



1150 Jewell Avenue
Pacific Grove, CA 93950

OWNER RENTAL AGREEMENT

Owner _____

Social Security Number (For Tax I.D.) _____

Phone: Home () _____ Business () _____

Mailing Address _____

City _____ State _____ Zip _____

Ownership Information

Unit # _____ Week # _____

Are you interested in offering a lower rate to fellow PAL Owners?

Yes ____ No ____

The undersigned lodge "Owner" of the above-described Lodge Ownership ("V.I.") hereby authorizes the rental programs managing agent, Pine Acres Lodge ("PAL"), to rent such ownership in my behalf upon the following terms and conditions:

TERMS AND CONDITIONS

- TERMS:** This agreement is intended to be updated annually and remains in effect for one year unless terminated in writing by either party. The "Owner" must provide written notice to PAL each year for which such "Owner" desires to rent a V.I. Until so notified and document is signed, dated and returned to the office PAL will make no attempt to rent an "Owner's" V.I.
- PURPOSE:** This agreement shall govern the rights and obligations of the parties with respect to the rental of "Owners" V.I. during any year that owner desires to participate in the PAL rental program and so notifies in writing. "Owners" request for rental assistance will be accepted up to one (1) year in advance and no later than 48 hours prior to reservation date.
- EXCLUSIVE AGENCY:** "Owner" shall retain the right during any year to select any rental agent. However, in the event Owner has executed this agreement and has selected the PAL rental program for that year, "Owner" shall thereby, forfeit the right to concurrently employ another rental agent or to commit the V.I. to an exchange organization.
- RESERVATION SYSTEM:** PAL is a "float" system resort and requires that the "Owner" have a confirmed reservation prior to participation in the rental program.
- NON-GUARANTEED RENTAL:** "Owner" acknowledges that PAL can neither guarantee that "Owners" V.I. be rented in whole or in part, nor rented at an established rate. PAL agrees to use best efforts to rent the entire V.I. At the highest possible rate, but reserves the right to rent for less than the top rate and to quote rates other than the projected or published rates. Owner understands that the V.I. Is rented on a first deposited, first rented basis (the first "Owner" who commits a week for rental first will be given first priority when renting). PAL'S DECISION AS TO THE NUMBER OF DAYS RENTED AND THE BEST POSSIBLE RATE FOR ALL PURPOSES OF THIS

AGREEMENT SHALL BE IN ITS SOLE DISCRETION AND SHALL BE **CONSIDERED FINAL**.

6. **SALE OR TRANSFER OF V.I.:** In the event that the V.I. is sold, "Owner" agrees that sale shall be made subject to any and all pending reservation(s) under this agreement and "Owner" shall notify PAL immediately of said sale.
7. **POTENTIAL DEDUCTIONS FROM RENTAL PROCEEDS:**
- 1 **Cleaning surcharge:** The rental unit is subject to the \$35 cleaning surcharge set by the PAL Board of Directors. The fee will be charged for every turnover clean required, and will be deposited to the association operating account.
 - 2 **Indemnification by "Owner":** "Owner" shall indemnify PAL Homeowners Association against and hold them harmless from any bodily injury and property damage losses of which the PAL association may be deemed legally liable as a result of this agreement or any failure by owner to perform its obligation hereunder. PAL may withhold any rental received to partially protect itself against loss.
 - 3 **Credit card surcharges.** PAL agrees to take normal business precautions to minimize the possibility of credit card charge-backs, but specifically rejects the responsibility for such charge-backs, which shall be the sole responsibility of "Owner".
 - 4 **Outside agencies at commissionable rates:** Pal is hereby authorized by "Owner" to utilize travel-related agencies at industry-wide commissionable rates. Said commissions shall be additional to any other fees described herein and shall be deducted from rental proceeds.
 - 5 **Administrative fee:** "Owner" hereby expressly authorizes PAL to deduct twenty-five percent (25%) of the gross rents, as an administrative fee and deposit said fee in the association operating account. These fees may be changed from time to time without prior notice and are subject to assessment by the Board of Directors. The owner hereby agrees that any such change assessed by the Board of Directors will apply to this agreement. "Owner" hereby acknowledges and agrees that, notwithstanding the commission percentage set forth in the paragraph; PAL may impose that percentage which is approved from time-to-time by the PAL Board of Directors.
8. **SECURING RESERVATIONS:** Prospective renters will be required to give a credit card number to hold reservations. If renters do not have a credit card, a one night room and tax will be required to hold reservations. All rents must be paid prior to check-in.
9. **DISPOSITION OF FORFEITED DEPOSIT:** In the event PAL receives a reservation cancellation on or before the resort's cancellation deadline, the reservation deposit shall be refunded to prospective renter. In the event a reservation cancellation is received after the resort's cancellation deadline, the prospective renter may be required to forfeit the reservation deposit or their credit card will be charged for the first nights stay. Monies collected shall be paid twenty five-percent (25%) to PAL and seventy five-percent (75%) to owner. PAL reserves the right to use its discretion when determining if owners forfeit deposits.
10. **ACCOUNTING:** All accounting required under this agreement will be completed within forty-five (45) days of the last day of V.I.
11. **INTEREST-BEARING ACCOUNTS:** In the event PAL is located within governmental jurisdiction that allows interest-bearing accounts, PAL rental funds shall be deposited into such account and interest acquired from such account shall benefit PAL.
12. **TERMINATION:** Either party, with or without cause, may terminate this Agreement at any time. Once a properly executed copy of this is Agreement is on file at PAL and owner has committed his V.I. to the rental program pursuant to this Agreement during any given year, the rental authorization can only be terminated if the V.I. has not already been rented or reserved. A termination of this Agreement must be in writing. A valid termination of this Agreement shall be solely evidenced by the issuance to owner of a cancellation code by PAL, and in the instance of a jointly owned V. I. may be terminated by any individual in title.
13. **NOTIFICATION OF NON-RENTAL:** PAL shall not be required to provide advance notice to "Owner" of either a rental or non rental status.
14. **QUESTIONS AND REQUESTS FOR INFORMATION:** "Owner" acknowledges that all questions and requests for information, including accounting, shall be directed to the Resort Staff.
15. **DISCLOSURE OF SALES TAXES:** In the event PAL is located within governmental jurisdiction that imposes an occupancy tax, such tax shall be collected from renter, if permitted by governing law, and if not permitted, then from "Owner". "Owner" hereby acknowledges that any occupancy tax, sales tax, bed tax, or local municipality tax when not legally chargeable to renter will be charged to the "Owner".
16. **LOSS OF RENTAL RIGHTS:** In the event owner shall become delinquent in the payment of any money due to the Association prior to the rental dates and such delinquency shall remain unpaid, "Owner" shall lose the right to any rental income (except where policy is dictated by statute). Such rental income may be deposited into the PAL Homeowners Association's operation account, less administrative fee payable to PAL and any other charges authorized by the PAL Homeowners Association's assessment, billing and collection policy.
17. **PROPER AUTHORITY:** "Owner" warrants that it possesses the requisite power and authority to enter into and perform its obligation under this Agreement in behalf of all persons in title of "Owners" LO. If "Owner" owns multiple LO's, Owner must submit and execute a separate Rental Agreement for each V.I.

Owners Signature _____ Date _____

Co-Owners Signature _____ Date _____