



RENTAL MANAGEMENT AGREEMENT

This Rental Management Agreement (“Agreement”) is made this ____ day of _____, _____ by and between Villas Tacambaro, S.de R.L.de C.V. a Mexican limited liability company, its successors and assigns (“Manager”) and _____ (“Owner”). Throughout this Agreement, Manager and Owner are sometimes respectively referred to as a “party” or collectively as the “parties.”

This agreement is to be effective for a two (2) year term from _____, _____ (“Commencement Date”) to _____, _____ (“Expiration Date”) unless earlier terminated in accordance with the terms of this Agreement.

RECITALS

A. Manager manages and operates several residences located within a mixed use condominium project (“Project”) located in the 21520 Tecate, State of Baja California, Mexico, which is operated as a resort under the name Rancho la Puerta (“Project”). The residences are members under a Master Condominium declaration and declarations for sub-condominium units or segments. “CC&Rs” means any and all regulations, covenants, conditions, or restrictions of the Project, including reciprocal easement agreements or cost sharing arrangements, applicable to the some or all parts of the Master Condominium or Sub-Condominium, or the operation of the Condominium, including, without limitation, any master condominium instrument or any one or more segment or sub-condominium unit and any regulations or standards of finish, use, operation or brand identity generally applicable to the Project.

B. Owner is the owner of _____ (“Residence”) at Rancho la Puerta (“Project”) created by and subject to that certain Condominium Regime(s) for Rancho la Puerta Residences, a Condominium Regime (“Regime”).

C. Owner desires to engage Manager to assist in procuring rental occupants (“Rental Guests”), managing the reservations for rental occupancy of the Residence, and providing housekeeping services for the Residence in connection with a rental program. Manager agrees to provide such services, all on the terms and conditions set forth below.

NOW, THEREFORE, Owner and Manager agree that each of the Recitals A, B and C is incorporated into and made a part of this Agreement for all purposes, and in consideration of the terms, conditions, and warranties hereinafter set forth, Owner and Manager agree as follows.

AGREEMENT

1. Appointment of Manager. Owner hereby appoints Manager during the term hereof as the exclusive rental manager for the Residence and Manager hereby accepts said appointment and undertakes to perform all of the services and responsibilities set forth herein in such capacity and to comply with all provisions of this Agreement. Manager’s performance hereunder shall be as an agent and independent contractor and not as an employee of Owner. Manager’s agency shall not be deemed to be coupled with



an interest in or to the Residence. Owner shall not employ or permit any other person or entity to engage in the procurement of Rental Guests or the management of the reservation process, nor shall Owner act as a rental manager for the Residence or provide similar services for the Residence or any other owner of a residence in the Project. Manager shall make Owner's Residence available for rent pursuant to the provisions of this Agreement. Owner acknowledges that (a) Manager will be performing similar services for other owners of residences in the Project; (b) no inducements or representations of any kind have been made directly or indirectly to Owner by or on behalf of any operator of the Project, its agents or employees, as to any tax or other economic benefits or implications which may or may not be realized from owning and/or leasing the Residence as part of the rental program; (c) Owner has not been required to place the residence in the rental program or to retain Manager or any other designee of Project to rent the Residence to third parties, and Owner recognizes that it may choose or to not lease the Residence at all; (d) neither Manager, nor any of its agents or employees (including any operator of the Project) makes, or has made, any guarantees or representations regarding rental income with respect to the rental of the Residence and/or participation in the rental program; (e) to the extent any sales agent, Manager or representative of Project has made, suggested or permitted an inference with respect to, or implied any projection of, rate, occupancy, profit or loss in connection with the rental program, such information does not constitute a representation of Manager or any operator of the Project or any other designee of Manager or Project and has not been relied on, or considered, by Owner in making the decision to enter into this Agreement; (f) revenues received from the residence's participation in the rental program will be recorded separately in the accounts of the rental program and not as pooled, and each owner of a residence in the rental program will receive income attributable to the actual rental of his or her residence as set forth in this Agreement; and (g) Owner has been advised to consult with tax and legal advisors of his or her own choosing regarding the legal and tax obligations, benefits and risks of participation in the rental program.

2. Use of the Residence by Owner and Rental Availability of Residence.

2.1 Rental Availability. Owner acknowledges that the Residence will be made available to Rental Guests and Owner waives his or her right to use the Residence and to permit use of the Residence by Owner's family or non-paying guests unless otherwise reserved in accordance with Section 2.2 below.

2.2 Owner Usage. Owner may reserve the Residence for Owner's use at any time and from time to time during the term of this Agreement for all dates that are not then blocked for Owner, Owner's family, or Owner's nonpaying guests ("Owner Occupants") use. To make a reservation, Owner shall contact Manager's reservation department. There shall be no limit on the amount of time that Owner Occupants) may use the Residence. Manager will assume that the Residence is available for rental occupancy for all dates that are not then blocked for Owner Occupant use and Owner shall honor reservations made accordingly.

2.3 Unreserved Dates and Conflicts. If Manager has not received a confirmed reservation for the Residence on the dates requested by Owner, Manager will accommodate Owner's request. Manager is not obligated to inform Owner of any changes in availability based on cancellations, no-shows, change in dates, reduced group reservation blocks, or any other similar circumstances but shall provide such information upon request.

2.4 Owner's Obligation to Comply with Management Policies. All Owner Occupants will be required to comply with the policies of the Manager, including, but not limited to, check-in and



check-out procedures, housekeeping policies and fees, arrival and departure requirements, Regimes Rules and Regulations and the Project policies and procedures, as such policies may change from time to time. Manager may from time-to- time establish additional rules and regulations with respect to use of the Residence by Rental Guests.

2.5 Personal Property. Owner understands that personal property and possessions other than those used as part of the décor and utility of the Residence should be stored in a secured area or removed from the Residence. Manager assumes no liability for loss or damage to any personal property or possessions left in or about the Residence. Owner further agrees not to leave materials of a nature unsuitable for rental occupancy in the Residence.

3. Manager Compensation.

3.1 Rental Management Fee. As compensation for Manager's services provided under this Agreement, (a) Manager shall retain fifty percent (50%) and Owner shall receive fifty percent (50%) of the Net Rental Proceeds that include "The Rancho La Puerta" Program, as defined below, subject to deductions as set forth in this Agreement. For Rental Proceeds excluding the "Rancho La Puerta program, Manager shall retain thirty five percent (35%) and Owner shall retain sixty five percent (65%). As used throughout this Agreement, the term "Net Rental Proceeds" shall mean the proceeds actually received by Manager and paid by a Rental Guest for the occupancy of the Residence, based on the nightly occupancy rate actually charged, excluding:

- 3.1.1 Travel agent or other commissions not otherwise deducted by the travel agent prior to payment to the Manager.
- 3.1.2 Booking agency, website, or other booking fees and third party charges associated with the stay in the Residence.
- 3.1.3 Any value added, sales, use, occupancy, bed, resort, tourism and/or other similar taxes assessed by a governmental authority in conjunction with the renting of the Residence.
- 3.1.4 Credit Card Commissions.
- 3.1.5 Gratuities or service charges payable to employees through the Manager's bill.
- 3.1.6 Any revenue collected from the Rental Guest for the stay in the Residence for any facility, good or service other than room revenue only without limitation, telephone charges, merchandise purchases, housekeeping services, etc.
- 3.1.7 Any cost incurred by the Manager in providing services for the stay which are specific to Residence rental operation and not incurred for personal use by the Owner.



3.2 Change in Management Fee. Manager shall notify Owner in writing of any proposed changes to Manager's compensation. Any such changes shall be effective on the sixty-first (61st) day after the date of Manager's notice, unless Owner gives Manager written notice on or before the proposed effective date following Manager's notice, that Owner does not accept such changes, in which case this Agreement shall terminate in accordance with Section 10.

4. Manager's Rights, Duties and Responsibilities.

4.1 Rental Offer. Manager agrees to offer Owner's Residence for rental. Manager shall apportion available Rental Guests on a fair and equitable basis between the Residence in square eleven at the Project for which Manager serves as a rental manager, as determined by Manager in its sole and exclusive discretion. Manager need not, however, adhere to a strict rotation system and may vary the rental of the Residence for reasonable reasons including but not limited to the following: (a) preferences for a particular size, feature, view orientation, location or type of residence requested by potential Rental Guests; (b) prior reservations or other occurrences making any residence unavailable for the duration of occupancy desired by potential Rental Guests; (c) needed or ongoing repair or replacement of items necessary for rental of the Residence or unsuitability of the Residence for rental; (d) personal usage of the Residence by Owner or Owner Occupants; (e) the number of Owner referrals made to generate potential Rental Guests; or (f) repeat rentals by the same renter.

4.2 Occupancy Rates. Manager shall set nightly occupancy rates and policies as Manager shall determine in its sole and exclusive discretion. Manager, in its discretion, shall have the right to reserve the occupancy of the Residence at rates less than the regularly advertised rates in circumstances such as, but not limited to, extended length of stay, group discounts, company or corporate discounts, package plan discounts, holiday or promotional discounts. Manager and Owner shall mutually agree to occupancy rates for extended stays. Extended stays pertain to a Rental Guest reserving more than thirty (30) consecutive days in the Owner's Residence.

4.3 Refunds. Owner agrees that Manager may offer a refund of all or part of the rent paid by any Rental Guest if Manager, in its sole discretion, deems a refund is necessary to retain Rental Guest satisfaction.

4.4 Cancellations. Manager may change its cancellation policy from time to time, due to market conditions or other reasons as Manager shall determine in its sole and exclusive discretion. Upon request, Manager will inform Owner of any changes to its cancellation policy.

4.5 Rental Guest "No Show" Reservation Revenue Disbursement. In the event of no show reservations and/or late arrivals and/or early departures or any other instances where Rental Guests are obligated to and have paid full costs for their original intended reservation, Manager and Owner will receive their customary share of the Net Rental Proceeds as described in Section 3.1 above.

4.6 Collection of Rents and Management Services. Manager shall collect rent from all Rental Guests and shall provide all accounting services necessary for the collection of such rental revenue. Manager is specifically authorized by Owner to take necessary or advisable actions to request, demand, settle, compromise, collect and receive any costs and expenses chargeable to Rental Guests. Manager shall proceed with any such action in its prudent business judgment at no additional expense to Owner.



Manager agrees to perform other services including, but not limited to, check-in and check-out of all Rental Guests and Owner Occupants, distribution of keys, reservation services, accounting services, housekeeping services, to include linen service, and marketing and advertising. Manager shall comply with the requirements of the laws of state of Baja California, Mexico with regard to the handling of rents and other monies, monitoring books of accounts, record-keeping, and related activities.

4.7 Eviction Authority. Manager is authorized to evict and remove any Rental Guests, their guests or any other person occupying the Residence, excluding Owner Occupants, at any time deemed appropriate by Manager.

4.8 Housekeeping.

(a) Departure Cleaning Services - Owner Occupants. Upon the departure of Owner Occupants, Manager will provide departure housekeeping services in order to ensure the Residence is clean and habitable for Rental Guests. Manager will require Owner to pay all fees established by Manager for the departure housekeeping services to ensure the Residence meets the Manager's standards for housekeeping services, including the laundering and changing of all linens. Manager shall apply departure housekeeping services to the Owner's account statement. Should the period of time from the most recent departure housekeeping service and the arrival of a Rental Guest extend for more than fourteen (14) days, then Owner shall be responsible for paying all fees established by Manager for any housekeeping services necessary to make the Residence habitable and consistent with the Project's standards, and any such housekeeping fees will be deducted from Owner's Proceeds.

(b) Owner Personal Belongings. Prior to any Owner Occupant departure, the Owner and their guests are fully responsible for removing and securing all personal belongings to include food and beverage items from the Residence. Any food and beverage remaining, will be discarded. Manager is not responsible for securing Owner's personal belongings.

(c) Housekeeping Service. Housekeeping service shall include general cleaning, changing linens, and other related services. Manager shall provide a mandatory linen and terry program that will be administered for all participating Residences. Owners will be responsible for the purchase of linen, terry as defined by Manager.

(d) Annual Deep Cleaning Services. Manager will schedule and provide annual deep cleaning services to the Residence, at Owner's expense.

(e) Initial Cleaning Services. Manager will schedule and provide initial cleaning services for the Residence, at Owner's expense, upon the execution of this Agreement.

4.9 Books and Records. Manager shall maintain accurate books and records for all deposits and proceeds collected and for all expenses chargeable to Owner in connection with this Agreement. At Owner's request, Manager shall make its records regarding the Owner's Residence available to Owner's representatives at reasonable times for examination, inspection, and transcription. Such Books and Records will be retained in Manager's corporate office.

4.10 Monthly Accounting Statements. Manager shall furnish Owner with monthly accounting statements, on or before the twentieth (20th) day of each month, identifying, for the previous



month: (a) fulfilled rental reservations; (b) the Residence's Net Rental Proceeds (as defined in Section 3.1); (c) the total Rental Management Fee (as defined in Section 3.1); (d) the total Owner's Proceeds (as defined in Section 3.1); and (e) any amounts that may be due to Manager pursuant to this Agreement or otherwise. If the accounting statements reflect a balance due to Manager, Owner shall remit to Manager the amount due within thirty (30) days, following date of the accounting statements. If the statements reflect a balance owed to Owner, Manager shall include with the statement, a check made payable to Owner for any amounts due to Owner for the previous month. Payments shall be issued in US dollar currency.

4.11 Insurance. Manager shall maintain liability insurance covering its activities and those of its agents and employees under the operation of the rental program under this Agreement. Manager recommends that Owner maintains personal property insurance, covering the contents of the Residence.

4.12 Damage or Theft. Manager shall use reasonable efforts to deter damage to the Residence or damage or theft of property from the Residence and to collect from any Rental Guest all costs of repairs or replacement of those items, should theft or damage occur. Manager shall promptly investigate and make a full written report as to all accidents or claims for damage or destruction to the Residence or the furnishings, fixtures or household goods by any Rental Guest and cooperate with and make any and all loss or accident reports required by any insurance company.

4.13 Marketing by Manager. Manager shall market and advertise the Residences as Manager shall determine in its sole and exclusive discretion. In order to facilitate the marketing efforts of Manager's rental program, Owner shall allow Manager to post photographs of the Residence on Manager's web sites, or alternate marketing channels for the rental program. Owner authorizes Manager to photograph the interior and/or exterior of the Residence. Manager shall not use Owner's name or other private information concerning Owner in any marketing materials or on Manager's website, without Owner's prior written consent. Owner acknowledges that Manager's marketing efforts may promote the Manager's rental program for the Project in general and not Owner's specific Residence.

4.14 Right to Enter Residence. Manager or its employees, contractors or agents, shall have the right to enter the Residence for all purposes set forth in this Agreement or as may be deemed necessary or desirable to carry out the intent of this Agreement.

4.15 Business Licensing and Lodging Memberships. Manager shall obtain, for the benefit of Owner, and maintain, at Owner's expense, all necessary licenses, memberships, and affiliations, if any, to permit the rental and occupancy of the Residence.

4.16 Managers Use of Residence. Manager shall have authority to grant complimentary occupancy of the Residence for up to seven (7) nights per calendar year to travel agents or others, in order to promote and administer the Agreement. Manager shall refrain from occupancy during the peak rental months and major holiday weeks such as Christmas, New Years, etc. Housekeeping expenses associated with such complimentary occupancy will be the responsibility of the Manager.

4.17 Financial Risk. Manager will act in a commercially reasonable manner to seek room rates and levels of use of the residences in the rental program comparable to units operated directly by Project operator for its own account reserved and occupied in the same periods. This does not guarantee



that Owner will (a) receive any minimum amount of payments hereunder, or (b) receive rental income equivalent to that generated by any other residence in the rental program or the Project, or (c) receive rental income equal to or in excess of assessments or other costs associated with the Residence.

4.18 Rental Guest Complaints. Manager shall have the right to handle complaints from Rental Guests concerning the Residence through any variety of methods consistent with Manager's operating practices including, without limitation, transfer to another unit or offering a Rental Guest rate adjustments, credits, reimbursements, and refunds. Owner further agrees that the Rental Guest may be transferred to another residence in the rental program or Project if requested by the Rental Guest or if such reduction in rental rate is not acceptable to the Rental Guest. Owner understands and agrees that events of the type herein discussed or other events outside of Manager's control may cause a loss of rental income.

5. Residence Quality and Maintenance.

5.1 Residence Quality - Furnishing of Residence and Smallwares. Owner shall be responsible for furnishing and maintaining the Residence in a rentable, first-class manner and condition with complete furnishings, fixtures, and equipment ("FF&E") as listed on Exhibit A attached hereto and responsible to purchase the Projects smallware requirements ("Hospitality Package") as listed on Exhibit B attached hereto.

The determination of what constitutes a rentable, first-class manner and condition shall be within the sole and exclusive discretion of Manager. Owner further recognizes that rental occupancy will accelerate normal wear and tear. If Manager replaces any items of FF&E or the Hospitality Package pursuant to this Agreement, then the Owner shall pay the actual cost of that item. In the event the Residence is not in a rentable condition, Manager shall have the right to (a) terminate this Agreement by giving Owner written notice thereof or (b) to notify Owner in writing and give Owner sixty (60) days from the date of such notice to bring the Residence up to Manager's standards for the Project. During this sixty (60) day period, Manager may remove the Residence from the rental program. If Owner fails to bring the Residence into compliance with Manager's standards, within the sixty (60) day period, then Manager shall have the right to terminate this Agreement, and Manager shall provide Owner with written notice of such termination.

5.2 Linen and Terry Program. In an effort to achieve consistency, cleanliness, replacement accuracy, and quick turnaround time for housekeeping, Manager shall conduct an inventory on a seasonal basis or as needed, replacing items that have become worn or generally unacceptable for use, the cost for which shall be the sole responsibility of the Owner. Annually, Manager may purchase one (1) par of inventory and will be charged to Owner. If Owner prefers to use their own linens and terry items during personal stays, they may be kept in a secured storage area. Cost for the linen and terry program, taxes and shipping shall be established by Manager and provided to the Owner, based on the size of their Residence. The inventory for Owner's Residence shall be established by Manager. Costs are subject to change and are based on current market rates.

5.3 Inventory. After execution of this Agreement, both Owner and Manager shall draw up a separate and complete inventory list of all FF&E and Hospitality Package items in the Residence. Manager will take an annual inventory of all FF&E and Hospitality Package items in the Residence, and upon termination of this Agreement, Manager and Owner will take a final inventory of all FF&E and Hospitality



Package items in the Residence. Upon departure of Rental Guest(s), Manager shall conduct an inventory of the Owner's Residence. Manager shall report any and all damage or theft to the Residence, in accordance with section 4.12.

5.4 Maintenance. On an annual basis, Manager shall schedule an inspection of the Residence to keep the Residence in a first-class, occupant-ready condition. Owner authorizes Manager, its agents, and employees to enter the Residence to perform such inspection. If Manager determines that the Residence requires maintenance services or repairs and/or materials, Owner shall be billed for the associated costs. Except for emergency repairs, Manager shall obtain Owner's approval for any such chargeable services or improvements in excess of five hundred US dollars (US \$500.00).

6. Owner's Rights, Duties and Obligations.

6.1 Income and Other Taxes. Any use, lodging, excise, federal, local taxes, or similar governmental charges shall be charged to the Rental Guest. Manager shall be responsible for administering the payment of all such applicable sales and other taxes or charges. Upon execution of this Agreement, Owner shall provide Manager with a W-9 Form listing Owners name, address, and taxpayer identification information. Owner acknowledges that the income attributable to Owner from Rental Guest occupancy of the Residence is a taxable transaction, and Owner is responsible for any and all such income taxes. Owner further represents and warrants to Manager that Owner has not relied upon Manager for tax advice and acknowledges that Manager recommends consulting with competent legal counsel in connection with the tax consequences of Owner's execution of this Agreement.

Owners shall each provide the Manager with current and accurate information as to their nationality status, tax residence and tax withholding status under Mexican law. No distributions shall be made to an Owner unless and until such information is on file with the Manager. The Manager shall then withhold and remit to Mexican tax authorities all amount required under Mexican law based on the information available to the Manager. Summary information reporting withholding by the Manager shall be provided to Owners in accordance with Mexican law.

6.2 Deduction of Expenses. Manager may charge Owner for expenses associated with housekeeping, maintenance, other charges and expenses authorized by or provided for under this Agreement. Manager's authority is limited to five hundred US dollars (US \$500.00), excluding departure housekeeping fees. Charges of five hundred dollars (US \$500.00) or more will require Owner's approval.

6.3 Utility Expenses. All utilities, including but not limited to; monthly service charges for telephone, cable/internet services and security services, shall be paid by Owner. Manager shall have no obligation to pay utility charges for Owner's Residence and shall have no liability for damage resulting from any termination of utility services.

6.4 Owner Information Sheet. Owner is responsible for completing the Owner Information Sheet, attached hereto as Exhibit C. Owner is responsible for notifying Manager of any changes to the information required by Manager.

7. No Pooled Income. Owner acknowledges that the terms of this Agreement do not provide for pooled income or distributions from pooled rental proceeds.



8. Sale of Residence by Owner.

8.1 Notification. Owner shall immediately notify Manager, in writing, if the Residence is for sale. Sale of the Residence shall be subject to any reservations (with or without deposit) made prior to the date Manager receives written notice of a contract of sale. Owner shall obtain the written agreement of any potential purchaser that all confirmed or tentative reservations for the Residence, existing as of the date of the sale, will be honored, and that the purchaser will assume all of Owner's rights and duties hereunder and continue this Agreement in effect for at least thirty (30) days after the date of the sale. Thereafter, this Agreement shall terminate in accordance with Section 10 unless otherwise assigned by Owner to the new purchaser pursuant to the provisions of this Section 8.

8.2 Rental Guest Privacy. Owner acknowledges the need of Manager to protect the privacy of all Rental Guests. If the Residence is reserved and occupied at the time a potential buyer wishes to view the Residence, Manager shall contact the Rental Guest for permission to view the Residence at a time specified by the Rental Guest. Manager shall attempt to accommodate such showings commensurate with Rental Guest use of the Residence. If the Residence is occupied, Manager will not permit entry to the Residence for purposes of showing by Owner or Owner's agent. Owner or Owner's agent is not permitted at any time to contact any Rental Guest directly with requests to access the Residence for the purposes of showing such Residence.

8.3 Accounting Information. Manager shall release accounting information pertaining to the Residence to Owner's agent or a prospective purchaser of the Residence only if Manager has received prior written authorization from Owner. If Manager does not receive such prior written authorization, then Manager will not provide such information to any third party.

9. Indemnification and Release. Manager shall not be liable to Owner for, and Owner hereby releases Manager from the acts, negligence or failure to act of Rental Guests, and any act or failure of Manager to act so long as Manager is not guilty of fraud or negligence in such performance or failure. The obligations of Owner described herein shall survive the expiration of this Agreement or termination of this Agreement by either party hereto and shall inure to the benefit of Manager, its employees and agents and their respective heirs, executors, administrators, successors and assigns.

10. Term and Expiration.

10.1 Term. This Agreement shall become effective on the Commencement Date and shall end on the Expiration Date, with automatic renewals for two (2) year periods on each anniversary of the Expiration Date thereafter unless otherwise terminated in writing by either Owner or Manager at least ninety (90) days prior to the expiration date or until terminated in accordance with Section 8 or this Section 10. Manager may terminate this Agreement, at any time, without cause, by giving Owner not less than ninety (90) days prior written notice.

10.2 Termination For Cause. This Agreement may be terminated by either party for cause at any time upon ten (10) days prior written notice if the other party is in material breach or default of its obligations hereunder; provided, however, that if the cause constitutes a breach of or a default under this Agreement which is capable of being cured, the defaulting party may avoid termination by curing the same within thirty (30) days following notice of such breach or default except that if such breach or default



is not reasonably curable within such thirty (30) day period, then a good faith effort must have been commenced within such thirty (30) day period to cure the same and the default must then be cured within ninety (90) days of receipt of the notice. Owner may specifically terminate this Agreement in the event a bankruptcy proceeding is instituted by or against the Manager upon ten (10) days prior written notice.

10.3 Outstanding Balances at Termination. Should Owner owe Manager any monies after termination of this Agreement, sale of the Residence or foreclosure, then Owner shall pay Manager any such monies owed, and Owner personally and severally guarantees Manager payment for all monies owed within fifteen (15) days after written demand from Manager.

10.4 Force Majeure. If the Residence or any other part of the Project is so damaged by fire, catastrophe, natural occurrences, civil commotion, war or other casualty as to render the Residence unfit for rental purposes, as determined by Manager in its sole and exclusive discretion, then all reservations that cannot be fulfilled may be cancelled, and the obligations of Owner and Manager hereunder shall be temporarily abated until the Residence is restored to an acceptable condition in accordance with Manager's standards for the rental program.

10.5 Confirmed and Existing Reservations. If this Agreement is terminated for any reason, Manager may honor all tentative and confirmed reservations of the Residence held by Manager prior to the effective date of the termination. Expiration of such termination, Manager shall not accept any reservations for the Residence, and Manager shall use reasonable efforts to relocate Rental Guests reservations for the Residence to other residences under the rental management of Manager.

10.6 Actions Upon Termination. Upon termination of this Agreement, Manager shall promptly account for and deliver to Owner the Owner's Proceeds received by Manager subsequent to the termination of this Agreement. Upon termination or expiration of this Agreement, Owner and Manager shall be released from further performance hereunder; provided; however, that all rights and obligations of Owner and Manager up to and including such date, including without limitation, any reservations made prior to expiration, any rights to receive payments and the indemnification provisions contained herein, shall survive the termination or expiration of this Agreement.

11. Miscellaneous.

11.1 Binding Effect; Assignment. This Agreement shall inure to the benefit of and constitute a binding obligation upon the contracting parties, their successors, heirs, personal representatives and assigns; provided, however, Owner may assign this Agreement only with the prior written consent of Manager and only on condition that the assignee unconditionally assumes all of Owner's duties and obligations under this Agreement, regardless of when such duties and obligations arose. Manager may, without the consent of Owner, assign this Agreement to a third-party managing agent or may delegate its duties pursuant to a sub-management agreement to a third-party managing agent. This Agreement shall constitute the entire Agreement between the contracting parties, except that the parties hereto recognize that this Agreement shall be read in conjunction with the governing documents which further define the rights and obligations of the parties hereto and no variance or modification thereof shall be valid and enforceable except by a supplemental agreement in writing.



11.2 Arbitration. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

11.3 No Partnership. Nothing herein contained shall be deemed or construed by the parties, or by any third party, as creating the relationship of partnership or of joint venture between the parties.

11.4 Waiver. No consent or waiver, express or implied, by Manager or Owner to or of any breach or default by the other party in the performance by the other party of its obligations hereunder shall be deemed or construed to be a consent to or a waiver of any other breach or default in the performance of such party or any other party of the same or any other of its obligations hereunder. Failure on the part of any party to complain of any act or failure to act of any other party or to declare any such party in default, regardless of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.

11.5 Section Headings and Terms. The section headings of this Agreement are for convenience of reference only and shall not be deemed to alter or affect any provision of this Agreement. When required by context, the singular shall include the plural, and the use of any term is generally applicable to any gender, corporation or other entity.

11.6 Partial Invalidity. The invalidity or unenforceability of any term or provision of this Agreement by the application of such term or provision to any person or circumstance shall not impair or affect the remainder of this Agreement, and its application to other persons and circumstances and the remaining terms and provisions hereof shall not be invalidated but shall remain in full force and effect.

11.7 Notice. All notices, requests, demands and other communications hereunder shall be in writing, and shall be deemed to have been duly given if (a) hand delivered, (b) three (3) days after being mailed via first class U.S. mail, postage prepaid, or (c) transmitted by facsimile with printed confirmation of receipt, in each case to the parties and to the addresses following each party's signature hereof or to such addresses as may be established by notice duly given. Owner shall designate in writing one party with whom all of Owner's business shall be transacted and who shall be fully authorized to act as Owner.

11.8 Governing Law. This Agreement shall be governed by the laws of State of Baja California, Mexico without regard to conflicts of laws principles.

11.9 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

11.10 Amendments. This Agreement may not be amended or modified by any act or conduct of the parties or by oral agreement, unless reduced to a writing signed by both parties.

12. Residence Closing. The effectiveness of this Agreement is contingent upon the closing of the sale of the Residence, the terms and conditions of which are set forth in the Purchase and Sale Agreement executed by Owner.



[Signature Page Follows]

DRAFT



IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

OWNER:

Signature

Printed Name

Date

Primary Street Address

Primary City, State, Zip Code

MANAGER:

Villas Tacambaro, S.de R.L.de C.V.

Signature

Printed Name

Title

Date

21520 Tecate,
State of Baja California, Mexico

Exhibit A - Furnishings, Fixtures and Equipment ("FF&E")

Vestibule

Mirror & Console Table

Living Room (seating for 6 guests minimum)

Sofa (if a sofa bed, queen size preferred)
Upholstered Armchair (seating for 2 guests minimum)
Coffee Table
Side Tables
Table Lamps
Area Rug
Artwork

Dining Room/ Kitchen

Dining Chairs (seating for 6 guests minimum)
Dining Table (seating for 6 guests minimum)
Desk & Desk Chair (optional)
Desk Lamp (optional)
Artwork
Bar Stools (seating for 2 guests minimum)

Terrace

Teak Dining Table (seating for 6 guests minimum)
Dining Chairs (seating for 6 guests minimum)
Teak Chaise Lounge Chairs (seating for 2 guests minimum)
Teak Side Table

Guest Room Terrace

Teak Lounge Chairs (seating for 2 guests minimum)
Teak Side Table

Master Bedroom Configuration (king bed)

Full Length Mirror (behind closet door)
King Headboard/Frame
Nightstands
Nightstand Lamps

Bench

Lounge Chair & Side Table

Artwork

Dresser

Guest Bedroom Configuration (two twin beds)

Twin Headboards / Frames

Full Length Mirror (behind closet door)

Nightstand

Nightstand Lamp

Benches

Lounge Chair & Side Table

Artwork

Dresser

Desk & Desk Chair (optional)

Desk Lamp (optional)

Guest Bedroom Configuration (one queen bed)

Full Length Mirror (behind closet door)

Queen Headboard/Frame

Nightstands

Nightstand Lamps

Bench

Lounge Chair & Side Table

Artwork

Dresser

Desk & Desk Chair (optional)

Desk Lamp (optional)

Guest Bedroom Configuration (two queen beds)

Full Length Mirror (behind closet door)

Queen Headboards/Frames

Nightstand

Nightstand Lamp

Benches

Lounge Chair & Side Table

Artwork

Exhibit B - Project's Hospitality Package

| | | |
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| <p>Kitchen Small Appliances</p> <ul style="list-style-type: none"> Blender 4 Slice Toaster Tea Kettle Extinguisher <p>Barware</p> <ul style="list-style-type: none"> Corkscrew Cocktail Shaker Bar Set Ice Bucket/Tongs Wine Stoppers Wine Bottle Holder <p>Flatware</p> <ul style="list-style-type: none"> Tongs Serving Spoons Serving Forks Dinner Spoons Dinner Forks Dinner Knives Coffee Spoons <p>Glassware</p> <ul style="list-style-type: none"> Pitcher Red Wine Glasses White Wine Glasses Juice Glasses Plastic Stemware (for patio) Margarita Glasses Champagne Flutes Tequila Shot Glasses <p>Cookware</p> <ul style="list-style-type: none"> Baking Tray Set Pots and Pan Set Frying Pan | <p>Kitchen Miscellaneous</p> <ul style="list-style-type: none"> Dish Rack Kitchen Towels Dish Cloths Trash Can Trash Can Recycle Oven Mitts Oven Holders Flashlight (rechargeable) Paper Towel Holder Serving Tray (patio) BBQ Grill Utensils Set Coasters Placemats Cloth Napkins Salt and Pepper Mill Set <p>Kitchen Utensils</p> <ul style="list-style-type: none"> 7-piece Utensil Set Portable Can Opener Whisk Potato Masher Single Mesh Strainer Fine Utensil Holders (flatware) Trivets Pasta Tongs Grater Cake Server Steel Colander Mixing Bowls Griddle 3 Cutting Boards Storage Containers Meat Thermometer Kitchen Scissors /Shears Ice Cream Scoop Baster | <p>Dinnerware/ China</p> <ul style="list-style-type: none"> Platter w/ Handles Sugar Bowl Creamer Soup Bowls Dinner Plates Salad Plates Bread Plates Coffee Mugs Ramekins Platter Large Platter Medium Serving Bowls <p>Laundry Room</p> <ul style="list-style-type: none"> Ironing Board Laundry Basket Iron Board Holder Step Ladder Mop Dustpan w/Handle Mop Bucket Iron Vacuum Cleaner <p>Bedroom Closets</p> <ul style="list-style-type: none"> Pants Hangers Luggage Racks Pillow/Blanket Zippered Bag Room Safe <p>Hallway Closet</p> <ul style="list-style-type: none"> Pants Hangers Umbrellas |
|--|---|--|

| | |
|---|--|
| <p>Lock Off Accessories</p> <ul style="list-style-type: none"> Coffee Maker Coffee Spoons Coffee Mugs Iron Board Holder Umbrellas Ironing Board Ice Bucket/Tongs Iron Wine Bottle Holder Wine Stoppers High Ball Glasses Wine Glasses <p>Full Bathrooms</p> <ul style="list-style-type: none"> Mirror Lighted White Ceramic Tray Ceramic Tissue Box Ceramic Soap Dish Trash Can Stainless Plunger Hair Dryer Coasters Night Light <p>Half Bathroom</p> <ul style="list-style-type: none"> Ceramic Tissue Box Ceramic Soap Dish White Ceramic Tray Trash Can Night Light <p>Miscellaneous</p> <ul style="list-style-type: none"> Outdoor Door Mats Keys Light Bulbs | <p>Drapery</p> <ul style="list-style-type: none"> Vestibule Roman Shade Living Room Roman Shades (blackout req. for sofa bed) Kitchen Roman Shades Dining Room Roman Shades Bedroom Roman Shades (blackout) Bathroom Roman Shades <p>Bedding, Terry & Linen</p> <ul style="list-style-type: none"> Bedding Duvet Cover Duvet Inserts Linens Mattress Topper Down pillows Blankets Shams Pillow Protectors Synthetic Pillows <p>Terry</p> <ul style="list-style-type: none"> Bath Towels Hand Towels Wash Cloths Bathmats Waffle Robes Makeup Towles Pool Towels (if applicable) <p>Mattresses</p> <ul style="list-style-type: none"> Mattresses (owner provides furniture dims.) <p>Electronics</p> <ul style="list-style-type: none"> Smart Televisions Washing Machine Drying Machine Mini Fridge |
|---|--|



Exhibit C - Owner Information Sheet

Legal Name of Owner(s): _____

Legal Names of Ownership: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone Number & Type (Cell, Home, Work, etc.): _____

Phone Number & Type (Cell, Home, Work, etc.): _____

E-mail Address: _____

E-mail Address: _____

Tax ID or SSN which matches legal name listed above: _____

Emergency Contact Name: _____ Phone Number: _____

Citizenship/Nationality if not Resident in Mexico for Tax Purposes: _____

Attach copy of page of passport with photo and identity information for legal Owner (all Owners).

Owner Proceed Checks Payable to: _____

Address (if different then above): _____

City: _____ State: _____ Zip: _____

Wire Transfer Instructions:

| | |
|--------------------------------|--|
| Bank Name | |
| Name on Account | |
| Bank Address | |
| Bank Account Number/IBAN/CLABE | |
| ABA Routing: | |
| Bank SWIFT Code: | |



Residence Information

Residence Address: _____

Number of Bedrooms: _____ Number of Full Bathrooms: _____ Number of Half Bathrooms: _____

Approx. Square Footage: _____

Bedroom Configuration (indicate bedding and number of beds in each bedroom King, Queen, Double, Twin, Sofa Bed Queen, Sofa Bed Double)

Bedroom #1: _____ Bedroom #2: _____ Bedroom #3: _____

Bedroom #4: _____ Living Room: _____

The undersigned Owner owns a Residence as described above. Owner has executed a Rental Management Agreement, and Owner agrees to its terms and conditions.

Signature: _____

Date: _____