

Highland Lake Properties, LLC
PO Box 1348
Flat Rock, NC 28731
Phone: 828-692-1359, Fax: 828-693-7759

VACATION RENTAL AGREEMENT

THIS IS A VACATION RENTAL AGREEMENT UNDER THE NORTH CAROLINA VACATION RENTAL ACT. THE RIGHTS AND OBLIGATIONS OF THE PARTIES TO THIS AGREEMENT ARE DEFINED BY LAW AND INCLUDE UNIQUE PROVISIONS PERMITTING THE DISBURSEMENT OF RENT PRIOR TO TENANCY AND EXPEDITED EVICTION OF GUESTS. YOUR SIGNATURE ON THIS AGREEMENT, OR PAYMENT OF MONEY OR TAKING POSSESSION OF THE PROPERTY AFTER RECEIPT OF THE AGREEMENT, IS EVIDENCE OF YOUR ACCEPTANCE OF THE AGREEMENT AND YOUR INTENT TO USE THIS PROPERTY FOR A VACATION RENTAL.

Real Estate Agency ("Agent"): Highland Lake Properties, LLC
Address: PO Box 1348, Flat Rock, NC 28731
Telephone: 828-692-1359
Fax: 828-693-7759
E-mail: rentals@highlandlake.net

Guest: ("Guest")
Address:
Telephone:
Fax:
E-mail:

(For purposes hereof, all references herein to "Guest" shall mean "tenant" as that term is defined in the Vacation Rental Act, Chapter 42A of the North Carolina General Statutes)
Agent, as agent of the Owner, hereby rents to Guest, and Guest hereby rents from Agent, the vacation property described below (referred to hereafter as the "Premises") on the terms contained in this Agreement.

1. Premises

City: Flat Rock, 28731
County: Henderson
Name of Premises:
Street Address:
Confirmation #:
Other Description: Maximum Occupancy, , Maximum Sleeps

2. Term

BEGINS:
ENDS:

3. Rent

Guest agrees to pay rent for the Premises ("Rent") in the amount of \$_____ in accordance with paragraph 4 below.

4. Financial Terms

Category	Amount Due	Payment Due Date	Date Paid	Amt Paid	Method
Rent					
Pet Fee					
Reservation Fee					
Rent					

Security Deposit

TOTAL: \$

** Tax rates are calculated as of the time of this Agreement. Guest shall be responsible for payment of all applicable taxes according to rates in effect at the time of occupancy.

5. Disbursement of Rent and Third Party Fees

Guest authorizes Agent to disburse up to fifty percent (50%) of the rent set forth in paragraph 3 above to the owner (or as the owner directs) prior to Guest's occupancy of the Premises, and the balance of the rent upon the commencement of the tenancy, a material breach of this Agreement by Guest, or as otherwise permitted under the Vacation Rental Act. ***Guest agrees to pay a \$25.00 processing fee for any check of Guest that may be returned by the financial institution due to insufficient funds or because Guest did not have an account at the financial institution.*** Guest also authorizes Agent to disburse prior to Guest's occupancy of the Premises any fees owed to third parties to pay for any goods, services, or benefits procured by Agent for the benefit of Guest, including but not limited to any fees set forth herein payable to Agent for reservation, transfer or cancellation of Guest's tenancy.

6. Security Deposit

Any security deposit provided for in paragraph 4 above may be applied to actual damages caused by Guest as permitted under the Guest Security Deposit Act. In addition, Agent may deduct from the security deposit the amount of any unpaid long distance or per call telephone charges and cable television charges that are not specifically described in this Agreement (including any addendum hereto) as being included with the Premises. Agent shall apply, account for, or refund Guest's security deposit within 45 days following the end of the tenancy.

7. Trust Account

Any advance payment made by Guest shall be deposited in a trust account with First Citizens Bank located in Hendersonville, North Carolina. ***Guest agrees that any advance payment may be deposited in an interest-bearing trust account and that any interest thereon shall accrue for the benefit of, and shall be paid to, the owner (or as the owner directs) as it accrues and as often as is permitted by the terms of the account.***

8. Guest Duties

Guest agrees to comply with all obligations imposed by the Vacation Rental Act on Guest with respect to maintenance of the Premises, including but not limited to keeping the Premises as clean and safe as the conditions of the Premises permit and causing no unsafe or unsanitary conditions in the common areas and remainder of the Premises that Guest uses; and notifying Agent in writing of the need of replacement of or repairs to a smoke detector, and replacing the batteries as needed during the tenancy. Guest waives any requirement that Landlord place new batteries in a battery operated smoke detector at the beginning of the tenancy. Guest agrees not to use the Premises for any activity or purpose that violates any criminal law or governmental regulation. Guest's breach of any duty contained in this paragraph shall be considered material, and shall result in the termination of Guest's tenancy.

9. Agent Duties

Agent agrees to provide the Premises in a fit and habitable condition. If at the time Guest is to begin occupancy of the Premises, Agent cannot provide the Premises in a fit and habitable condition or substitute a reasonably comparable property in such condition, Agent shall refund to Guest all payments made by Guest. **Agent shall conduct all brokerage activities in regard to this Agreement without respect to the race, color, religion, sex, national origin, handicap or familial status of any Guest.**

10. Cancellation

In the event of a cancellation by Guest, Guest shall receive a refund of all payments made by Guest, less an administrative fee of \$25 (plus applicable tax) according to the following policy; Cancellations made 15

days or more before the reservation arrival date will be refunded full Reservation Deposit less Non-Refundable Reservation Fee (plus applicable tax) via Check within 10 business days of cancellation. Cancellations made 14 days or less before the reservation date arrival date will forfeit the Reservation Deposit and Non-Refundable Reservation Fee. In the event of an early departure, Guests are responsible for payment of any unused nights. Holidays, Group Bookings and multi-month reservations may require longer cancellation notification. Owner may require full deposit for reservations of one month or longer. Additionally, if within the final 14 days prior to Guest arrival the premises are re-rented on the terms set forth herein Guest shall receive a refund of all payments made by Guest, less an administrative fee of \$25 (plus applicable tax). If the Premises are not re-rented on the terms set forth herein, Guest will not be entitled to a refund of any rent payment made hereunder. Whether or not the Premises are re-rented, Guest, rather than Agent, shall be responsible for seeking reimbursement of any fees paid by Guest to Agent for goods, services, or benefits procured by Agent from third parties for the benefit of Guest that may have been paid out prior to Guest's cancellation.

11. Transfer of Premises

(1) If the owner voluntarily transfers the Premises, Guest has the right to enforce this Agreement against the grantee of the Premises if Guest's occupancy under this Agreement is to end 180 days or less after the grantee's interest in the Premises is recorded. If Guest's occupancy is to end more than 180 days after such recordation, Guest has no right to enforce the terms of this Agreement unless the grantee agrees in writing to honor this Agreement. If the grantee does not honor this Agreement, Guest is entitled to a refund of all advance rent paid by Guest (and other fees owed to third parties not already lawfully disbursed). Within 20 days after transfer of the Premises, the grantee or the grantee's agent is required to: (i) notify Guest in writing of the transfer of the Premises, the grantee's name and address, and the date the grantee's interest was recorded; and (ii) advise Guest whether Guest has the right to occupy the Premises subject to the terms of this Agreement or receive a refund of any payments made by Guest. However, if the grantee engages Agent to continue managing the Premises after the transfer, the grantee shall have no obligation under (i) or (ii) above if this Agreement must be honored under the Vacation Rental Act or if the grantee agrees in writing to honor this Agreement.

(2) Upon termination of the owner's interest in the Premises, whether by sale, assignment, death, appointment of a receiver or otherwise, the owner, owner's agent, or real estate agent is required to transfer all advance rent paid by Guest (and other fees owed to third parties not already lawfully disbursed) to the owner's successor-in-interest within 30 days, and notify Guest by mail of such transfer and of the transferee's name and address. However, if Guest's occupancy under this Agreement is to end more than 180 days after recordation of the interest of the owner's successor-in-interest in the Premises, and the successor-in-interest has not agreed to honor this Agreement, all advance rent paid by Guest (and other fees owed to third parties not already lawfully disbursed) must be transferred to Guest within 30 days.

(3) If the owner's interest in the Premises is involuntarily transferred prior to Guest's occupancy of the Premises, the owner is required to refund to Guest all advance rent paid by Guest (and other fees owed to third parties not already lawfully disbursed) within 60 days after the transfer.

12. Mandatory Evacuation

If State or local authorities order a mandatory evacuation of an area that includes the Premises, Guest shall comply with the order. Upon compliance, Guest will be entitled to a refund of the prorated rent for each night that Guest is unable to occupy the Premises because of the order. However, Guest will not be entitled to a refund if, prior to taking possession of the Premises: (i) Guest refused insurance offered by Agent that would have compensated Guest for losses or damages resulting from loss of use of the Premises due to a mandatory evacuation order, or (ii) Guest purchased such insurance from Agent.

13. Expedited Eviction

If the tenancy created hereunder is for 30 days or less, the expedited eviction procedures set forth in the Vacation Rental Act will apply. Guest may be evicted under such procedures if Guest: (i) holds over in possession after Guest's tenancy has expired; (ii) commits a material breach of any provision of this Agreement (including any addendum hereto) that according to its terms would result in the termination of Guest's tenancy; (iii) fails to pay rent as required by this Agreement; or (iv) has obtained possession of the Premises by fraud or misrepresentation.

14. Indemnification and Hold Harmless; Right of Entry; Assignment

Guest agrees to indemnify and hold harmless Agent and the owner from and against any liability for personal injury or property damage sustained by any person (including Guest's guests) as a result of any cause, unless caused by the negligent or willful act of Agent or the Owner, or the failure of Agent or the Owner to comply with the Vacation Rental Act. Guest agrees that Agent, the owner or their respective representatives may enter the Premises during reasonable hours to inspect the Premises, to make such repairs, alterations or improvements thereto as Agent or owner may deem appropriate, or to show the Premises to prospective purchasers or Guests. Guest shall not assign this Agreement or sublet the Premises in whole or part without written permission of Agent.

15. Pets

Unless otherwise specifically permitted in this Agreement (including any addendum hereto), no pets shall be allowed on the Premises. Guest's breach of this provision shall be considered material, and shall result in the termination of Guest's tenancy.

16. Other Terms and Conditions

Guest agrees that Guest has received and read **The Garden Hamlet Cottages at Highland Lake Reservation Policies and Procedures and Property Rules and Regulations**("Rules and Regulations") (Attached) and available for viewing on our website and that this document shall constitute an integral part of this Agreement and the Rules and Regulations are hereby incorporated by reference herein.. Guest acknowledges that a violation of the Rules and Regulations shall constitute a material breach of the Vacation Rental Agreement and, at the option of the Owner or Agent shall result in a termination of Guest's tenancy. This rental property may or may not be owned by a North Carolina Licensed Real Estate Broker.

Date: _____

GUEST: _____

Date: _____

Highland Lake Properties, LLC

BY: _____

[Authorized Representative]

The Garden Hamlet Cottages at Highland Lake Reservations Policies and Procedures & Property Rules and Regulations

In addition to the terms and conditions stated in the Vacation Rental Agreement each Guest agrees to the following:

For Reservations: Voice: 828-692-1359
 E-mail: rentals@highlandlake.net
Office Hours: Monday – Saturday 11:00 AM to 5:00 PM
 Closed Sunday
 (Off-Season Days & Hours May Vary)
After Hours: Voice: 828-329-2595
Emergencies: First Dial 911 Then Dial 828-329-2595

Reservation Hold & Confirmation:

Highland Lake Properties, LLC (“Agent”) will contact you to confirm your Reservation Hold. Reservation is considered Confirmed only when Reservation Deposit(defined below) is RECEIVED & POSTED.

Forms of Payment Accepted:

Cash, Approved Personal Check, MasterCard, Visa

Check In:

2:00 PM - 5:00 PM - Arrangements for late arrival/check in are available but must be made in advance.

Check out:

11 AM

Reservation Booking Fee:

A Non-Refundable Reservation Fee of \$25.00 (plus applicable tax) is automatically charged to each reservation.

Deposits & Payment Terms:

A Reservation Deposit in the amount of fifty percent(50%) of the Rent provided in Paragraph 3 of the Vacation Rental Agreement, Reservation Fee and a Signed Vacation Rental Agreement(to include these Rules And Regulations) are required to CONFIRM a reservation. Agent requires credit card information (MasterCard or Visa only) at time of reservation for file and to HOLD reservation for 15 days. Agent will then mail or e-mail vacation rental agreement, Guest will sign and mail back to Agent along with CHECK for the Reservation Deposit and Reservation Fee (plus applicable tax). The balance of Rental , Damage Deposit (as defined below), taxes, Pet Deposit, if applicable, and all other charges will be due on or before check in. Agent accepts Cash, Approved Personal Check, and MasterCard & Visa only.

Cancellations:

Cancellations made 15 days or more before the reservation arrival date will be refunded full Reservation Deposit less Non-Refundable Reservation Fee (plus applicable tax) via Check within 10 business days of cancellation.

Cancellations made 14 days or less before the reservation date arrival date will forfeit the Reservation Deposit and Non-Refundable Reservation Fee. In the event of an early departure, Guests are responsible for payment of any unused nights. Holidays, Group Bookings and multi-month reservations may require longer cancellation notification. Owner may require full deposit for reservations of one month or longer.

Pets:

NO PETS ARE ALLOWED IN ANY PREMISES unless otherwise noted in home rental information overview. If pets are allowed in home additional “Pet Rent” will be charged. Guest (Holder of Primary

Credit Card on File) authorizes a \$300 (plus applicable tax) Pet Deposit charge to credit card on file in the sole discretion of Agent should an un-authorized pet be allowed in home during Guests occupancy. In any case, a Pet Deposit shall not relieve Guest for liability for damage caused by any pet and Guest shall be fully liable.

Smoking:

NO SMOKING IS ALLOWED IN ANY PREMISES. Guest (Holder of Primary Credit Card on File) authorizes a \$300 (plus applicable tax) Smoking Recovery Fee charge to credit card on file should in the sole discretion of Agent if smoking has occurred in Premises during Guest's occupancy.

Furnishings:

Each unit is furnished with linens and towels (All homes have washer & dryer). Homes with kitchens are also furnished with eating and cooking utensils, dishes, cookware, coffee maker, etc.. These items are the property of the owner of the cottage and must not be removed at any time for any reason. Rental INCLUDES an initial supply of sundry items as follows: hand/body soap, dish washing detergent, one roll of toilet paper per bathroom and one roll of paper towels. No re-stocking of these items will be provided during the Guests stay. Additional supply of these items IS NOT AVAILABLE from Agent. Please consult individual cottage amenities overview for specific unit furnishings. A variety of baby equipment is available for rent by Agent; please inquire for rates and availability when making your reservation.

Cleaning:

All Vacation Rental Cottages are professionally cleaned before your arrival and after your departure. Daily housekeeping is available for an additional fee, but must be arranged in advance. Agent is not responsible for air conditioning, heating or any other appliance that fails to operate properly or for other maintenance issues, including, but not limited to, pest control and housekeeping. Guest agrees to notify Agent as soon as a maintenance or housekeeping problem is noticed. Breakdowns, other maintenance issues and housekeeping issues will be repaired or remedied as soon as possible. No refunds or compensation will be given.

Upon Departure:

Please place all linens and towels in one location near the front door. Gather all garbage and place by the front door. Load all dirty dishes into dishwasher, fill soap dispenser and turn on.

Television/VCR/DVD:

Varies by Unit

Telephone:

Local Service Provided

Internet Service:

Varies by Unit (Note: For Homes offering internet access, Agent DOES NOT GUARANTEE internet access availability do to the nature of wi-fi configuration and signal strength on property)

Food:

Vacation Rental Cottages are within walking distance of Seasons Restaurant, offering breakfast, lunch and dinner. Season's Restaurant is an Award Winning Culinary Experience owned and operated by the Highland Lake Inn (Not Affiliated with Agent). All payments for meals at Season's Restaurant must be made at time services are rendered. No billing to any cottage will be allowed. A list of other area restaurants is provided in each room, suite and cottage. A major grocery store is within ¼ mile of our Vacation Rental Cottages. Several smaller, specialty stores are in close proximity. Several area caterers will provide meals in your home. A list and menus are available in our office.

Boats, Pool, Tennis and All Amenities & Highland Lake:

Garden Hamlet Cottages are privately owned by a third party and property management services are provided by Highland Lake Properties, LLC. All amenities and facilities at Highland Lake including but

not limited to The Lake, Boats, Season's Restaurant, The Highland Lake Inn, The LakeHouse Lodge & Spa, Flat Rock Fitness, The Highland Lake Golf Club, The Yoga Studio at Highland Lake and the farm and garden experience in the Garden Hamlet Cottages are privately owned and in some cases Open to the Public. These amenities are incidental in nature so please check with respective amenity regarding availability and pricing. The LakeHouse Lodge & Spa and The Highland Lake Inn are not affiliated with The Garden Hamlet Cottages and/or Highland Lake Properties, LLC. Use of the tennis courts, swimming pool and boats owned and operated by The Highland Lake Inn is not allowed. Use of any incidental amenity at Highland Lake is at the Guests own risk. Agent makes no representation and no guarantee of the availability of any incidental amenity at Highland Lake. Please respect the goats and other farm animals located in The Garden Hamlet Cottage area. No feeding of them is allowed as they are on a special diet. Canoes and Pedal Boats are available for use on a first come, first serve, and on at your own risk basis through The Lake House Lodge & Spa (Subject to Availability). The Lake House Lodge & Spa is open from 9 AM to 8 PM Monday thru Sunday (Hours may vary in the off- season). Paddles and life preservers can be picked up and returned during operating hours only. A waiver of liability must be signed prior to release of any equipment for use by client. Wavier will be provided upon distribution of equipment. Guests in vacation rentals managed by Agent are not authorized to use the equipment (boats, etc) owned by the Highland Lake Inn (Not affiliated with Highland Lake Properties, LLC). Most of our cottage owners provide a membership for their Guests to the Old Fashioned Mountain Lake Swimming Hole and boats that are owned and operated by the Lake House Lodge & Spa. Please note under amenities listing for each cottage if a swimming hole or boat membership is provided or inquire with a rental agent upon reservation.

Claims:

Guest understands and agrees that Agent is acting solely as agent of the Owner of the Premises in connection with the Vacation Rental Agreement and , as such Agent assumes no responsibility for the condition of the Premises. Further, Guest agrees to hold harmless and indemnify Agent, the Owner and their agents from any loss or damage, including attorney's fees, incurred as a result of any and all claims, demands, causes of action, suits, judgments, fines or penalties arising out of Guest's use or occupancy of the Premises.

Additional Fees and Charges:

- A. Damages: Guest agrees to be responsible for all damages and excessive cleaning expenses resulting from Guest's use or occupancy of the property.
- B. Returned Check Fee: A \$25.00 Returned Check Fee will be charged if a Guest's check is returned for any reason.
- C. Enforcement: Guest agrees to pay all damages court costs, and reasonable attorney fees incurred by Highland Lake Properties, LLC in the enforcement of its rights under the Vacation Rental Agreement and these Reservation Policies and Procedures and Property Rules and Regulations.

Disturbance:

Occupancy and use of the premises and amenities shall not be in a manner that disturbs residents or other Guests. If any Guest creates a private or public nuisance, Highland Lake Properties, LLC has the right to terminate the Vacation Rental Agreement and require that all Guests vacate, with no refunds.

Comparable Property:

Highland Lake Properties, LLC reserves the right to change the property reserved to a comparable property. Advance notice will be given if time permits.

Taxes:

Tax rates are calculated according to State sales tax, State and local accommodations taxes and fees and local laws in force at the time of the Guests stay. Guest is responsible for payment of all applicable taxes in effect at time of occupancy.

Occupancy:

- A. Guest agrees to restrict occupancy to the number and class of occupants listed on the cottage/home posted listing.

B. Guest agrees to comply with the check-out time or be subject to a late departure fee of up to one night's rental. If the property is not vacated by check-out time, Guest hereby consents to Highland Lake Properties, LLC removing all occupants and their belongings or be subject to a late departure fee of up to one night's rental and disposing of all belongings at Guest's expense and risk of loss.

C. ABSOLUTELY NO HOUSE PARTIES, YOUTH GROUPS, FRATERNITIES, WEDDINGS, RECEPTIONS, MEETINGS OR PARTIES ALLOWED WITHIN THE COTTAGE. Highland Lake Properties, LLC DOES NOT RENT TO STUDENTS OR GROUPS OF STUDENTS UNDER ANY CIRCUMSTANCES, EVEN IF A PARENT OR LEGALLY RESPONSIBLE ADULT MAKES THE RESERVATION. IF SUCH A GROUP OCCUPIES OR ATTEMPTS TO OCCUPY THE PROPERTY, IT WILL BE REQUIRED TO IMMEDIATELY VACATE AND THERE WILL BE NO REFUNDS.

F. Guest authorizes Agent, its employees and contractors to access the property when Agent determines that it is necessary.

G. Motor homes, trailers, boats and commercial vehicles storage are NOT allowed in The Garden Hamlet at Highland Lake or in any other place within the Highland Lake community. Motor homes and trailers may not be connected to the utilities and may not be occupied when parked at the property.

H. Agent makes reasonable efforts to insure that our properties are ready for our Guest's arrivals. However, due to the seasonal nature of our business, all properties may not be cleaned by check-in time. No refunds will be given should this occur.

I. During stay all Guests/Occupants are bound by the CCRC's of the Garden Hamlet POA and the Highland Lake Master Association. Copies of these documents are available for review in the Agent business office.

Personal Items:

Agent is NOT responsible for any personal property that is lost, stolen, damaged or left behind. A \$25.00 retrieval fee will be charged to search for personal property left behind, and if found, the items will be returned at Guests' expense.

Lost Key Fee:

Two keys to each cottage are issued with each stay. If keys are not returned upon check-out Guest will be charged \$20 (Plus applicable sales tax) per key not returned. This Lost Key Fee will be billed to the credit card on file.

Damage Deposits:

Guest agrees that a \$500 Damage Deposit is required/authorized with each fully executed vacation rental agreement. Cash damage deposits will be refunded by U.S. mail within 15 days of departure and will include invoices for any damages or cleaning expenses. Credit card damage deposits are not actually charged unless damage or excessive cleaning is required. In that event, invoices and credit card receipts will be mailed to Guest.

**Property Management Services Provided by:
Highland Lake Properties, LLC
PO Box 1348
Flat Rock, NC 28731
828-692-1359
www.highlandlake.net**

*** This document is automatically attached to each Vacation Rental Agreement**

GUEST INITIALS: _____