



5-4280 Kuhio Hwy., Suite C205, Princeville Shopping Center P. O. Box 223609, Princeville, Kauai, Hawaii 96722
 Phone: 808.826.9675 Fax: 808.826.1229 Toll Free 877.838.8149
 Email: rek@aloha.net Website: <http://www.remaxkauai.com>
 (Revised and Updated: October 08, 2012)

Rental Property Management Agreement

Vacation rental Long Term Lease (6 months or more)

Owner(s) Names: _____

Mailing Address: _____

Name of Property: _____

Contact Numbers:

Home #		Office Fax	
Home Fax		Cell Phone	
Office/Work		E-Mail	

Hawaii Gross Excise Tax License # (Required): _____

Social Security# (Required): _____

Transient Vacation Rental Certificate # (Required) _____

Please print name as you want them to appear on disbursement checks:

Please Note: Owners of **vacation rentals** are responsible for paying the **4% Hawaii General Excise Tax + 9.25% Transient Accommodation Tax** on the gross rental income received on their real estate property listed below. **Owners of long term rentals are responsible for paying the 4% Hawaii General Excise Tax only.** Owners renting out their homes and collecting the 4% G.E.T. from the Tenant are required to pay 4% upon the 4% collected (*called gross income*) from the Tenant. AGENT herein is required by law to furnish a copy of the first page of this Agreement to the State Tax Office and OWNER hereby acknowledges this disclosure.

For Property Located at (street address):

Telephone Number at the Property: _____

This Agreement will renew automatically for periods of one year unless cancelled by either party, per the terms set forth within this Agreement.

Please confirm the rates by signing below:

Table with 3 columns: Category, Regular Season, High Season (Holiday). Rows include Vacation Daily Rate, Vacation Weekly Rate, and Long Term Monthly Rate, each with a dollar sign in the other columns.

Collect 4.166% General Excise Tax from Long Term Tenant? _____

Owner's Signature _____ Date: _____

Recitals:

In consideration of the covenants herein contained, _____ ("OWNER"), and _____, "AGENT"), agrees as follows (the "Agreement" which term shall include Pages 1 and 2 hereof):

1. OWNER hereby appoints AGENT exclusively to rent, lease, operate and manage the property known as _____ upon the terms hereinafter set forth for the period of _____ beginning on the _____ day of _____, _____ (year) and ending on the _____ day of _____, _____ (year), and thereafter for annual periods.

Either party may terminate this Agreement upon (30) days written notice: however, this Agreement may not be terminated for ___ months from date of signature, while any tenant of _____ is occupying the property or there is an outstanding balance in the OWNER account due to _____.

2. AGENT hereby accepts the appointment referred to above and agrees to:

a) Use diligence in the management of the premises for the period and upon the terms herein provided, and agrees to furnish the services of its organization for the renting, leasing, and the managing of the herein described premises. Management services include procuring and screening tenants, collecting and disbursing rents and security deposits, executing rental agreements, scheduling cleaning, maintenance and minor repairs, pursue late rent payments, promoting and advertising rental units, mediate security deposit and tenant/owner responsibility disagreements, and bookkeeping services to include payment of cleaning, service, utility and repair bills, and inventory purchases as necessary, and as owner requests. Management services Do Not Include payment of mortgages, insurance premiums, Association dues or taxes, or handling of insurance claims. Management also does not include renovation or redecoration services; however, AGENT may upon OWNER's request assist in these matters at a nominal charge to OWNER.

- b) Render monthly statements of receipts, expenses, and charges, and remit to the OWNER receipts, less disbursements. In the event the disbursements shall be in excess of the rents and/or the reserve account collected by the AGENT, OWNER hereby agrees to pay such amount promptly upon demand of AGENT.
 - c) Deposit all receipts collected for OWNER (less any sums properly deducted or otherwise provided herein) in a Trust Account in a national or state institution, namely _____, qualified to engage in the banking or trust business, separate from AGENT'S personal account. However, AGENT will not be held liable in the event of bankruptcy or failure of a depository.
 - d) **Security Deposits.** AGENT shall collect and hold security deposits on long term tenant's behalf, to be used to replace or repair items damaged by tenant, to be applied toward cleaning of the premises chargeable to tenant, refunded to tenant or disbursed to OWNER, as AGENT may reasonably determine. OWNER is aware that all security deposits are held by _____ and may be deposited into an interest earning account in favor of _____ as additional compensation. OWNER is aware that it may be necessary to deduct utilities from tenants' security deposit in the event utilities are in OWNER'S name, but tenants have contracted to pay for the utilities.
 - d) **Insufficient funds.** AGENT shall not be obligated to make any advance or incur any liability for OWNER'S Reserve Account. AGENT shall not be liable for loss sustained by OWNER by reason of nonpayment or late payment of any expenses or rent.
 - e) OWNER agrees that AGENT cannot be held responsible for handling repairs, remodeling, rebuilding or insurance claims that result from damage to property caused by any "Act of God," such as fire, hurricane, tsunami, flooding, etc. In case of such event, a licensed contractor should be contracted by the OWNER. This contract shall be made null and void if the house or condominium becomes uninhabitable for any reason.
 - f) AGENT shall collect all rents & deposits for the premises. AGENT may accept payments in cash, credit card, money order or personal checks, but not liable for collection of such personal checks.
- 3. OWNER hereby gives AGENT the following authority and powers to pay the expenses in connection herewith out of the bank account referred to in Section 2(c) above or as otherwise arranged between AGENT and OWNER:**
- a) To advertise the availability for rental of the herein described premises or any part thereof, and to display "for rent" signs thereon; to sign, renew and/or cancel leases for the premises or any part thereof; to collect rents due or to become due and give receipts therefore; to terminate tenancies and to sign and serve in the name of OWNER such notices as are appropriate; to institute and prosecute actions to evict tenants and to recover possession of said premises. Any original lease executed for the OWNER by AGENT shall not exceed one (1) month without consent of OWNER.
 - b) To make or cause to be made and supervise repairs and alterations, and to purchase supplies and pay all bills therefore. AGENT agrees to secure the prior approval of OWNER on all expenditures in excess of \$_____ for any one item, except monthly or recurring operating charges and/or emergency repairs in excess of the maximum, if in the opinion of the AGENT such repairs are necessary to protect property from damage, or to maintain services to the tenants as called for in their lease. In such event, AGENT shall as soon as is practicable inform OWNER of the cost for such repairs.
 - c) To hire, discharge or supervise all labor required for the operation and maintenance of the premises. AGENT may perform any of its duties through OWNER'S attorneys or agents and shall not be responsible for their acts, defaults or negligence if reasonable care has been exercised in their appointment and retention.
 - d) To make contracts for electricity, gas, water, telephone, window/screen cleaning, trash hauling and other services, or such as AGENT shall deem advisable; OWNER shall assume the obligations of any contract so entered into.

4. OWNER further agrees to:

- a) **Inventory List.** OWNER shall provide to AGENT and update as necessary a complete inventory of furniture and fixtures in the premises. There may be additional time required to set-up your home, to store your personal items, or to conduct any further cleaning necessary for your home to meet _____'s high standards. OWNER will be charged on an hourly basis by the providers of such services. The hourly charge may range from \$___ - \$___.
- b) **Keys, House Rules.** OWNER shall furnish AGENT with a copy of house rules if applicable, copies of all service contracts in effect on the premises, and 4 (four) sets of working keys.
- c) **Hold AGENT harmless** from all damage suits in connection with the management of the herein described property and from liability from injury suffered by an employee, guest, tenant or other person(s) whomsoever, and to carry at their own expense, necessary public liability insurance and worker's compensation insurance (if applicable) adequate to protect the interest of the parties hereto, which policies shall be so written to protect AGENT in the same manner and to the same extent they protect OWNER; and will name AGENT as a co-insured. AGENT shall also not be liable for an error of judgment or for any mistake of fact or law, or for anything which it may do or refrain from doing hereinafter, except in cases of gross negligence or willful misconduct.
- d) **To have AGENT named as additional insured on OWNER premises liability insurance** during the term of this Agreement and to provide AGENT with a certificate evidencing same. AGENT will not rent the property without documentation of being named additional insured on the premises liability insurance, and **lack of liability insurance coverage may be grounds for AGENT to cease renting property.**
- e) To pay Hawaii Gross Excise Tax and Transient Accommodation Tax when applicable.
- f) **To pay AGENT a vacation rental management fee of ___% (_____ percent) of all vacation rental income collected, except as otherwise noted below.**
To pay AGENT a vacation rental management fee of ___% (_____ percent) for all owner referred bookings. All booking processes must go through _____.
There is a flat \$_____ fee [subject to change with notice] for non revenue bookings or "comps" given by OWNER to family or friends. For such non revenue bookings, OWNER must provide names and ages of minors, and a contact phone number for emergencies. For a charity donation, OWNER must provide the foundation's letter of receipt as proof. No fee will be charged when OWNER physically occupies the unit.
To pay AGENT a management fee of ___% (_____ percent) of all LONG TERM (more than 6 months) rental income collected.
AGENT may charge your account \$_____ per hour for rechecking the inventory of your home after a stay by anyone other than a paying tenant of _____.
The Escapia Web Portal fee is \$_____ per month. This fee is to keep the OWNER's web page powered through our website. This also entitles OWNER 24/7 online access to OWNER Statements and the real time booking calendar. Through this portal OWNER is able book his/her own vacation rental property at any time of the day regardless of the time difference.
- g) An in-clean fee for check-ins will be charged to the OWNER'S account. Any maintenance charges and any cleaning charge resulting from any source other than paying guests/tenants will be debited to OWNER'S reserve account. Please be advised that _____ makes no profit on cleaning or maintenance services. Such services are delivered by independent contractors and OWNERS are billed directly, according to the statements we receive.
- h) To pay all charges related to installation and maintenance of a lock box, and all necessary key copies.
- i) **Minimum Balance in OWNER'S Reserve Account.** For Vacation Rentals - OWNER will deposit

with AGENT, and AGENT shall acknowledge receipt of the sum of \$ _____ which AGENT may apply for expenses incurred on OWNER'S behalf or for AGENT'S fees. If the balance in OWNER'S reserve account falls below this sum, OWNER shall restore this balance by depositing additional funds within _____ (____) days of AGENT'S request for such additional funds, or AGENT may deduct funds from rental income to restore the OWNER account balance to the minimum.

- j) AGENT reserves the right to raise fees (*other than the ___% - long term lease, or the ___% - vacation rental management fee*) upon the renewal of this Agreement, due to rising costs of doing business.
- k) **Hold Harmless.** All obligations or expenses incurred hereunder will be for the account, on behalf and at the expense of OWNER. Subject to the last sentence of this Paragraph (k), OWNER shall hold AGENT harmless from all claims or demands of third parties in connection with AGENT'S management of the premises, including claims for whatsoever in or about the premises. AGENT shall immediately give OWNER notice of any such claims or demands. OWNER will reimburse AGENT for all costs and expenses, including attorney's fees, paid or incurred by AGENT in connection with the defense of any such claim or demand.
At OWNER'S option, and upon notice to AGENT, OWNER may appoint AGENT'S attorneys and generally assume the cost and direction of any such case. OWNER shall purchase and maintain complete OWNER'S Landlords and Tenants liability insurance for the premises, naming AGENT as additional insured. AGENT shall not be held liable to OWNER for any error or judgment, or for any mistake of law or fact, for anything it may do or refrain from doing, except in cases of gross negligence or willful misconduct.
- l) **Power of Attorney.** OWNER hereby appoints AGENT his true and lawful attorney in fact, with full power of substitution, with authority to sign and acknowledge on OWNER'S behalf any lease of the premises and to take any action necessary to enforce compliance with such lease, including eviction of any tenant. This special power of attorney coupled with an interest, is irrevocable during the term of this Agreement, and shall survive the incapacity or death of OWNER.
- m) **Damages.** OWNER understands that normal wear and tear and minor breakage of glasses and/or the disappearance of some towels over periods of time may occur. RE/MAX Kauai cannot be held responsible for these minor losses. OWNER agrees to have RE/MAX Kauai replace and upgrade as needed to satisfy tenants, but will not exceed the \$ _____ limit, without written permission of OWNER.
- n) **Special Services.** Special services such as arranging redecorating or renovation services, outside the realm of normal management procedures, including procuring bids for OWNER'S consideration, will incur a \$ _____ per hour fee charged to OWNER'S account.
- o) **Miscellaneous.** This is the entire Agreement between parties is governed by the laws of the State of Hawaii. This Agreement shall be binding upon the successors and Assigns of OWNER or AGENT.

Signed in duplicate this _____ day of _____, _____ (year).
Receipt of a copy of this Agreement is acknowledged by each party.

Owner's Signature

Address

City, State, Zip Code

Accepted by:

Agent

OWNER DATA QUICK REFERENCE SHEET

Property Address:		
Telephone # in Unit		
Name		
Address		
Social Security #		
Federal ID #	(If Applicable)	
Telephone contacts		
Day	()	
Evening	()	
Cellular	()	
E-Mail Address		
Other Information		
Lock Box Code		
Cleaner's Name		
Cleaner's Phone		
Maximum Occupants		
Bedrooms and Baths	_____ Bedrooms	_____ Baths
Yard Care Provider		
Yard Care Provider		

- _____'s vacation rental commission: % of BASE Rental Amount.
- **Non-Refundable Vacation Rental Initial Set-up Fee:** \$ _____.
- **Owner's Vacation Rental Emergency Reserve in client trust account:** \$ _____.
- Vacation Rentals Only:
Please make a check payable to: _____ in the amount of: \$ _____.
- Long Term Rentals Only:
Non-refundable Long Term Rentals Initial Set-up Fee: \$ _____.
- **Owner's Working Balance Reserve in client trust account:** \$ _____.
- Please make a check payable to _____ in the amount of: \$ _____.

Allow smoking only out on deck/patio. (For private single-family dwellings that are detached away from other family dwelling structures.)

Absolutely NO smoking. (Always applicable to multi-family dwellings, i.e. condos.)

Bed Assignments	How many?	Other Items:	How Many?
King Size		Gas Grill	
Queen Size		Boogie Boards	
Full Size		Beach Chairs	
Twin		Beach Mats	
Sofa Sleepers		Coolers	
Roll-away		Snorkel Gear	
Floor Futons		Surfboards	
Other Types		Bikes	
Misc:		Other Equipment	

Other Notes:
