

VACATION RENTAL AGREEMENT

OCRACOKE'S BLUE HERON REALTY, LLC

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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 Tenants. 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.

**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.

- 1. **RESERVATIONS.** Once Agent takes a reservation from Guest, Guest must forward a signed rental agreement and make payments at times specified in Agent's policies. Unless the agreement and all required payments are received by Agent then the reservation may be cancelled without further notice.
- 2. PAYMENT POLICIES. All payments are due no less than thirty (30) days prior to check-in. Payment can be made by MasterCard, Visa, Discover, money orders, cashier's check, certified checks, company checks, and personal checks subject to the following conditions: (a) When payment is made by credit card the person named and endorsing the Rental Agreement must also be the person whose name is on the credit card; (b) No personal checks or company checks will be accepted later than 14 days before check-in; and (c) A \$25.00 service fee (or the maximum fee allowed by law) will be charged for all return checks.
- **3. ADMINISTRATIVE FEE.** A fee of \$140.00 plus tax is charged to Guest on Guest's rental. Prices reflected in brochure and online include this fee with rental amount.
- **4. PARTIALS.** Some of our homes offer partial stays, requiring at least a three night minimum, if booked within two weeks of arrival. The rate is figured by taking the weekly rate and dividing it by five.
- **5. CHECK-IN.** Guests may check-in after 4:00 p.m. at our office located at 935 Irvin Garrish Hwy, Ocracoke, N.C. No check-in will be allowed until all rent, taxes and fees have been paid in full. If you are unable to arrive at our office prior to close of business, please call for special instructions.
 - In extreme situations your check-in time may be delayed until 5:00 p.m. for special cleaning and/or maintenance. We do our best to accommodate early check-ins but please remember there is no guarantee! We ask that you do not park at the home while it is being prepared for your arrival as this slows the process of cleaning, inspecting, etc.
- **6. CHECK-OUT.** On the day of departure the Premises must be vacated by 10:00 a.m. The keys must be returned to our office. Please leave the property like you would like to find it if you were the one coming in to clean; wash dishes, empty fridge, secure doors and windows, and place bagged trash in bin outside. Failure to follow check-out procedures may result in a reduction of your security deposit refund.

- 7. DISBURSEMENT OF RENT AND THIRD-PARTY FEES. Guest authorizes Agent to disburse up to fifty percent (50%) of the rent set forth in Paragraph 2 above to the Owner of the Premises (or as the Owner directs) prior to Guest's occupancy of the Premises and the balance of the rent shall be disbursed to Owner (a) upon the commencement of the tenancy, (b) a material breach of this Agreement by Guest, or (c) 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 upon which the check was written. 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.
- 8. SECURITY DEPOSIT. Any security deposit may be applied to actual damages caused by Guest and Guests agents, guests or invitees, as permitted under the Tenant 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 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. In lieu of paying the Security Deposit (Damage Deposit) that is set by homeowner, Guest may purchase through Agent a Damage Deposit Waiver. The Damage Deposit Waiver covers Accidental Damages up to \$1500.00. Guest is responsible for any damages above that amount. Neither the Security Deposit or Damage Deposit Waiver cover intentional damages or neglect for the property including but not limited to smoking in a non smoking property or violating a no pet policy. If extra cleaning is needed as a result of these violations Guest will be responsible for these charges.
- 9. TRUST ACCOUNT. Any advance payment made by Guest shall be deposited in an interest-bearing trust account with First National Bank, located in Ocracoke, North Carolina. Guest agrees 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.
- 10. OTHER NON-AVAILABILITY OF PROPERTY. In the event that the Owner is unable to deliver the Premises to Guest at check-in because of any reason whatsoever, including, but not limited to damage to the Premises, acts of eminent domain, condemnation, acts of nature, double-booking or delays in construction, then Guest's sole remedy as a result of any of these conditions is the full refund within 60 days of Agent's discovery of the condition of all funds previously received from Guest less fees paid to third parties for the benefit of Guest as authorized. If Agent is able to relocate Guest, Guest agrees to pay any difference in rental rate. Guest expressly acknowledges that in no event shall Agent or Owner be responsible to Guest for travel costs, food, meals, lodging or other expenses related to Guest's relocation.



- 11. MANDATORY EVACUATION. If State or local authorities order a mandatory evacuation of an area that includes the Premises, Guest shall comply with the order. There will be no refunds of any kind for hurricane evacuations. According to the North Carolina Vacation Rental Act, in the event of a mandatory evacuation, "The tenant shall not be entitled to a refund if: i.e. prior to the Tenant taking possession of the property, the Tenant refused insurance offered by the landlord or real estate broker that would have compensated him or her for losses or damages resulting in loss of use of the property due to a mandatory evacuation order.
- 12. 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: (a) holds over in possession after Guest's tenancy has expired; (b) commits a material breach of any provision of this Agreement that according to its terms would result in the termination of Guest's tenancy; (c) fails to pay rent as required by this Agreement; or (d) has obtained possession of the Premises by fraud or misrepresentation.



- 13. VACATION INSURANCE. In partnership with Red Sky Travel Insurance, Blue Heron Realty offers our guests Vacation Insurance, and strongly recommends it. Vacation Insurance is intended to protect Guests in the event of unforeseen circumstances that cause cancellation or interruption of your vacation, including, but not limited to, mandatory evacuations in the area before or after check-in and medical emergencies. There will be NO refunds for any perils insurable by Vacation Insurance. Vacation Insurance shall be the sole remedy for the occurrence of such perils.
 - For more information on Vacation Insurance, please visit our website, www.blueheronvacations.com, and click on the Vacation Insurance link. You can also contact Red Sky directly by phone at 866.889.7409.

- **14. EQUIPMENT AND FURNISHINGS.** All properties are equipped with normal housekeeping items, but Guest must furnish paper products, cleaning supplies and linens. Properties are furnished according to individual Owner tastes. Agent is not responsible for Owners changing their furnishings after printing the brochure or errors contained therein.
- **15. PETS.** Some of our rental properties will accept pets, please inquire when you book your reservation. All other rental properties DO NOT allow pets anywhere on the premises. If pets are not permitted and a pet is found on the property, this is a material breach of the lease agreement. Blue Heron reserves the right to subject Tenant to an expedited eviction, additional cleaning charges, including but not limited to flea treatment of the property. Please be respectful of our homeowner's policies in regards to pets.
- **16. MAXIMUM OCCUPANCY.** Guest shall not permit the Premises to be occupied beyond the maximum occupancy, including children, of each said rental property. Violation of this prohibition will result in eviction and forfeiture of all monies paid. No RV's or Campers may be parked on the Premises for the purpose of extra sleeping capacity. Our premises are NOT rented to the following groups: sororities, fraternities, graduation groups, or wedding groups per homeowner's request.
- 17. POOLS AND HOT TUBS. Use of Pools and Hot Tubs can pose risks ranging from infections to drowning. Please use these facilities with care and at your own risk. Pool/spa workers may visit pools and hot tubs during the period of Guest's tenancy in order to monitor water quality and perform routine maintenance or repairs. DO NOT remove from pools and hot tubs devices (whether floating or otherwise) that are present for the purpose of distributing cleaning chemicals. If a cleaning is required during Guest's tenancy due to misuse, the cost will be charged to the Guest.
- 18. THE GUEST SHALL: (1) Keep that part of the Premises he or she occupies and uses as clean and safe as the conditions of the Premises permit and cause no unsafe or unsanitary conditions in the common areas and remainder of the Premises; (2) Dispose of all ashes, rubbish, garbage, and other waste in a clean and safe manner; (3) Keep all plumbing fixtures in the Premises or used by the Guest as clean as their condition permits; (4) Not deliberately or negligently destroy, deface, damage, or remove any part of the Premises or render inoperable the smoke detector provided by the Owner, or knowingly permit any person to do so; (5) Comply with all obligations imposed upon the Guest by current applicable building and housing codes; (6) Be responsible for all damage, defacement, or removal of any of the property inside or at the Premises unless the damage, defacement, or removal was due to ordinary wear and tear, acts of the Owner or his or her Agent, defective products, acts of third parties not invitees of the Guest, or natural forces; (7) Notify the Owner and/or Agent of the need for replacement or repair to a smoke detector. 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.

19. TRANSFER OF PREMISES.

a. If Owner voluntarily transfers the Premises, Guest has the right to enforce this Agreement against the grantee (new Owner) of the Premises if Guest's occupancy under this Agreement is to end 180 days or less after the new Owner'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 new Owner agrees in writing to honor this Agreement. If the new Owner 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 new Owner or the new Owner's agent is required to: (i) notify Guest in writing of the transfer of the Premises, the new Owner's name and address, and the date the new Owner'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. If the new Owner engages Agent to continue managing the Premises after the transfer, the new Owner shall have no obligation under (i) or (ii) above if this Agreement must be honored under the Vacation Rental Act or if the new Owner agrees in writing to honor this Agreement.

- b. 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.
- c. 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.
- **20. AGENT'S OWNERSHIP.** Agent and/or its employees may have Ownership interests in some of the properties offered for rent. Vendors, Agencies, Utilities and/or others may pay fees or commissions to Agent for using their services. SUCH FEES OR COMMISSIONS ARE DEEMED SOLELY THE INCOME OF AGENT.
- 21. INDEMNIFICATION AND HOLD HARMLESS; RIGHT OF ENTRY; ASSIGNMENT. Guest agrees to indemnify and hold harmless Agent and Owner to the extent allowed by law from and against any liability for personal injury or property damage sustained by any person (including Guest's guests). This provision is not intended to insulate Owner from the obligation to comply with the duties imposed by the Vacation Rental Act. Guest agrees that 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 Owner may deem appropriate or necessary pursuant to the Vacation Rental Act. Guest understands and accepts that Agent is retained by Owner to manage the Premises for rental purposes; Agent is not responsible to inspect, maintain or repair the structural integrity of the Premises. Owner will make arrangements with other independent contractors for those purposes. Guest shall not assign this Agreement or sublet the Premises in whole or part without written permission of Agent.
- **22. APPLICABLE LAW.** This Agreement shall be governed by the construed in accordance with the laws of the State of North Carolina. In the event of a dispute, all parties agree that any legal action shall be maintained in Hyde County, North Carolina. All parties consent to Hyde County, North Carolina, jurisdiction.
- 23. ENTIRE AGREEMENT. This Agreement is the entire agreement among the parties with respect to the subject matter hereof, and no representation or covenants, whether oral or written, have been made regarding the subject matter hereof except as provided herein.
- **24. SEVERABILITY.** Every provision of this Agreement is intended to be severable. If any term or provision hereof shall be declared illegal, invalid, or in conflict with North Carolina law for any reason whatsoever, or if the enforcement of any provision shall be waived, the validity of the remainder of this Agreement shall not be affected thereby.
- 25. CANCELLATION POLICY. In the event that you have to cancel your reservation, Blue Heron Realty will do our best to try and rebook the property. If your reason for cancelling is NOT covered by Vacation Insurance, or you declined Vacation Insurance, your only remedy will be if we are able to rebook the property thus providing you with a refund. Any payments made will be refunded less a \$50.00 cancellation fee, administrative fee, and travel insurance premium if applicable and applicable taxes. If the property is rented for less than the rental rate indicated on your vacation agreement, you will be responsible for the difference. If the property is not re-rented you will forfeit any monies paid. Particular circumstances may be covered by Vacation Insurance available to guests if purchased at the time of booking.

Addendum to Ocracoke's Blue Heron Realty Vacation Rental Agreement

ADDITIONAL PROVISIONS:

By making payment to Ocracoke's Blue Heron Realty and/or by taking possession of the rental property in accordance with the terms of your lease, and in light of the impact of Hurricane Dorian and the COVID-19 virus, you acknowledge and agree to the following additional provisions of the Vacation Rental Act:

- You and the other persons in your rental party understand that, as a result of Dorian and the virus, not all of Ocracoke's facilities and attractions are available this year. Ocracoke is coming back strong, but some of the Ocracoke activities and public accommodations you may have enjoyed in the past or may have anticipated will not be available during the period of your rental.
- 2. By taking possession of the rental property pursuant to your rental agreement, you certify and attest that neither you nor any member of your rental party has been tested positive for, or has exhibited symptoms of, the COVID-19 virus within the twenty-one (21) day period immediately prior to the beginning of your rental period. In addition, in the event that during your rental period you, any member of your rental party, or any person who visits any member of your rental party at the rental property, tests positive for, or exhibits symptoms of, the COVID-19 virus, then you and your rental party will immediately vacate the rental property and notify the Ocracoke Health Center and Blue heron Realty.
- 3. We will not be able to honor early check in requests as a result of the extra cleaning/disinfecting required to ready your rental property.
- 4. You and all members of your rental party, as well as all visitors to the rental property during your rental period, hereby waive any and all rights against the owners of the rental property, the rental agent and their representatives and affiliates arising from any COVID-19 infection or complications allegedly contracted or incurred during your rental period. That renter agrees in any and all events to indemnify and hold harmless the owner and the rental agent and their representatives, and heirs successors or assigns in interest forever, from any and all liability of any type or nature that might arise from any COVID-19 related issues as stated herein or that otherwise might exist.
- 5. Renter will notify rental agent immediately if, within fourteen (14) days of departure from the rental property, renter, any member of the rental party, or any visitor to the rental property during the rental period tests positive for, or exhibits symptoms of, the COVID-19 virus.

By:	Date:	
Manager		
Guests:		
By:	Date:	

OCRACOKE'S BLUE HERON REALTY. LLC