

PROPERTY MANAGEMENT AGREEMENT

This Property Management Agreement (the “**Agreement**”) is entered into and effective as of March 5, 2024 (the “**Effective Date**”) by XXX (“**Owner**”) and I Love Whitefish, LLC (“**Manager**”).

RECITALS

WHEREAS, Owner owns the Property located at XXX Property, Unit B in Whitefish, Montana, as described on **Schedule A** (the “**Property**”), and desires that Manager manage, operate, maintain, and service the Property, subject to the terms and conditions herein set out; and

WHEREAS, Manager desires to accept and assume such responsibilities, on the terms and conditions herein set out.

NOW, THEREFORE, in consideration of the foregoing and the covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **APPOINTMENT OF MANAGER AS INDEPENDENT CONTRACTOR.**

Owner hereby appoints Manager as the exclusive managing agent of the Property. Manager hereby accepts the appointment and agrees to perform in accordance with the provisions of this Agreement. Everything undertaken or done by Manager under this Agreement shall be done as an independent contractor of Owner and not as an employee. Nothing herein contained shall constitute or be construed to be or create a partnership or joint venture between Owner and Manager.

2. **TERM OF AGREEMENT.**

(a) **Initial Term and Renewal.** This Agreement shall commence on the Effective Date, and unless renewed or terminated as expressly provided herein, shall expire on the two-month anniversary of the Effective Date. The term of this Agreement shall be automatically renewed for additional successive one-month periods, unless either party elects to terminate this Agreement by written notice to the other party given at least thirty (30) days before the end of the then-existing term.

(b) **Termination on Sale or Foreclosure.** This Agreement shall terminate automatically and immediately on: (a) a sale of the Property or the ownership interests in the Property; or (b) foreclosure of the Property, transfer in lieu thereof, or other exercise of a lender’s remedies.

(c) **Manager Termination for Cause.** Notwithstanding the foregoing, Manager may immediately terminate the Agreement if Owner materially breaches the Agreement.

(d) Manager Remedies. If the Agreement is terminated for any reason or expires, Manager shall be entitled to the applicable Management Fee for all gross monthly rental income booked prior to the termination of this Agreement, and Owner shall pay all outstanding balance for amounts due and owing within thirty (30) days. In addition, in the event this Agreement is cancelled by the Owner within six (6) calendar months after the Effective Date, within thirty (30) days of the cancellation date, Owner shall remit payment of \$2,000 to Manager for onboarding and marketing costs.

3. DUTIES OF MANAGER.

(a) Manager shall, on behalf of and at the sole expense of Owner, perform all services required in connection with the normal operation and management of the Property. Manager agrees to rent the Property as a short-term or transient rental, as defined in A.R.S. § 9-500.39, to the general public. Manager shall use reasonable efforts to train and supervise Manager's employees, contractors and agents, if any, as to assure their compliance with all policies and procedures applicable to the Property. Notwithstanding anything to the contrary herein, Manager shall not be obligated to advance its own funds for payment of Property expenses on behalf of Owner. Manager shall consult with Owner on issues of significant importance as provided herein. Specifically, Manager's duties consist of the following:

(b) Manager shall collect all rents, rental taxes and other accounts receivable, enforce all leases and rental agreements with respect to the Property, and perform the obligations of the Landlord thereunder. In connection therewith, Manager shall take all necessary actions to enforce the terms of all such leases and rental agreements and to diligently pursue collection of all rent and other charges due from or payable by guests and occupants. Notwithstanding the above, Manager shall be authorized to negotiate settlements with guests and occupants including, but not limited to, reducing balances in lieu of litigation, compromising amounts in dispute, and waiving or reducing late fees and interest charges which may have been assessed against a tenant or occupant. Manager may institute any legal proceedings for the collection of rent or for the dispossession of guests or occupants only with the prior direction of Owner. Manager shall inform all guests and occupants of the Property of all rules, regulations and notices now existing or hereinafter promulgated by Owner, Manager.

(c) Manager shall make or cause to be made all necessary repairs, alterations, additions, and improvements to the Property to assure compliance with Montana law. The Owner shall pay for routine maintenance and repairs unrelated to guests, and for any City-required safety items if necessary. Manager shall consult with Owner on these repairs and alterations prior to project start.

(d) Manager shall purchase all necessary supplies and materials, and do all other things necessary to maintain the Property not otherwise the responsibility of the HOA or of Owner.

(e) Manager shall contract for security and such other services as shall be necessary and advisable for the proper operation of the Property; provided, however, that Manager shall not, without Owner's prior consent, enter into any contract that cannot be terminated without cause upon thirty (30) days' notice. The Owner shall be solely responsible for reimbursing Manager for all deep cleanings, general repairs, and maintenance not caused by vacationing guests. Owner

shall contract for electricity, gas, water, and Internet, and Manager shall co-operate with Owner to effect appropriate services to the Property.

(f) Manager shall contract with, hire, train, discharge, and supervise all persons which Manager reasonably determines are necessary to carry out Manager's duties hereunder, provided that Manager shall not discriminate against any employee or person on the basis of race, creed, color, sex, age, disability, or national origin. It is expressly understood and agreed that all employees and contractors hired or retained by Manager shall not be employees or contractors of Owner. Manager shall direct the time and manner of the work and services to be performed by the Manager's employees and contractors and shall comply with all applicable federal, state, and local laws, ordinances, and regulations applicable to such employees. Manager shall pay all costs of supervising and directing such employees and contractors. Manager shall consult with Owner on these repairs and alterations prior to project start.

(g) Manager shall establish and maintain files containing correspondence, maintenance, and service contracts, rent and security deposit records, payroll records, leases, receipts, unpaid bills, vouchers and all other documents and papers pertaining to the Property and the management and operation thereof.

(h) Manager shall establish and maintain, at Manager's expense, accurate and complete books, records and accounts with entries for every financial transaction connected with the operation of the Property, including all income and disbursements pertaining to the Property. Such books, records, and accounts shall be and shall remain the property of Manager. During the term of this Agreement, all books, records, and accounts pertaining to the Property shall be maintained at Manager's principal place of business.

(i) Manager shall prepare and furnish to Owner budgets and financial reports and statements in accordance with the provisions of this Agreement.

(j) Manager shall inspect the Property on an ongoing basis and in reasonable detail as to the status and condition of the Property.

(k) Manager shall cooperate with Owner's accountants with regard to the preparation and timely filing on behalf of Owner of federal, state, city, and any other income and any other tax returns required by any governmental authority in connection with the ownership and operation of the Property, and to contract for assistance on abatement or reduction of taxes and assessments affecting the Property and for awards for complete or partial takings of the Property by eminent domain, provided that all condemnation, assessment, and taxation matters shall be at all times within the control and direction of Owner.

(l) Manager shall negotiate and execute leases, rental agreements, tenancies, and pricing for the Property. At the Manager's sole discretion, wholesale travel agents may be used to achieve financial projections for this Property. Property pricing is set higher to compensate for wholesale commissions and paid by Manager prior to Owner and Manager compensation.

(m) Manager shall perform any other services reasonably requested by Owner or reasonably necessary for the care, protection, maintenance, and efficient operation of the Property and the prevention of waste, damage, or injury thereto.

(n) Manager shall establish, implement, and update an on-going marketing plan for the lease of the Property.

(o) Manager may use the house/unit up to 7 days, space available, non-holiday nights annually for Marketing, Promotional uses and purposes, and for staff training.

(p) In the event Manager undertakes any emergency repairs, Manager shall promptly notify Owner of all repairs completed and purchases made.

4. DUTIES OF OWNER; USE OF PROPERTY BY MANAGER.

Owner agrees:

(a) To pay or provide funds to pay all debt obligations of the Property when due.

(b) To promptly respond in writing to any request for authorization received from Manager within five (5) working days of receipt thereof.

(c) To provide Manager copies of all documents, land use restriction agreements, and other agreements pertaining to the Property upon commencement of this Agreement.

(d) Owner shall disclose in writing all material facts regarding the Property to Manager, including all physical, environmental, and other conditions that affect the Property and any violations of applicable building, zoning, fire, health, and safety codes. Owner shall immediately notify Manager of any changes in the disclosures made herein or otherwise.

5. MANAGER AND OWNERS EXPENSES CONCERNING THE PROPERTY

(a) The Owner shall be responsible for: (i) mortgage loan payments and debt service, (ii) utility services, (iii) homeowner's dues and assessments, (iv) insurance, (v) capital expenditures, (vi) major repairs and maintenance, (vii) tax preparation, (viii) other maintenance in addition to as it is specified herein including without limitation routine and functional maintenance that would be required and/or performed notwithstanding tenant and/or guest usage or routine repairs and maintenance unrelated to guests, (ix) carpet cleaning, (x) any and all hot tub services, (xi) biannual deep cleanings, (xii) window cleanings, (xiii) nightly rental licensure costs and expenses for the Property, (xiv) any and all associated cleanings from Owner or a guest of the Owner's, and (xv) all other reasonably related matters to the Property (the "**Owner Expenses**").

(b) The Manager Expenses shall include without limitation any and all advertising, marketing, accounting, basic tax documents, contracts and administration, normal and routine rental collection activities, credit card fees, security, routine maintenance required or requested

by guests and occupants of the Property, guest's mid-week and final cleanings, and all reasonably related matters.

(c) Unless otherwise agreed by the parties or provided to the contrary herein, all other such costs, expenses, and fees in connection with the Property shall be paid by Manager in consideration of its Management Fee, as defined below (the "**Manager Expenses**"), other than the Owner Expenses, and other costs, expenses, and fees borne by the HOA.

6. BANK ACCOUNTS.

(a) All rents and other funds collected from the operation of the Property received by Manager for or on behalf of Owner shall be deposited immediately in a non-interest-bearing management account (the "**Property Management Account**") to be maintained by Manager and Broker with an insured financial institution selected by Manager and Broker. Only the Manager and Broker shall have the authority to sign checks or otherwise withdraw funds from the Property Management Account. The remittance of funds to Owner shall be compatible with the financial reports provided by Manager and Broker. Manager shall pay the operating expenses of the Property and any other payments related to the Property as allowed by the terms of this Agreement out of the Property Management Account.

(b) Any security deposits will be held in a non-interest-bearing trust account at an insured financial institution selected by Manager and Broker.

7. MANAGER'S INSURANCE.

As Manager deems appropriate, Manager shall maintain management organizational insurance during the entire term of this Agreement.

8. PROJECTIONS AND PROFORMAS.

(a) Manager shall prepare and submit to Owner a property projection and Proforma detail and showing estimated income, rental rates, and expenses for the Property, for the ensuing calendar year, or remaining portion thereof, as the case may be.

(b) The Projections and Proforma's are not to be construed as actual Property income, but is to be used as guidelines and for comparable analysis of the Property.

9. FINANCIAL REPORTS.

Manager shall prepare and furnish to Owner routine financial reports, in form approved by Owner, as and when reasonably requested by Owner. Generally, these will be done monthly with rental income, unless there is no income or expenses to report for that month.

10. INDEMNITIES; WAIVER OF RIGHTS OF RECOVERY.

(a) Owner shall, and Owner does hereby agree to, indemnify, defend, and hold harmless Manager and Manager's members, directors, officers, and employees from and against any Loss that Manager or Manager's members, directors, officers, and employees may suffer or

incur, or which may be asserted against Manager or Manager's members, directors, officers, and employees, whether meritorious or not, and which arises in connection with the Property in the performance of Manager's duties and obligations under the terms of this Agreement resulting from (i) Owner's breach of this Agreement, negligence, fraud, or willful misconduct, (ii) breach of rental agreements entered into during the term due to the sale of the Property, and (iii) personal injury or property damage in connection with the Property. The foregoing indemnity shall continue notwithstanding the expiration or earlier termination of this Agreement regarding any occurrence preceding such expiration or termination; *provided, however*, that in no event shall the indemnity provided under this Section extend to any Loss if and to the extent the same is caused by: (a) the gross negligence or willful misconduct of Manager or its agents or employees; or (b) acts by Manager outside the scope of authority granted under this Agreement ("**Unauthorized Acts**").

(b) The term "**Loss**" shall mean any and all damages, demands, claims, payments, obligations, actions or causes of action, assessments, losses, liabilities, costs, and expenses, including, without limitation, penalties, interest on any amount payable to a third party, lost income and profits, and any legal or other expenses (including, without limitation, reasonable attorneys' fees and expenses) reasonably incurred in connection with investigating or defending any claims or actions, whether or not resulting in any liability. Notwithstanding the foregoing, in no event shall the term "Loss" include consequential, punitive, or special damages.

(c) Manager shall indemnify, defend, and hold Owner harmless for, from, and against any and all Loss incurred by Owner and arising out of or in connection with any Unauthorized Acts of Manager; *provided, however*, that in no event shall the indemnity provided under this Section extend to any Loss if and to the extent the same is caused by the gross negligence or willful misconduct of Owner or its agents or employees.

(d) Each party hereby waives any and all rights of recovery or claims against the other, or the officers or employees thereof, for any loss or damage incurred by the waiving party to the extent that such loss or damage is covered by any insurance policy required to be maintained hereunder.

11. PROPERTY AND LIABILITY INSURANCE.

Owner shall, during the term of this Agreement, at Owner's expense, obtain and maintain in coverage amounts approved by the Manager: (i) a policy of liability insurance and (ii) "all-risk" property insurance. Manager shall be a named insured on all property insurance and an additional insured on all liability insurance for the Property.

12. MANAGER'S COMPENSATION.

In consideration of the performance of its management duties hereunder and the Manager's payment of the Manager Expense, Manager shall receive and Owner shall pay to Manager during the term of this Agreement, as the sole consideration to be paid to Manager for the performance of such duties and obligations, and unless otherwise provided in this Agreement, a monthly fee equal to thirty-five percent (35%) of the gross monthly rental income from the Property, or as otherwise may agreed by the parties (the "Management Fee"), with the balance payable to the Owner. Such Management Fee shall be payable at the same time as the Manager remits to the Owner the rental

income from the Property under this Agreement. Unless otherwise agreed by the parties, Manager shall issue Owner statements 15-days after the end of the calendar month in which the applicable rentals have been fulfilled, and payment to Owner shall be issued within 3 business days from said Owner statement. Any negative Owner balances must be paid in full within thirty (30) days after the issuance of the Owner statement. If this Agreement commences on any date other than the first of a calendar month, the Management Fee for such period shall be computed on a pro-rata basis. Deep cleanings, window cleanings, hot tub service, snow removal routine repairs and maintenance (unrelated to guests) are not included in the Management Fee.

13. COMMUNICATIONS FROM THIRD PARTIES.

Manager shall advise Owner immediately by telephone, facsimile or hand delivery, with confirmation by mail (including the sending of the document received by Manager), of the service upon Manager of any summons, complaint, subpoena or similar legal document, or of the receipt by Manager of any notices, letter or other communications setting forth or claiming any actual or alleged potential liability of Owner, Owner or the Property, including, without limitation, any notice, demand, request or other communication from any tenant or other occupant of the Property or any mortgagee, deed of trust beneficiary, ground lessor, or insurer.

14. DAMAGE OR DESTRUCTION.

Manager shall promptly notify Owner of any damage to or destruction of the Properties. In the event of any damage or destruction to any part of the Property, Manager shall, in addition to the other duties enumerated herein, inspect, monitor, and supervise all reconstruction or repair work on a regular basis to ensure that the Property is being repaired orderly, efficiently, and in a manner approved by Owner, and shall advise and consult with Owner at such times as Owner shall request with respect to such reconstruction or repair, including the pursuit of the responsible persons associated with such damage or destruction; provided, however, performance of Manager's duties hereunder shall not constitute a warranty or assurance of the construction work performed.

15. SALE OF PROPERTY.

It is expressly understood and acknowledged that the Property can be listed for sale by Owner. Manager agrees to cooperate with Owner in connection with any such sale and related negotiation and shall make available for inspection by a prospective purchaser such information and/or documentation as is reasonably requested by Owner. No provision herein shall be deemed as authorization to Manager to act as broker in connection with the sale of the Property or to entitle Manager to a commission or fee upon the sale of the Property unless otherwise expressly agreed upon by Owner. Preparation and coordination of estoppel certificates is the responsibility of Owner; Manager shall promptly provide the information to Owner required for such preparation. All rental agreements booked by Manager prior to the sale date shall be honored by the future property owner and the current owner is responsible to disclose all leases and honor these rentals. In addition, Owner shall notify Manager prior to listing the Property/marketing the Property for sale.

16. TURNOVER OF RECORDS AND FUNDS.

Following termination of this Agreement, Manager agrees to use reasonable efforts to aid in the transition of duties to any new manager, and all books, records and documents shall be turned over as soon as practical.

17. NOTICES.

All notices required to be given by either party to the other hereunder shall be in writing and shall be hand delivered or sent by registered or certified mail, return receipt requested and postage prepaid, to the parties at the addresses set forth below:

To Manager: I Love Whitefish, LLC
PO Box 1998
Park City, Utah 84060

To Owner: XXX
1234 Main St
Bakersfield, CA, 93313

Either party may at any time change its address by sending written notice to the other party in the manner hereinabove prescribed. Changes shall be deemed effective five (5) days after confirmation of delivery. All notices, demands, and requests shall be deemed given, delivered or received upon the date of receipt or the date delivery was first refused by the addressee as shown on the return receipt.

18. MISCELLANEOUS.

(a) Entire Agreement; Amendments. This Agreement contains the entire agreement between the parties hereto, and any agreement hereafter made shall be ineffective to modify or terminate this Agreement or constitute a waiver of any of the provisions hereof unless such agreement is in writing and signed by the party against whom enforcement of the modification, termination, or waiver is sought.

(b) Headings; Counterparts. The captions to the paragraphs in this Agreement are included for convenience only and are not intended to and shall not be deemed to modify or explain any of the terms of this Agreement. This Agreement may be signed in counterpart.

(c) Governing Law; Jurisdiction. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Montana. The parties hereto submit to personal jurisdiction in the State of Montana for the enforcement of the provisions of this Agreement and waive any and all rights to object to such jurisdiction for purposes of litigation to enforce this Agreement.

(d) Assignment. This Agreement and all rights hereunder, shall not be assignable by Manager without Owner's prior written approval, which consent may be withheld in Owner's sole discretion; provided, however, that Manager may, without the consent of Owner, assign this Agreement to a duly qualified affiliate of Manager. Manager shall promptly notify Owner in writing of any such assignment. This Agreement is assignable by Owner with Manager's consent and upon assignee's unconditional written assumption of this Agreement and delivery thereof to Manager. This Agreement shall inure to the benefit of and be binding on the parties hereto and their respective successors and assigns to the extent assignment is permitted hereunder.

(e) Attorney's Fees. In the event of any controversy, claim, or dispute between the parties hereto arising out of or relating to the Property or this Agreement or the breach hereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorneys' fees, and costs.

IN WITNESS WHEREOF, this Agreement has been duly executed as of the day and year first above written.

Manager:

Owner:

I Love Whitefish, LLC

Printed Name: Jim Bizily

Printed Name: XXX

Signature: _____

Signature: _____

Its: Manager

Its: Owner

Date: _____

Date: _____

**SCHEDULE A
PROPERTY**