



Property Management Agreement

This Agreement is made effective as of **November 5, 2023**, by and between **Victoria T. Wilson** of 2418 College Street, Birmingham, Alabama 35203 (Hereinafter called "Owner") and **BVD Property Management** of 31 Maddox ST, Santa Rosa Beach, Florida 32459 (Hereinafter called "Manager").

The Manager is experienced in the operation and management of vacation rental real estate and has the necessary staff and is otherwise completely able to competently manage vacation rental properties and is willing to undertake the management and operation of the vacation rental property of the owner under the terms set out in this Agreement.

1. DESCRIPTION OF THE PROPERTY. This Agreement is made with respect to the following property:

Pilar House, 9200 Baytowne Avenue, Unit 348, Miramar Beach, Florida 32550

2. RESPONSIBILITIES OF THE MANAGER. The Manager shall serve, as an independent contractor, as the Owner's exclusive agent, beginning **November 15, 2023**, the Manager will provide to the Owner the following services (collectively, the Services):

- a. Upon execution of this Agreement, and prior to the beginning of Services, the Manager will remove existing door lock from main entrance to the property and replace it with a digital keypad, WiFi enabled, entry lock at the expense of the Manager. The existing door lock will be returned to the Owner. Upon termination of this agreement, the door lock will be removed at the Owner's expense and returned to the Manager within 30 days.
- b. Upon execution of this Agreement, and prior to the beginning of Services, the Manager will create a detailed property listing, including photos, to be posted on Manager's website, Beach Vacation Destinatio.com and MyBVD.com, and the websites of the Manager's affiliate online travel agencies (VRBO, Airbnb, etc.).
- c. Upon execution of this Agreement, and prior to the beginning of Services, the Manager will perform a walk through inspection of the property and promptly report any maintenance issues and/or items in need of repair to the Owner.
- d. Upon execution of this Agreement, and prior to the beginning of Services, the Manager will provide two full sets of linens per bed and per bath, at the expense of the Owner. The cost incurred by the Owner will vary based upon the number and size of beds and number of baths. This "Linen Fee" will be assessed on an annual basis throughout the time this Agreement is in effect.

- e. Upon execution of this Agreement, and subsequent to the beginning of Services, the Manager will be responsible for all guest inquiries, guest reservations, collection of monies from guests, and all communications with guests, including but not limited to; check in/check out procedures, reporting of maintenance issues by guests, and any other issue(s) effecting the quality of the guest's stay.
- f. The Manager will provide a 24 hour point of contact for guests.
- g. Upon completion of a guest stay, the Manager will schedule and monitor housekeeping services, complete an inspection, correct any minor maintenance issues (light bulb replacement, battery replacement in remote controls, air filter replacement, etc.), at the Managers expense.
- h. Upon the completion of a guest stay, the Manager will promptly notify the Owner of any significant damage to the property incurred during the guest stay, or of any major maintenance issues, or of any items in need of repair.
- i. The Manager will insure the Property against damages caused by guests during their stay to an amount not exceeding \$1,000.00. Any damages caused by a guest during their stay exceeding the \$1,000.00 limit will be the responsibility of the Owner. It is highly recommended that the Owner procure their own insurance policy to protect against damages in excess of the aforementioned limit.
- j. The Manager has the authority to authorize the repair or maintenance of any item in which the repair or maintenance of said item is deemed necessary to avoid negatively impacting the quality of the guest stay if the cost of such repair or maintenance is less than \$250.00. The Manager may do so without the prior consent of the Owner. The Owner is responsible for the expense of all repairs and maintenance.
- k. The Manager will notify the Owner in the event that an item is in need of repair or maintenance and the cost of such repair or maintenance will exceed \$250.00. The Manager will proceed only upon obtaining the approval of the owner in writing or verbally. In certain exigent circumstances involving the comfort or safety of the guests, or where inaction may cause further damage to persons or property, it may be necessary for the Manager to authorize repairs in excess of \$250.00 without obtaining the written or verbal consent of the owner. In such circumstances the Manager will use their best judgement. The Owner is responsible for the expense of all repairs and maintenance.
- l. In the event of a major and/or "named" storm event in the area, the Manger will secure, by placing inside the property, all loose items on the exterior of the property to include; lawn/patio furniture, decorative items, ornamental plants, etc. This does not include the boarding or taping of windows, sandbagging, or any other storm preparation.
- m. The Manager will prepare, and deliver via email to the Owner, a detailed statement of revenues and expenses for the rental activities of the prior month on or before the 10th day of each month.
- n. The Manager will deposit by EFT (Electronic Fund Transfer) into an account designated by the Owner the proceeds of the prior month's rental activities, due the Owner, minus any expenses incurred, by the 15th of each month.

- o. Any and all taxes and fees required to be collected by state and local governments for rental activities will be collected from the guests by the Manager and remitted to the respective agency on behalf of the Owner on a monthly basis.

3. RESPONSIBILITIES OF THE OWNER. The Owner hereby grants full power and authority to the Manager to do and perform each and every act which is reasonably required, proper, or necessary to be done in the exercise of any and all of the powers, responsibilities, and obligations granted to the Manager under this Agreement, as fully to all intents and purposes as the Owner could do if personally present.

- a. Upon execution of this Agreement, and prior to the beginning of Services, the Owner will remit to the Manager the "Linen Fee" which is to cover the expense of two full sets of linens per bed and per bath. The cost incurred by the Owner will vary based upon the number and size of beds and number of baths. This "Linen Fee" will be assessed on an annual basis throughout the time this agreement is in effect and will be reflected in the monthly statements.
- b. The Owner shall maintain their property to a high standard and ensure that all appliances and furnishings are in good repair and are in good working order.
- c. The owner shall, in a timely manner, provide their best efforts to correct, or authorize the Manager to correct, any maintenance issues, and repair or replace, or authorize the Manager to repair or replace, any items in need of repair or replacement, as reported to them by the Manager.
- d. The Owner shall make the Manager aware of any existing warranties that cover items within the property so that the Manger can schedule any maintenance and/or repair with the appropriate vendor.
- e. The Owner authorizes the Manager to schedule an "annual deep cleaning", including the cleaning of carpets and upholstery, the expense of which will be the responsibility of the Owner, and will be reflected in the monthly statements.
- f. The Owner will provide all utilities to include; water, electricity, waste management, cable television services, and high speed internet. The payment for these services is the responsibility of the Owner and all accounts will be kept in good standing.
- g. In the event that the Owner decides to sell the property while this agreement is in place, the following stipulations must be met.
 - a. The Owner must schedule any real estate showing of the property at a time when the property is not rented. The Manager will not ask rental guests to allow the property to be shown during their stay.
 - b. In the event that the property is sold, and closing is scheduled during the months of May, June, or July, the sales contract must include a provision to provide that purchaser of the property will honor any existing reservations through the month of August of the same calendar year.

- h. The Owner shall receive 82% of the nightly room rate collected by the Manager from the guests, minus any expenses due the Manager. The Owner shall not receive any portion of the Non-Refundable Damage Protection Insurance, Departure Clean Fee, Processing Fee, Florida Sales Tax, Walton County Tourist Development Tax, or Walton County General Sales & Use Tax.
- 4. PAYMENT.** The Manager is entitled to withhold a standard 18% of the nightly room rate collected from guests for payment of the Manager's services under this Agreement. In addition to the 18% payment the Manager is entitled to withhold, the manager may also withhold any sums necessary to cover fees and costs incurred by the Owner as stipulated elsewhere in this Agreement, specifically "section 2, subsections J, and K" and "section 3, subsections a, and e".
- 5. RELATIONSHIP OF PARTIES.** It is understood by the parties that the Manager, its employees, officers, agents, and affiliates are an independent contractor with respect to the Owner, and not an employee(s) of the Owner. The owner will not provide fringe benefits, including health insurance benefits, paid vacation, or any other employee benefit, for the benefit of the Manager, its employees, officers, agents, or affiliates.
- 6. TERM.** This Agreement will expire one year after the effective date of the Agreement but will renew automatically for an additional term of one year on each consecutive anniversary date if neither party has provided written notice to the other party of intent to terminate the Agreement at least 60 days prior to said anniversary date. However, the Agreement may be terminated at any time, by either party, with or without cause, provided at least 60 days' prior written notice is delivered by the terminating party to the other party. Both parties agree to not terminate the Agreement without cause at such a time to cause the termination to occur during the high season months of May, June, July, or August.
- 7. INSURANCE.** The Manager shall maintain General Commercial Liability Insurance and Errors and Omissions (E&O) Insurance and provide proof thereof to the Owner upon request. Furthermore, the Owner shall add the Manager as an additional insured on the Owner's Public Liability Insurance Policy and shall provide proof thereof to the Manager upon request.
- 8. DEFAULT.** The occurrence of any of the following shall constitute a material default under this Agreement:
- a. The failure to make a required payment when due.
 - b. The insolvency or bankruptcy of either party.
 - c. The subjection of any of either party's property to any levy, seizure, general assignment for the benefit of creditors, application or sale for or by any creditor or government agency.
 - d. The failure to make available or deliver the Services in the time and manner provided for in this Agreement.

- 9. REMEDIES.** In addition to any and all other rights a party may have available according to law, if a party defaults by failing to substantially perform any provision, term or condition of this Agreement (including without limitation the failure to make a monetary payment when due), the other party may terminate the Agreement by providing written notice to the defaulting party. This notice shall describe with sufficient detail the nature of the default. The party receiving such notice shall have 14 days from the effective date of such notice to cure the default(s). Unless waived by a party providing notice, the failure to cure the default(s) within such time period shall result in the automatic termination of this Agreement.
- 10. FORCE MAJEURE.** If performance of this Agreement or any obligation under this Agreement is prevented, restricted, or interfered with by causes beyond either party's reasonable control ("Force Majeure"), and if the party unable to carry out its obligations gives the other party prompt written notice of such event, then the obligations of the party invoking this provision shall be suspended to the extent necessary by such event. The term Force Majeure shall include, without limitation, acts of God, plague, epidemic, pandemic, outbreaks of infectious disease or any other public health crisis, including quarantine or other employee restrictions, fire, explosion, vandalism, storm or other similar occurrence, orders or acts of military or civil authority, or by national emergencies, insurrections, riots, or wars, or strikes, lock-outs, work stoppages, or other labor disputes, or supplier failures. The excused party shall use reasonable efforts under the circumstances to avoid or remove such causes of the non-performance and shall proceed to perform with reasonable dispatch whenever such causes are removed or ceased. An act or omission shall be deemed within the reasonable control of a party if committed, omitted, or caused by such party, or its employees, officers, agents, or affiliates.
- 11. ARBITRATION.** Any controversies or disputes arising out of or relating to this Agreement shall be resolved by binding arbitration in accordance with the then-current Commercial Arbitration Rules of the American Arbitration Association. The parties shall select a mutually acceptable arbitrator knowledgeable about issues relating to the subject matter of this Agreement. In the event the parties are unable to agree to such a selection, each party will select an arbitrator and the two arbitrators in turn shall select a third arbitrator, all three of whom shall preside jointly over the matter. The arbitration shall take place at a location that is reasonably centrally located between the parties, or otherwise mutually agreed upon by the parties. All documents, materials, and information in the possession of each party that are in any way relevant to the dispute shall be made available to the other party for review and copying no later than 30 days after the notice of arbitration is served. The arbitrator(s) shall not have the authority to modify any provision of this Agreement or to award punitive damages. The arbitrator(s) shall have the power to issue mandatory orders and restraint orders in connection with the arbitration. The decision rendered by the arbitrator(s) shall be final and binding on the parties, and judgment may be entered in conformity with the decision in any court having jurisdiction. The agreement to arbitration shall be specifically enforceable under the prevailing arbitration law. During the

continuance of any arbitration proceeding, the parties shall continue to perform their respective obligations under this Agreement.

- 12. MUTUAL INDEMNIFICATION.** Both parties agree to protect, defend, hold harmless, and indemnify (collectively “Indemnify” and “Indemnification”) the other party, its subsidiaries, and its and their respective successors, assigns, directors, officers, employees, agents, and affiliates (collectively, “Indemnified Parties”) from and against all claims, demands, actions, suits, damages, liabilities, losses, settlements, judgments, costs, and expenses of or by a third party OR whether or not involving a claim by a third party, including but not limited to reasonable attorneys’ fees and costs (collectively, “Claims”), actually or allegedly, directly or indirectly, arising out of or related to (1) any breach of any representation or warranty of either party contained in this Agreement; (2) any breach or violation of any covenant or other obligation or duty of either party under this Agreement or under applicable law; (3) any third party Claims which arise out of, relate to or result from any act or omission of either party; and (4) in each case whether or not caused in whole or in part by the negligence of either party, or any other Indemnified Party, and whether or not the relevant Claim has merit.
- 13. CONFIDENTIALITY.** The Manager, and its employees, agents, or representatives will not at any time or in any manner, either directly or indirectly, use for the personal benefit of the Manager, or divulge, disclose, or communicate in any manner, any information that is proprietary to the Owner. The Manager and its employees, agents, and representatives will protect such information and treat it as strictly confidential. This provision will continue to be effective after the termination of this Agreement.
- 14. NOTICE.** Any notice or communication required or permitted under this Agreement shall be sufficiently given if delivered in person or by certified mail, return receipt requested, to the address set forth in the opening paragraph of this Agreement or to such other address as one party may have furnished to the other in writing.
- 15. ENTIRE AGREEMENT.** This Agreement contains the entire agreement of the parties, and there are no other promises or conditions in any other agreement whether oral or written concerning the subject matter of this Agreement. This Agreement supersedes any prior written or oral agreements between the parties.
- 16. AMENDMENT.** This Agreement may be modified or amended in writing, if the modification(s) or amendment(s) are agreed to by both parties and the writing is signed by both parties.
- 17. SEVERABILITY.** If any provision of this Agreement will be held to be invalid or unenforceable for any reason, the remaining provisions will continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision will be deemed to be written, construed, and enforced as so limited.

18. WAIVER OF CONTRACTUAL RIGHT. The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

19. GOVERNING LAW. This Agreement shall be construed in accordance with the laws of the State of Florida.

20. SIGNATORIES. This Agreement shall be signed on behalf of the Owner by **Victoria T. Wilson**, Owner and on behalf of the Manager by **Michael C. Elmore, President** and shall be effective as of the date first written above.

Owner:

Victoria T. Wilson

By: Victoria T. Wilson
Victoria T. Wilson
Owner

Date: 11-5-23

Manager:

BVD Property Management

By: Michael C. Elmore
Michael C. Elmore
President

Date: 11/5/23