate forty-five (45) days after mailing postmark of said notice.
- c. It is expressly agreed and understood that in the event of termination by OWNER, AGENT shall receive its normal fee for the duration of the tenant's lease for all long-term rentals or a 90-day period if month to month.
- d. Termination of this agreement does not invalidate or cancel any existing rental agreement or any short term reservations made by AGENT on behalf of OWNER of which all commitments must be honored.
- e. Future Reservations / Bookings shall be honored if termination is executed for a date sooner than the last confirmed reservation. If for any reason OWNER terminates AGENT without future bookings being honored, OWNER shall pay a booking Cancellation Fee of \$400 per reservation / booking being cancelled in addition to #5.
- f. Upon termination of management agreement, AGENT shall have the right to buy back any artwork or furnishings the AGENT provided or arranged at cost unless owner paid AGENT a Refurbishing Fee (#7-d) or Project Management Fee (#10) for the time to shop and find specific items as part of the AGENT's marketing efforts.

5. **TERMINATION EXPENSES:** If OWNER terminates this Agreement for any reason prior to its having been in force for one year, OWNER agrees to pay AGENT a termination fee equal to one month's rent for long term rental or a termination fee equal to total reservations / bookings of the month prior or a minimum fee of \$1,000.00. This termination fee shall apply if AGENT terminates this agreement due to OWNER non-compliance with the terms and conditions set forth within this agreement.

6. **DUTIES OF AGENT:** AGENT is duly trained, licensed and qualified to perform the duties of AGENT. AGENT and or AGENT's appointed Property Manager shall perform these duties with due diligence and the skill ordinarily used by professionals in the same field. AGENT shall perform these duties in good faith and with the highest ethics. AGENT shall not be liable for any error or omission, except in cases of willful misconduct or gross negligence.

- a. **Rentals and Collection** - AGENT shall use their best efforts to obtain renters for OWNER's UNIT and to collect all rents and deposits for UNIT. AGENT may accept payments in cash, money orders, personal checks, or wired deposits, but shall not be liable to OWNER for the ultimate collection of such personal checks or other form of payment which are returned due to insufficient funds. AGENT shall deposit all rents collected for OWNER, less any sums properly deducted or otherwise provided herein, in a Trust Account with a federally insured banking institution in Hawaii of AGENT's choice and separate from AGENT's general operating account. However, AGENT shall NOT be held liable in the event of failure of a depository.