**SIMPLE MANAGEMENT AGREEMENT FOR RENTAL TERMS (SMART)**

This Simple Management Agreement for Rental Terms (this “**Agreement**”) is entered into and effective as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the “**Effective Date**”) by and between [Management Company Name] (the “**Agent**”) and [Property Owner Name] (the “**Owner**”) (each a “**party**” and together the “**parties**” to this Agreement) for the property located at [Property Address] (the “**Property**”).

Whereas, the Owner desires to engage the Agent to manage, operate, and lease the Property as a short-term rental and the Agent wishes to be so engaged;

Now, Therefore, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **APPOINTMENT AND AUTHORITY; MAINTENANCE AND REPAIR.**

The Owner hereby appoints the Agent as the exclusive agent to manage, rent, operate, and maintain the Property as a short-term vacation rental. The Agent will act as the Owner’s authorized Agent with respect to the use of Property as a short-term vacation rental and is hereby authorized to advertise the Property for rent, collect rental income, and hire contractors to perform regular cleaning, maintenance, and repair. Without limiting the foregoing, the Agent is authorized to make or cause to be made all repairs and replacements reasonably necessary to make the Property safe, habitable, legally compliant, and able to be rented. Any repair exceeding [$1000] requires the Owner’s prior written consent; provided, however, in the event of an emergency where immediate action is required for the preservation of life or the Property, the Agent is authorized to cause emergency repairs to be made at the Owner’s expense without prior approval. Maintenance and repair costs will be paid out of the Trust Account.

1. **TRUST ACCOUNT; OPERATING RESERVE.**

The Agent will establish a separate bank account with an FDIC insured bank for safekeeping of all funds related to this Agreement (the “**Trust Account**”). Agent will deposit all revenue generated by the Property into the Trust Account. If Owner has appointed Agent as agent with respect to more than one of Owner’s properties, Agent is authorized to maintain separate accounts or sub-accounts for each property managed for Owner or a single account for all of Owner’s properties. Funds in the Trust Account remain the property of the Owner except as otherwise set forth in this Agreement. The Trust Account may be an interest-bearing account, in the sole discretion of the Agent and, if an interest-bearing account, all interest accrued thereon will be property of the Agent. The Owner authorizes and agrees that the Agent establish an operating reserve of [$2500] in the Trust Account for operation of the Property (the “**Minimum Operating Reserve**”) to be funded by retention of revenue from future reservations. If at any time funds in the Trust Account fall below the Minimum Operating Reserve, the Agent is authorized to replenish and maintain the Minimum Operating Reserve by retaining such funds in the Trust Account that would otherwise be payable to Owner under this Agreement. In addition to the Minimum Operating Reserve, the Agent may retain in the Trust Account such funds as are necessary to remit all taxes and fees owed by the Owner to any governmental authority for operation of the Property in accordance with the terms of this Agreement.

1. **COMPENSATION.**

The Owner agrees to pay the Agent a Management Fee of [20%] of gross rental revenue from the Property (the “**Management** **Fee**”). In addition, Manager may charge guests fixed or variable fees, such as a booking fee, pet fee, concierge fee, or other fees. Manager may further collect applicable fees such as resort fees or parking fees from guests on behalf of third parties and remit such fees directly to the third parties.

1. **DUTIES OF THE AGENT.**
	* 1. Marketing. The Agent will market and promote the Property to prospective renters using any means the Agent deems advisable.
		2. Rental Rates. The Agent is authorized to establish and revise rental rates based on Property’s features, market conditions, and consumer demand.
		3. Rent Collection and Payment. Rental proceeds and taxes will be collected by the Agent and deposited into the Trust Account. The Agent will provide detailed monthly accounting statements and disburse all rental proceeds, net of Management Fees and any approved expenses, for the prior month to the Owner by around the 10th day of each month.
		4. Guest Interaction. The Agent will handle all guest communications, reservations, services and financial transactions and have the discretion to provide full or partial refunds to guests as necessary to resolve any reasonable guest complaints.
		5. Taxes. The Agent will oversee tax filings and remit tax payments related to operation of the Property as set forth in this Agreement.
2. **OWNER RESPONSIBILITIES.**
3. Insurance. The Owner will maintain at least $1,000,000 in insurance coverage, including liability insurance, naming the Agent as an additional insured.
4. Furnishing and Utilities. The Owner will ensure the Property is adequately furnished and equipped and will provide and pay for all necessary utilities for the Property.
5. Privacy Policy. The Owner will adhere to the Agent’s Privacy Policy and respect guest privacy by not entering the Property or its immediate surroundings without obtaining prior approval from the Agent. The Owner will not install any cameras on the interior of the Property.
6. Notice of Sale. In the event of a sale of the Property, the Owner agrees to sell the Property subject to the terms of this Agreement and any existing reservations at the time of closing of the sale, ensuring continuity for guests and honoring all bookings.
7. **REPRESENTATIONS AND WARRANTIES OF OWNER.**
	1. Authority. The Owner represents and warrants that the Owner has full power and authority to enter this Agreement, that no third-party consents are required to enter into this Agreement, and that Owner’s execution of this Agreement will not violate the terms of any other contract, covenant, or agreement.
	2. No Easements. The Owner represents and warrants that there are no recorded easements, restrictions, reservations, or rights of way which adversely affect the use of the Property for the purposes intended under this Agreement.
	3. Compliance and Safety. The Owner represents and warrants that: (a) the Property is zoned for the intended use of the Property and that all leasing and other permits for the operation of the Property have been secured and are current; (b) the Property is compliant with all housing codes; (c) the Owner has obtained all necessary licenses required at the federal, state, and local level and the Property does not violate any applicable statutes, laws, ordinances, rules, regulations, or orders; (d) no unsafe condition exists on the Property; and (e) the Property does not contain any asbestos, urea, formaldehyde, radon, or other toxic or hazardous substance.
8. **TERM AND TERMINATION.**

This Agreement will commence on the Effective Date and will continue in effect for one year. This Agreement will automatically renew on each anniversary of the Effective Date (the “**Renewal Date**”) unless either party provides written notice to the other party (such notice, a “**Termination Notice**”) at least 60 days prior to the Renewal Date (the effective date of such termination, the “**Termination Date**”). Upon termination, the Owner will (a) honor all outstanding reservations booked prior to the Agent’s receipt of the Termination Notice, whether occurring before or after the Termination Date, (b) assume all obligations arising out of any contract or outstanding bill executed by the Agent under this Agreement for and on behalf of the Owner, (c) assume all of the Agent’s responsibilities under this Agreement, and (d) remit payment to the Agent for all Fees and approved expenses accrued (i) prior to the Termination Date and (ii) after the Termination Date for reservations booked prior to the Agent’s receipt of the Termination Notice.

1. **LIMITATION OF LIABILITY.**

The Agent’s liability to the Owner arising out of or related to this Agreement will be limited to actual damages and will not exceed the amount paid by the Owner to the Agent in the 12 calendar months immediately preceding the event giving rise to such liability. In no event will the Agent be liable to the Owner for any indirect, special, incidental, exemplary, or consequential damages (including lost profits, or goodwill), regardless of the cause of action alleged (including contract, warranty, tort, strict liability, indemnity, or negligence), even if the Agent has been notified of the possibility of such damages.

1. **INDEMNIFICATION.**

The Owner agrees to indemnify, defend, and hold harmless the Agent from and against all claims, demands, damages, losses, and expenses (“**Losses**”) arising out of or related to the Agent’s performance of this Agreement, except to the extent such Losses are a result of the Agent’s gross negligence or willful misconduct.

1. **MISCELLANEOUS.**

This Agreement may be executed in portable document format (.pdf) or other electronic signature pages and in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement will be binding upon the parties hereto and their respective personal representatives, heirs, administrators, executors, successors, and assigns. Agent may assign its rights and delegate its obligations under this Agreement to a successor-in-interest pursuant to a merger or sale of its assets or equity. This Agreement will be governed by and construed in accordance with the laws of [Jurisdiction]. This Agreement constitutes the entire agreement between the parties and supersedes all prior understandings and agreements relating to the subject matter herein.

In Witness Whereof, the Parties have executed this Simple Management Agreement for Rental Terms as of the Effective Date.

**OWNER: AGENT:**

[Property Owner Name] [Management Company Name]

By: By:

Name: Name:

Title: Title: