

Standard Terms and Conditions of the Owner's Agreement

1. INTERPRETATIONS, IN THESE STANDARD TERMS AND CONDITIONS OF CONTRACT

1.1. The following definitions and rules of interpretation apply in these terms and conditions.

1.1.1. **“Agent”** - means the Company/Close Corporation named on the Agreement.

1.1.2. **“Agreement”** - means the Agreement entered into by and between the Owner and the Agent whereby the Owner appoints the Agent as his lawful and exclusive sole agent, which Agreement is governed by the terms and conditions as set out herein, together with all schedules hereto.

1.1.3. **“Guest”**- means any person who pays rental (either directly or via a third party) to the Agent in return for the use of the Premises.

1.1.4. **“Owner”**- means the person /s named on the Agreement and who contracts with the Agent on the terms and conditions herein.

1.1.5. **“Premises”** means the premises as more fully described on the Agreement.

1.1.6. **“Rental”** means the rental that a Guest must pay for the use of the Premises;

1.2. the headings to the clauses are for reference purposes only and shall not aid in the interpretation of the clauses to which they relate;

1.3. unless the context clearly indicates a contrary intention, words importing one gender includes the other two genders, the singular includes the plural and vice-versa, and natural persons include created entities (corporate or incorporate) and vice-versa;

2. AGENTS MANDATE

The Agent is hereby authorised to let the Premises and charge rental to the Guest. In particular, the Agent will be entitled without the prior approval of the Owner to determine the Rental payable by a Guest for the use of the Premises. The Agent shall in terms of his mandate given to him by the Owner of the Premises and in the name of the Owner and on his behalf do and execute all and each of the following acts, namely:

a.) Property management

- i. Collect the rental income from the Guest and pay it to the Owner, less remuneration as set out in clause 5 below and less any fees or expenses due or incurred.
- ii. Create an Inventory of the Premises.
- iii. Perform an inventory check of the Premises before and after a Guest's stay.
- iv. Meet and greet the Guests and inspect the Premises before, during, and after Guests stay.
- v. Visit all Guests at least once at the Premises during their stay.
- vi. Regularly inspect the Premises.
- vii. Appoint a house servant/manager who will be responsible for no more than 2 neighbouring properties.
- viii. Provide all the cleaning materials, pool chemicals, fertilizers and any other goods that may

be necessary to the Premises. .

- ix. Provide soaps, sundries and gifts to Guests.
- x. Provide a Maid if requested by a Guest.

b.) Property Marketing

- i. Provide professional photos of the Premises.
- ii. Create a template website for a web presence.
- iii. Create and online calendar system
- iv. Open up a file and administer all source documents.
- v. Add the Premises to the ACT – CRM Databases.
- vi. Provide copywriting (including description of property and directions)

3. DURATION

- 3.1. This Agreement shall commence when all the Parties sign and date it (“**Commencement Date**”), and shall continue, unless terminated earlier in accordance with clause 3.2, for 2 years (“**Initial Term**”). The term of this Agreement shall automatically extend for a further 2 years (“**Extended Term**”) at the end of the Initial Term and at the end of each Extended Term.
- 3.2. Either party may terminate this Agreement by furnishing the other with written notice, not later than 3 months before the end of the Initial Term or the relevant Extended Term, to terminate this Agreement at the end of the Initial Term or the relevant Extended Term, as the case may be.

4. COSTS

- 4.1. The Owner shall pay the costs as set out in Schedule 1 hereto to the Agent.
- 4.2. Termination of this Agreement shall not entitle the Owner to a refund of any part of the Costs under this clause and set out in Schedule 1 on page 6.

5. REMUNERATION

As remuneration for his services, the Agent shall be entitled to retain a commission of 25% out of all rental income collected by him by virtue of this Agreement, inclusive (or exclusive) of VAT (the “**Commission**”).

6. APPLICATION OF BALANCE

The Agent shall render to the Owner a monthly accounting of rental income received and expenses paid, and remit to the Owner all rental income, less any sums paid out and less the Commission, and disburse the funds not less than once every month, to the credit of the Owner’s account.

7. MAINTENANCE ACCOUNT

The Agent shall retain an amount of R2000.00 from the first rental income received on behalf of the Owner, which amount shall be used for the purpose as set out in clause 8 below. This amount will be kept in a separate client account and will be refunded (less any charges due) to the Owner on termination of this Agreement.

8. REPAIRS TO THE PREMISES

The Agent has the authorization to carry out any repairs to the Premises, up to the value of R1500.00 without the Owner's consent. If any repairs exceed R1500.00, then the Agent must obtain written permission from the Owner to carry out any such repairs. The cost of any repairs to the Property will be paid out of the Maintenance Account referred to in clause 7 above.

9. ACCOUNTS AND RECORDS

The Agent shall keep full and proper books of account and records showing clearly all revenue, expenditure, transactions and proceedings relating to the agency, such books and records being kept separate from those relating to matters not connected with this Agreement.

10. DEPOSITS

- 10.1. The Agent shall keep a damages deposit of R 10 000.00 for every booking made through a charge on the Guests credit card.
- 10.2. The Agent will not be liable for any damages caused to the Premises in whatever way by the Guest. The Agent cannot guarantee that the Guest will honour the charge on the credit card. Should there be any claim by the Owner against the Guest then the Agent together with the Owner will decide on the necessary action to be taken against the Guest.

11. DUTIES OF THE OWNER

- 11.1. The Owner agrees that he has checked the Agent website and that all the information given to the Agent (that appears on any other marketing communications being electronic, print and/or any other form of marketing and communication) is correct and true. Should any of the information be incorrect then the Agent reserves the right to move the Guest to another property and claim back the rental money paid to the Owner in order to relocate the Guest due to this misinformation.
- 11.2. The Owner represents and warrants to the Agent that, the Premises is insured for homeowners and content insurance specifically for holiday letting, as well as public liability insurance in amounts sufficient to fully cover, any loss or damage to the Premises, including, but not limited to, fire, theft or other hazards in or incidental to the Premises.
- 11.3. Where the Owner rents out the Premises personally while the mandate is in force, then the Agents booking will take priority over any other booking.
- 11.4. The Owner will be obliged to pay all expenditure in respect of or relating to the Premises which include:
 - 11.4.1. all rates and taxes or levies payable in respect of the Premises;
 - 11.4.2. electricity and water consumed on the Premises;
 - 11.4.3. sewerage and rubbish costs;
 - 11.4.4. insurance costs;
 - 11.4.5. electrical works on the Premises; and
 - 11.4.6. the cost of any specialized maintenance or cleaning, in order to maintain the standards.

12. SALE OF PREMISES

- 12.1. The validity of this Agreement shall not be affected by the sale of the Premises, accordingly the Agreement shall, remain in full force and effect and the Owner shall ensure that the purchaser is substituted as Owner and acquire all rights and obligations which the Owner, was liable to fulfil in

favour of the Agent in terms of the Agreement.

- 12.2. Should the Owner wish to sell the Premises during the existence of this Agreement, including during the notice period, the Owner hereby solely and exclusively appoints the Agent to procure a willing and able buyer for the Premises. If the Agent sells the Premises then the commission due to the Agent as remuneration for, the sale of the Premises will be as agreed by the Agent and the Owner.

13. RIGHTS OF COPYRIGHT

All photographs, website details and property descriptions in respect of the premises remain the property of the agent.

14. DISCLAIMER OF LIABILITY

- 14.1. Notwithstanding anything to the contrary contained in this Agreement, the Agent shall under no circumstances whatsoever, be liable for any indirect or consequential loss / es, howsoever caused by the Guest or suffered by the Owner.
- 14.2. The Agent cannot guarantee that by marketing the Owner's property that it will be, let or hired out; and the Agent cannot give any time limits as to when it will find, Guests.

15. TERMINATION

- 15.1. The Agreement may be terminated by either of the parties before the end of the first 12 month period by giving to the other party 4 months' prior written notice thereof and may be terminated at any time during the second 12 month period, by giving the other party 4 months' prior written notice thereof. Save that any bookings made by the Agent that extend past this four month period must be honoured.
- 15.2. Termination under this clause shall not entitle the Owner to a refund of any part of the Costs under clause 5 and set out in Schedule 1.

16. BREACH

If a Party commits a breach of this Agreement and fails to remedy such breach within 24 hours of written notice requiring the breach to be remedied, then the Party giving the notice will be entitled to and at its option, either to immediately cancel this Agreement and claim damages or alternatively to claim specific performance of all the defaulting Party's obligations, together with damages (if any).

17. DOMICILIA AND NOTICES

The parties choose as their domicilia citandi et executandi the addresses mentioned on the face of the Agreement, but such domicilium of either party may be changed by written notice from such party to the other party with effect from the date of receipt or deemed receipt by the latter of such notice.

18. WHOLE AGREEMENT

- 18.1. This is the entire Agreement between the parties.
- 18.2. Neither party relies in entering into this Agreement upon any warranties, representations, disclosures or expressions of opinion which have not been incorporated into this Agreement as warranties or undertakings.
- 18.3. No variation or consensual cancellation of this Agreement shall be of any force or effect unless reduced to writing and signed by both parties.

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19. PROPER LAW AND JURISDICTION

- 19.1. This Agreement shall be governed by and construed in all respect in accordance with the laws of the Republic of South Africa.
- 19.2. Both the Owner and the Agent hereby irrevocably submit to the jurisdiction of the Courts of the Republic of South Africa as regards any claim or matter arising under this Agreement.



SCHEDULE 1 - COSTS

1. Once off set- up cost in an amount of R2980.00, payable on the Commencement Date.
2. Marketing Costs in an amount of R20 500.00, payable on the Commencement Date.
3. Marketing Renewal Costs, payable on each anniversary of the Commencement Date (“**Anniversary Date**”). On the first Anniversary Date the amount of the Marketing Renewal Costs will be R 14 250, 00 and will thereafter increase yearly with 10%. Whenever the rates of the advertising suppliers are increased the Agent may by written notice to the Owner, increase the Renewal Fee by an amount which bears the same ratio to the increase in rates;
4. House Cleaning and Inventory check Charges:
 - 1 Bedroom = R300 per check-in & R300 per check-out
 - 2 Bedroom = R320 per check-in & R325 per check-out
 - 3 Bedroom = R350 per check-in & R350 per check-out
5. Monthly Cleaning Material Charge - R250
6. Welcome Pack (Bottle of Wine, Tea, Sugar, Milk, Welcome Note and Envelope) – R120 per client
7. Maintenance Call out fee – R250 per call out + cost of Item (if applicable).
8. Monthly Administration Fee of - R200
9. Monthly Google Marketing Fee of:
 - 1 Bedroom – R500
 - 2 Bedroom – R500
 - 3 Bedroom - R1000