

PETERSON'S WATERFRONT RENTAL PROGRAM
TIME SHARE OWNERSHIP TERMS AND CONDITIONS

I, the undersigned Owner of the above described time share week ("TSW"), hereby authorize Peterson's Waterfront Owner's Association, ("PWOA") to rent such TSW on my behalf, upon the following conditions:

TERMS AND CONDITIONS

TERM. This Agreement is intended to be an annual contract, to be in effect from the date of execution through the date of occupancy for the Use Week that is the subject of the Agreement. After the date of occupancy has passed, a new agreement must be submitted should Owner wish to participate in the PWOA rental program for the next year. Each separate Use Week that the Owner wishes to rent through PWOA must be the subject of a separate Agreement. This Agreement encompasses solely the Use Week identified above unless verified by signature at the bottom of this agreement.

RENTAL AUTHORIZATIONS - All rental authorizations must be in writing and must be signed by an owner of record as the name appears on the recorded deed for each unit. A social security or federal tax ID number is required. Non-U.S. resident owners are subject to an additional 30% withholding per IRS regulations.

1. **PURPOSE.** This Agreement shall govern the rights and obligations of the parties with respect to the rental of Owner's TSW during any year that Owner desires to participate in PWOA rental program and so notifies the Front Office Supervisor in writing. Rental Agreements will be accepted up to one year in advance of the occupancy date for the Use Week to be rented.
2. **EXCLUSIVE AGENCY.** By executing this Agreement, Owner forfeits the right to concurrently employ another rental agent or to commit the TSW to any exchange organization, such as RCI or Interval International.
3. **OWNER RESERVATION.** Owner may advise the Front Office Supervisor of his/her intention to participate in the PWOA rental program up to the date of check in and as early as 12 months in advance for best results. When entering into the rental agreement, Owner acknowledges that PWF reserves the right to change unit numbers in order to accommodate various guests. Should Owner utilize a portion of the use week, Owner is guaranteed a unit type but will not be guaranteed unit number owned.
4. **NON-GUARANTEED RENTAL.** Owner acknowledges that PWOA can neither guarantee that Owner's TSW will be rented, in whole or part, nor rented at an established rate. PWOA agrees to use best efforts to rent the entire TSW at the best possible rate, but reserves the right to rent less than the entire TSW and to quote rates less than suggested rates.
5. **PWOA 'S DECISION AS TO NUMBER OF DAYS RENTED AND BEST POSSIBLE RATE FOR ALL PURPOSES OF THIS AGREEMENT SHALL BE AT THE SOLE DISCRETION OF PWOA AND FINAL.**
6. **SALE OR TRANSFER OF TSW.** In the event that the TSW is sold, Owner agrees that sale shall be made subject to any and all pending rental reservation(s) under this Agreement and Owner shall immediately notify PWF.
7. **QUESTIONS AND REQUESTS FOR INFORMATION.** Owner acknowledges that all questions and requests for information, including accounting, which may arise in connection with this Agreement, shall be directed via email to grace@petersonswaterfront.com faxed to (509) 682-2740 or call (509) 682-4002.

8. **INDEMNIFICATION BY OWNER.** Owner shall indemnify PWOA holding them harmless from any losses or damages that PWOA may incur as a result of this Agreement or any failure by Owner to perform its obligations hereunder. PWOA may withhold any rental received to partially protect itself against loss.
9. **DEDUCTION BREAKDOWN FROM RENTAL PROCEEDS.**
- A. **Administrative Fee.** Owner hereby expressly authorizes PWOA to deduct
- 25% (Units received 6 months or more prior to the check in date) or
- 35% (Units received less than 6 months prior to the check in date)
- of the gross rent as a fee payable after any applicable credit card surcharges have been deducted.
- i. Administration/Operations/Sales & Marketing. Administrative fees will cover all expenses incurred as a result of staff, salaries and wages for reservations, payables, receivables, telephone, operating supplies, marketing (ie; mailings, collateral material and online and offline advertising).
- B. **Cleaning Fees.** Owner understands that one (1) clean is included with maintenance fees. Each additional clean created from multiple reservations within the TSW will be deducted from rental proceeds. Cleaning fees are as follows: 1 Bedroom – 55.00 + tax; 2 bedroom 65.00 + tax.
10. **ADVANCE PAYMENT.**
- A reservation made more than 30 days prior to check in. 50% of rental reservation due upon booking. Remaining balance to be paid 30 days or more prior to check-in.
 - Reservation made less than 30 days prior to check-in. Total rental reservation balance is due upon booking.
11. **CANCELLATIONS/FORFEITURE OF DEPOSITS.** In the event of a reservation cancellation request the following will be followed.
- \$50 cancellation fee if cancelled 61+ days in advanced.
 - 50% of deposit forfeited if cancelled 30-60 days prior to the Check-in Date
 - 100% of reservation deposit forfeited if cancelled less than 30 days prior to the Check-in Date. The rental period will be placed back into the rental program, if all days of the rental period are re-rented guest will receive a refund of the deposit minus a \$70.00 cancellation fee. Based on Management's discretion, we reserve the right to allow cancellations of rental guest within thirty (30) days based on extenuating circumstances that may need to be confidential.
12. **ACCOUNTING.** All accounting required under this Agreement will be completed within twenty one (21) days of the last day of interval rented. If Use Week falls within two (2) separate monthly periods, then two (2) separate checks will be sent within twenty one (21) days of interval rented. All inquiries regarding the status of rental, commissions or any other accounting related function must be submitted via email to grace@petersonswaterfront.com or faxed to (509)682-2740.
13. **TERMINATION.** Pursuant to the provisions of this Paragraph, this Agreement may be terminated should Owner wish to terminate to; rent, use or bank his/her Use Week with any other exchange company. Owner must submit request in writing to have the Use Week removed from PWOA's rental program. The request will be granted only if, the TSW has not already been rented or reserved, in whole or in part. It is agreed that it would be impractical and/or extremely

difficult to fix or establish the actual damage sustained as a result of termination more than thirty days prior to the occupancy date for the Use Week that is the subject of this Agreement. Consequently, it is agreed that a \$50 fee will be assessed for any requests more than 30 days prior to the start date of the Use Week. The fee is intended to compensate PWOA for the marketing and/or administrative costs associated with efforts to rent the TSW. No fee will be assessed for terminations less than thirty (30) days prior to the date of occupancy for any Use Week that at the time of termination has not been rented, in whole or in part.

Please Initial Here: _____

14. **TAXES.** PWF is located within a governmental jurisdiction that imposes a tax, based on any rental revenues, and such tax shall be collected from the renter by PWOA.
15. **BEST EFFORTS.** PWOA agrees to make every reasonable effort to rent Owner's TSW. Owner agrees to indemnify and hold the Association, its Board of Directors and employees, harmless against and from any and all claims, demands, and liabilities which may arise in connection with the rental of Owner's TSW. Owner specifically relieves PWOA from any liability in connection with non-rental of Owner's TSW.
16. **LOSS OF RENTAL RIGHTS.** In the event Owner shall become delinquent in the payment of any money owed to the Association prior to the rental dates and such delinquency shall remain unpaid as of the first day of the rental period, Owner shall lose the right to any rental income generated, which rental income shall be deposited into the Association's operating account, less the Administrative Fee paid to PWOA. Under these circumstances, PWOA shall have an obligation to apply any portion of the rental income to Owner's delinquent account(s) owned by listed owner. Rental proceeds will be applied first to any delinquent assessments, fees or other charges due with the remaining balance to be paid to the owner within 21 days.
17. **PROPER AUTHORITY.** Owner warrants that it possesses the requisite power and authority to enter into and perform its obligations under this Agreement on behalf of all persons in title of Owner's TSW. If Owner owns multiple TSWs, Owner must execute and submit a separate Rental Agreement for each TSW unless indicated below.

BE SURE TO SAVE OR PRINT A COPY OF THIS AGREEMENT FOR YOUR FILES.

By submitting this form you are agreeing that you have read and agree with the terms and conditions of this RENTAL AGREEMENT.

I would like this agreement to apply to all the weeks that I own which are listed below.

Print Name: _____ Date: _____

Signature: _____

Management Approval _____ Date: _____

Week: _____	Unit #: _____	Week: _____	Unit #: _____
Week: _____	Unit #: _____	Week: _____	Unit #: _____
Week: _____	Unit #: _____	Week: _____	Unit #: _____