

RENTAL AGENT AGREEMENT

This agreement is entered into this ___ day of _____, 20__ by and between Northwoods Condominium Association, a Colorado nonprofit corporation (“NCA” or the “Association”) and _____ (“Agent”).

Recitals

A. NCA functions as the designated association of condominium homeowners for Northwoods Condominiums located in Vail, Colorado. Under the recorded NCA Declaration and the various supplements and amendments thereto, NCA is authorized to manage the common elements and operations of the Northwoods Condominium Association community and to enforce the provisions of its governing documents.

B. Pursuant to Section 4(b) and 6 of the Declaration, the Association, through its board of directors (the “Board”), is empowered to adopt rules and policies from time to time governing short term rental activities of owners within the Northwoods community who rent their homes on a short term basis (a “Rental Owner”). A short term rental is defined as any rental, lease or occupancy arrangement for a home for a term of less than six months. Any home that is utilized either for occasional or frequent short term rentals is referred to in this agreement as a “Rental Unit.” The owner of any Rental Unit must sign a rental owner agreement with the Association (the “Rental Owner Agreement”).

C. The Board has adopted rules and regulations that govern activities of owners and their guests within the community and also control the use of common areas and elements. In addition, the Board has adopted specific rules of conduct (the “Conduct Code”) regulating the activities of guests and tenants who occupy Rental Units within the NCA community. A copy of the Conduct Code is attached to this agreement as Exhibit A.

D. The Board has also adopted a policy statement regulating and governing all short term rental activities within the Northwoods community. A copy of the policy statement is attached to this agreement as Exhibit B.

E. Pursuant to the policy statement, a Rental Owner must use an Association-approved rental agent for purposes of conducting any short term rental activities within the NCA community. Only approved rental agents are permitted to operate within the NCA community. One of the conditions for becoming an approved rental agent is the execution of this agreement by the rental agent and the Association.

F. Agent desires to operate within the NCA community as an approved rental agent and is willing to comply with the requirements for approval status and execute this agreement.

Accordingly, the parties agree as follows:

1. **Requirements for Approved Status and Agent Covenants.** To be approved by the Association as a rental agent to conduct short term rental activities within the Association's community, Agent must meet all of the requirements and must perform the various covenants listed below:

1.1 Agent must be licensed as a real estate broker or a community association manager by the State of Colorado. Agent's current license status must be in good standing with the Colorado Real Estate Commission and the Department of Regulatory Agencies. Agent represents and warrants that Agent is licensed in this manner, and that the license is currently in good standing

1.2 If Agent is a business entity such as a corporation or limited liability company, the individual who is the majority owner of the entity must provide his or her personal undertaking and guaranty to the Association concerning the performance of any of Agent's obligations under this agreement.

1.3 Agent must carry acceptable general commercial liability insurance covering normal risks arising from Agent's activities and short term rental operations conducted for any Rental Unit within the Association's community. ***An errors and omissions policy of insurance procured by a licensed real estate broker pursuant to CRS §12-61-103.6 will not suffice for this purpose.*** Insurance coverage obtained by Agent must extend to liability for negligent actions of Agent and any of its representatives as well as any intentional misconduct pertaining to short term rental operations conducted in the Rental Unit. The coverage under the policy must contain terms and coverage amounts acceptable to the Association. Agent shall provide proof of such insurance in the form of a certificate of insurance issued to the Association by the insurance carrier. The certificate shall provide for prior written notice to the Association before the insurance policy may be modified or terminated. Agent represents and warrants that a copy of the certificate of insurance has either previously been furnished to the Association or is attached as a supplement to this agreement.

1.4 Agent must demonstrate a suitable level of rental management experience and business acumen acceptable to the Association's manager. Agent agrees to provide the Association with references and other background information in this regard within the time frame required by the Association.

1.5 Agent, upon request of the Association, must consent to and submit to conventional background checks, credit investigations and other investigatory analysis. All credit and investigative reports must demonstrate conclusions and results concerning the Agent that are acceptable to the Association's manager. Agent represents and warrants that Agent or any owner of Agent has not been convicted of a felony or any Class 1 misdemeanor under the laws of the State of Colorado. Agent further represents and warrants that Agent or any owner of Agent has not been the subject of a license revocation proceeding initiated by the Colorado Real Estate Commission or the Colorado Department of Regulatory Agencies.

1.6 Agent, upon the request of the Association and as a condition of approval, must post a performance bond or letter of credit in the amount of \$100,000.00 for the benefit of the Association as security to guaranty Agent's full and satisfactory performance of all of the terms of this agreement.

2. **Rental Agent Obligations and Duties.** In carrying out its activities as an approved rental agent within the NCA community, Agent agrees to perform the following duties and obligations:

2.1 Agent shall handle all bookings and registrations for short term rentals in accordance with procedures and instructions provided by the Association's manager. All registration and credit approval activities for tenants and occupants shall be carried out by Agent. In addition, Agent, with input from the Association's manager, must handle all issues relating to parking, luggage, ski or sports storage, access to amenities, check out times, cleaning services and so forth.

2.2 Prior to or at the time of registration, Agent must deliver the Conduct Code to each tenant and take appropriate steps to acquaint each tenant with the content of the Conduct Code. In addition, Agent must post or position a copy of the Conduct Code in a location within the Rental Unit where it is clearly visible.

2.3 Agent must make personal contact with tenants at or about the time of registration to answer questions and acquaint tenants with the amenities and other aspects of the rental arrangements. Agent must also specifically mention the Conduct Code and respond to any questions or concerns.

2.4 Agent acknowledges and agrees that Northwoods Operating Services (NOS) will not be engaged or required to supervise and perform periodic cleaning and other maintenance and repair services for the Rental Unit during the term of the short term tenancy. Agent agrees to supervise and contract with outside providers to supply all such cleaning, maintenance and repair services for each short term rental booking. This shall include, without limitation, providing linens, trash services (using designated garbage receptacles), general cleaning, washing, changing and storing linens, maintenance and storage of supplies and cleaning equipment, etc. All outside providers must be acceptable to the Association's manager and shall be explicitly subject to the manager's instructions and directions. Outside providers must carry liability and workers' compensation insurance and must be able to provide documentation of such insurance policies upon request by the Association's manager.

2.5 Agent shall take special precautions to assure that all tenants are at least 21 years of age unless directly supervised by a family member at all times.

2.6 Agent must be familiar with the applicable requirements of the Association's rules and regulations and provide copies to tenants upon request. Agent must also emphasize to all tenants that it will be necessary for them to strictly comply with the Conduct Code and the Association's rules and regulations at all times, and that failure to do so could result in immediate eviction. This includes, without limitation, informing tenants of the

Association's restrictions and rules pertaining to smoking or consuming alcoholic beverages in public or common areas as well as the Association's absolute prohibition against smoking or ingesting Cannabis or any Cannabis-related substances within any portion of the Association's boundaries.

2.7 Agent shall be available by telephone at all times (24/7) to respond to complaints or concerns over the conduct or infractions of any short term tenant or guest pertaining to a rental transaction booked by Agent. While the extent and nature of the Agent's response will be dependent on the particular circumstances of the complaint, the parties agree that an immediate in-person response by Agent or Agent's representative will be appropriate and expected in most instances.

2.8 Agent shall clearly communicate to all short term tenants and guests that parking is limited upon the Association's premises and will only be available for the times and locations determined by the Association's manager. Agent shall also inform all short term tenants and guests that the manager will have total control and direction over parking matters, and that no parking space will be assigned for use by a tenant or guest without the manager's control, direction and approval.

2.9 Agent must report and pay on behalf of each Rental Owner represented by Agent all lodging and other taxes or fees due to the Town of Vail arising from short term rental activities.

2.10 Agent must understand all state and federal laws relating to the use of a service animal by a short term tenant. Agent shall take appropriate steps to verify that a short term tenant is legitimately entitled to be accompanied by a service animal prior to confirming any booking arrangement. Agent agrees to follow any procedures adopted by the Association pertaining to service animals or any other accommodation that may be required under the federal Americans With Disabilities Act or under any similar Colorado laws and regulations.

3. **Advertising.** Agent acknowledges that the NCA community is a family resort condominium community in a very unique and quiet location in the Vail Valley. Agent also acknowledges that the Association utilizes a strict code of conduct and prohibits any undesirable activities, unreasonable noise, loud music, smoking or consuming alcoholic beverages in public or common areas, or engaging in any conduct that is irritating to other NCA owners and guests. Agent agrees to include these restrictions in any advertising material or information for potential bookings of Rental Units. Agent shall also specify in any advertising material that smoking or ingesting Cannabis or any Cannabis-related substances is strictly forbidden in the Rental Units and in any other location within the Northwoods community. Agent may not utilize the services of any online residence sharing or hosting enterprise such as Airbnb, VRBO, etc. without the prior approval of the Association, and then only under such strict conditions as the Association shall impose in its sole discretion.

4. **Approved Rental Agent and Tenant Infractions.** Agent acknowledges that agent has been approved by the Association as an agent who may conduct short term rental activities within the NCA community. Agent understands that this is a privilege and not a right,

and Agent agrees and acknowledges that the Association may rescind its approval of Agent in various circumstances. Without limitation, Agent recognizes and agrees that the Association's manager will have full authority to immediately terminate this agreement and Agent's right to perform any future short term rental activities within the NCA community in the event the manager determines that there have been **three or more tenant infractions** of the Conduct Code or the NCA rules and regulations with respect to bookings handled by Agent.

5. **Cooperation with Manager.** Agent agrees to cooperate with the NCA manager at all times concerning any bookings and rental arrangements handled by Agent. In addition, Agent agrees to follow the directions and instructions of the NCA manager with respect to such bookings and rental arrangements. Specifically, and without limitation, Agent agrees to communicate any complaints or warnings to tenants that the manager deems appropriate. In addition, if the manager determines that tenant conduct warrants eviction, Agent agrees to take all reasonable steps to communicate this fact to the tenants and to facilitate the prompt departure and eviction of the tenants.

6. **Enforcement of Conduct Code and Other Requirements.** Notwithstanding any duties of Agent, the Association's manager shall have authority to enforce compliance with the Conduct Code and the other requirements of this agreement in all circumstances. Agent acknowledges and agrees that compliance with the Conduct Code and the directions and instructions of the manager in this regard shall be respected and adhered to by any tenant or occupant of the Rental Unit. This shall include, without limitation, friends and family members of any tenant who may occupy the Rental Unit from time to time. In the event of any failure of a tenant or occupant of the Rental Unit to comply with the Conduct Code or any other requirement of this agreement, the manager may take such steps as are permitted under the NCA governing documents and applicable law to enforce compliance. These remedial steps shall include the specific authority of the Association to summarily evict the occupants of the Rental Unit without the concurrence or approval of Agent. In addition, the Association will be entitled to take any other remedial actions available in law or in equity against Agent as a result of Agent's failure to comply with the terms of this agreement.

7. **Termination.** This agreement may be terminated by either party upon 10 days' prior written notice. However, the Association may terminate this agreement immediately and without prior written notice if Agent defaults or fails to comply with any term or condition of this agreement. Termination shall not relieve Agent from performing or satisfying any pre-termination obligations.

8. **Term.** Unless earlier terminated, the term of this agreement shall be for a period of ten years beginning on the date of this agreement. This agreement shall terminate automatically upon the closing date for any sale of the Rental Unit. Either party may terminate this agreement at will at any time by providing advance written notice to the other party of at least 10 calendar days. However, the parties shall continue to be bound by this agreement with respect to ongoing short term rentals that have been booked into the Rental Unit prior to the date of termination.

9. **Breach and Remedies.** In the event Agent breaches any of the terms and conditions of this agreement, the Association's manager will have the right to immediately declassify Agent as an approved rental agent and to prohibit Agent from conducting further short term rental business within the NCA community. Agent agrees that a breach of this agreement could result in the threat of harm and damage to the Association that is not compensable in a normal civil suit, and that the Association is therefore entitled to assert claims for equitable relief against Agent in any civil proceeding in order to address Agent's conduct and to prevent additional harm to the Association. The Association will also have the right to be reimbursed in any civil proceeding for damages equal to the amount of damage or loss suffered by the Association as a result of Agent's actions along with all attorney fees and costs incurred by Association.

10. **Miscellaneous.**

10.1 This agreement embodies all written and oral negotiations between the parties and may not be amended except in writing executed by all parties.

10.2 This agreement and any amendments thereto may be executed in several counterparts, any one of which may be deemed an original. Signatures pages bearing facsimile and scanned signatures shall be received in lieu of original signatures and such copies taken together shall be deemed to be a full and complete agreement between the parties.

10.3 This agreement shall be governed by and construed in accordance with the laws of the State of Colorado.

10.4 The terms of this agreement shall bind and benefit the heirs, legal representatives, successors and assigns of the parties.

10.5 The invalidity or unenforceability of any one or more provisions of this agreement shall in no way affect any other provisions.

10.6 All notices shall be in writing and shall be deemed to have been given when presented personally, sent by facsimile or confirmed e-mail transmission, or when deposited in the United States mail, certified mail, return receipt requested, addressed as follows (or as contained in any amendments hereto):

If to NCA: Northwoods Condominium Association
P.O. Box 1231
Vail, Colorado 81658
Facsimile No.: (970) 479-9093
E-mail: Patrick@northwoodsvail.com

If to Agent: _____
Name of Agent

Address
Facsimile No.: _____
Email: _____

NCA:
Northwoods Condominium Association, Inc.

AGENT:

By: _____

By: _____

Title: _____

Title: _____

Personal Guaranty:

The undersigned individual represents that he or she is the majority owner of Agent. The undersigned further agrees to personally guaranty all payment and performance obligations of Agent under the above agreement. This guaranty may not be released or impaired in any manner without the express written consent of the Association. This guaranty is provided as an incentive for the Association to approve Agent to conduct short term rental activities within the Association’s community, and the undersigned acknowledges that approval will not be forthcoming without this personal and individual guaranty of performance by the undersigned.

Name of Majority Owner of Agent

Northwoods Condominium Association Guidelines of Conduct

Northwoods is a community of like minded owners who use their homes seasonally. The Owners wish to enjoy the peace and quiet of Northwood's setting with their families and guests. Northwood's Managers see their duty as assisting the Owners and their guests achieve quiet enjoyment of their homes. These Guidelines of Conduct are published with this goal in mind. Thank you for reading and following these Guidelines. NCA President

A. Pool, Jacuzzi, Saunas & Exercise Room: (opened/closed at NCA Manager's discretion)

Pool – Summer: 9 am – 10 pm . Winter: 3 pm to 9 pm. Per posted open/heated dates.

Spa and Jacuzzi areas 7.00am – 9.00pm

Exercise Room - As posted

1. At all other times the Pool, Jacuzzi, Saunas and Exercise Room is closed.
2. Do not enter Pool or Jacuzzi if insulating cover is on. For winter posted dates, the pool is only uncovered and opened upon advanced request; call Northwoods office prior to 6 PM.
3. An adult of 18 years or older must accompany children age 14 and younger to the Pool, Jacuzzi and Saunas.
4. Children are not allowed in the Exercise Room under the age of 16 without adult supervision.
5. NO glass allowed in the Pool, Jacuzzi & Saunas area.
6. NO smoking in the Pool, Spa, or common areas.
7. NO soap or shampoo in the Pool or Jacuzzi. Proper bathing attire is required at all times.
8. Please take a shower before entering the Pool or Jacuzzi.
9. Northwoods does not provide towels for the Pool or Jacuzzi.
10. Rental guests are not allowed to bring guests who are not in residence at Northwoods.
11. Northwoods is not responsible for lost or stolen items. Items left in and around the Pool, the Jacuzzi and dressing rooms for longer than 48 hours will be discarded.
12. The lift up door is for summer use only. Please vacate the Pool & Jacuzzi area if lighting is present.
13. Swim at your own risk, there is no lifeguard on duty.
14. Violations; Owner will incur a \$100 fine first incident, \$500 second incident, \$1,000 there after.

B. Parking:

1. Parking spaces in garages are for the exclusive use of the owners of the numbered units.
2. Rental guests may park only in the reserved space for the rented unit; parking permit on dash.
3. Visitors must park outside or in the reserved space of the unit the visitor is visiting.
4. Cars parked in "Visitor" parking spaces must have note on the dash with the number/name of the unit they are visiting and contact cell phone number. In garage "Visitor" parking limited to 3 hours.
5. Please respect "Loading Zone Only" and "No Parking" areas.
6. Please do not park in front of Bldg. A along the drive or next to the office, this is a fire lane.
7. No parking on North side of driveway at any time.
8. Unauthorized vehicles may be booted, fined \$100 first incident, \$500 second incident and \$1,000 there after, plus any expense incurred by the Association and towed away at the owner's expense.

C. Pets:

1. Northwoods owner family pets only permitted at Northwoods.
2. Owners who bring their pets to Northwoods must keep the animal under leash or control at all times. You are responsible for keeping the grounds clean. Damage by pets to landscaping will be charged to the owner responsible. Pets are not allowed in the pool area.

D. Keys:

1. The Managers will not issue keys to rental guests. Rental guests must contact their Rental Agent for keys. If you lock yourself out, contact your Rental Agent via the Sentex box at the Bldg. door.
2. The Managers will NOT issue keys to units unless specifically instructed to do so by the owner, preferably in writing.

E. Security Doors/Gates:

1. The Rental Agents will provide rental guests access numbers to entry and garage doors.
2. Do not prop outside doors open. All outside doors and gates are to remain closed.

F. Common Areas: Hallways, Stairways, Elevators, Laundry Rooms, Pool Patio, Garages:

1. Ski equipment should be stored in ski lockers. If left in common area, the Managers will remove.
2. Children are not allowed to play in the common areas, hallways, stairways and elevators.
3. For the safety of your children, they are not allowed to ride bicycles or play in the garages.
4. Bikes must be stored in unit parking space or designated bike parking at owner's liability.
5. Please respect the other guest's needs and return all luggage and grocery carts to the garage.
6. No Cigarettes/cigars smoking in the indoor common areas; to include the halls, stairways, elevators, garages, Jacuzzi, dressing rooms, gym or the Connection or within 25 feet of any entrance.
7. Trash bags from units are to be thrown in garage trash containers and not left in common areas.
8. Cardboard boxes should be broken down and left in garage recycling dumpsters. Please empty recycling containers into recycling dumpsters.

G. Mail and packages:

1. Mail will be delivered to owner's units weekly, packages after 4 pm daily. Owners may collect mail from their box in the hall next to the office when they are at Northwoods.
2. Rental guests may pick up mail/packages at the Office. An out-going mail box is located in hall next to office.

H. Rental Services:

1. Northwoods does not have a Rental Management Operation. All rental guests must contact their Rental Agent for all services or problems that may arise regarding their unit.

I. Damage to General Common Elements and Violation of Guideline of Conduct Fines:

1. Damage to General Common Elements and fines for violations of the Guidelines of Conduct will be charged to the Owner of the unit occupied by the party causing the damage.
2. Owner may also incur a \$100 fine first incident, \$500 second incident and \$1,000 each thereafter.

J. Noise & unruly conduct:

1. No loud noise, stereo, TV, etc. will be tolerated after 10 PM.
2. No unruly conduct will be tolerated anywhere on the property.
3. The Managers will issue an initial warning. Subsequent complaints will be dealt with by the Vail Police Department.

K. Emergency Contacts:

| | |
|--------------------------|---------------------------|
| Rental Guests: | Contact your Rental Agent |
| Fire & Police Department | 911 |
| Property Managers | As posted on office door |

Fire Protection System

Please read and discuss with all guests that may use the home.

Smoke Detectors & Fire Alarms:

Smoke detectors and alarms will sound in your home only if you have smoke or a fire in your home including a smoldering fire, fireplace smoke, cooking or burning smoke, or steam from the bathrooms and this will not bring the Fire Department. Please open windows or doors and fan the smoke to outside until clear. **Do not open the door to the hallway as this will send the building into alarm and bring the Fire Department. You may be charged for a false alarm.**

Heat Detectors and Fire Sprinklers:

The entire building will go into alarm if you have a fire in any room of your home that triggers the heat detectors. **Evacuate the building immediately.**

Fire sprinklers are activated by the heat of the fire one at a time and will tell the Fire Department where the fire is. Most Fire Sprinklers are concealed under covers or exposed if from a vertical surface, please do not interfere with these in any way.

EXHIBIT B

NORTHWOODS CONDOMINIUM ASSOCIATION
SHORT TERM RENTALS – POLICY STATEMENT

Background

The Northwoods Condominium Association (“NCA” or the “Association”), through its Board of Directors (the “Board”), is tasked with the responsibility of governing the Northwoods community and maintaining its reputation as one of the premier condominium complexes in the Vail Valley. In order to assure that the experiences of owners and their guests and tenants remain at the highest possible level, the Board has adopted this policy statement to govern and control short term rental activities for any home within the NCA community. Any tenancy or occupancy arrangement for a period of less than six months is considered to be a short term rental.

Mandatory Use of Approved Rental Agents

A number of owners in the NCA community rent their homes for short term periods of time while they are not in residence. These owners (who are referred to as “Rental Owners”) are required to use the services of association-approved rental agents to handle the booking, reservation and registration functions involved with short term rentals. In order to accomplish this, the rental agent enters into a rental agency agreement with the Rental Owner. In this agreement, the rental agent promises to perform rental management and oversight tasks for the home in return for a rental commission.

The Board requires all Rental Owners to utilize the services of a competent and experienced rental agent, and that the rental agent must be approved by the Association. The Board also believes it is essential to regulate the services and activities of all approved rental agents who provide services within the NCA community. Consequently, only association-approved rental agents may operate within the NCA community and enter into rental agency agreements with Rental Owners. In addition, each approved rental agent will be required to enter into a separate rental agent services agreement with the Association. This agreement will place specific requirements upon each approved rental agent and will provide for oversight by the Association’s manager.

The standards and requirements for a rental agent to achieve approval by the Association are developed by the Board. The manager will have discretion to oversee and administer the approval process. A list of the current approved rental agents will be posted on the Association’s website. Rental Owners may not rent their homes for any short term period without using the services of an association-approved rental agent.

Adherence to NCA Code of Conduct and Governing Documents

Because short term rental activity within the community can pose potential problems and risks to the Association and its owners, the Association requires all short term tenants and guests to strictly comply with the Association's governing documents. These include the rules and regulations as well as the NCA code of conduct. It is the responsibility of each Rental Owner and the rental agent to inform tenants and guests of this fact and to provide copies of the code of conduct and other similar materials to every tenant at or before the time of registration. The code of conduct must also be displayed prominently in every rental home. The rental agent will be obligated to monitor the conduct of tenants in order to assure that tenants comply with the NCA code of conduct and the Association's governing documents.

Term Restrictions

The Board has determined that it is in the best interests of the NCA community to require minimum terms and other restrictions for short term rentals. The minimum rental term during the Christmas holiday season is two weeks, and the minimum rental term during the Easter holiday season is one week. In all other cases, the minimum rental term is six days (five nights). The rental agent will be made aware of these minimum rental term requirements by the Association. All rental owners and their rental agents must abide by these requirements at all times. Any exceptions require the prior written consent of the Association's manager. The Board will continually review all factors and circumstances pertaining to short term rentals within the community and will impose more strenuous minimum rental term requirements in the future if it is deemed appropriate.

Rental Services Agreement

Each approved rental agent must enter into a separate rental services agreement with the Association. The agreement provides, among other things, that the rental agent must communicate with short term tenants during the period from the date of the booking reservation to the time of registration and check-in in order to inform short term tenants of their obligations to comply with the Association's governing documents and its code of conduct. The agreement also makes it clear that the Association's manager will not be required to respond to complaints about short term tenants, and that it is the obligation of the rental agent to respond immediately and take appropriate remedial steps whenever the conduct of a short term tenant is in violation of the NCA governing documents or its code of conduct. Finally, the agreement provides that if a rental agent violates the requirements of the agreement or permits tenant infraction incidents to occur three or more times, the rental agent will thereafter be prohibited from performing any further rental agency services within the NCA community.

Rental Owner Agreement

Each Rental Owner must enter into a rental owner agreement with the Association. This agreement requires the Rental Owner to acknowledge the minimum rental term requirements as well as the rules concerning the use of an approved rental agent. The Rental Owner must also agree to the rules pertaining to the delivery of the governing documents and the NCA code of conduct and the manner in which they will be enforced against tenants. The Rental Owner is required to assume all liability risks in connection with any short term rental activities and to indemnify the Association against claims and losses that may arise from these activities. In addition, the Rental Owner must agree to obtain adequate insurance coverage to protect against certain kinds of liability and loss risks emanating from short term rental activities. Lastly, the Rental Owner must agree to assume all responsibility for paying the Town of Vail Lodging Tax and filing any reports and other documents that may be required by the governing ordinance.

Specific Requirements

In furtherance of this policy statement, the Board has established a specific list of requirements for Rental Owners and their rental agents. This list is set forth below and may be supplemented or modified by the Board from time to time.

1. Each Rental Owner who engages in short term rentals within the NCA community must use the services of an approved rental agent. The Rental Owner must execute a rental owner agreement with the Association and must also require the rental agent to execute a separate rental services agreement with the Association. Each Rental Owner must instruct the rental agent to take appropriate steps at the time of any booking or registration to inform tenants of the Association's rules and regulations and code of conduct and to also stress the fact that the code of conduct will be rigorously enforced at all times during the rental period.

2. The NCA manager is authorized to discuss and review tenant rental and supervision procedures with any approved rental agent engaged by a Rental Owner. The NCA manager may also require the rental agent to adopt specific policies and procedures relating to enforcement of the Association's rules and regulations and code of conduct.

3. Each approved rental agent must execute a separate rental services agreement with the association. The rental agent shall be responsible for enforcing compliance with the Association's rules and regulations and the code of conduct for tenants booked by the rental agent. In the event a rental agent is requested by the NCA manager to more closely monitor or supervise tenant conduct within the NCA community in any specific instance, the rental agent shall promptly take such steps as may be necessary in this regard. Each rental agent will be required to respond promptly to any complaint lodged with owners or the NCA manager concerning tenant conduct and to take all necessary steps to remedy the problem. The Association, through its manager, will have discretion in all cases to take appropriate steps to remedy any infraction on the

part of a tenant or other occupant. The manager will also have specific power and authority to summarily evict any tenant who commits a violation of the Association's rules and regulations or code of conduct and to immediately notify law enforcement officials of any probable violation of applicable laws or fire and safety regulations.

4. Each approved rental agent recognizes and agrees that the agent's operations and business practices within the NCA community may be monitored and reviewed by the NCA manager. In the event the NCA manager receives three or more complaints from owners or others concerning the failure of a rental agent to adequately enforce compliance of their short term tenants with the NCA code of conduct and rules and regulations, the Board, or the manager acting under the direction of the Board, may declassify the rental agent's approval status and to terminate the rental agent's privilege of doing any further rental business within the NCA community.

5. Each rental agent must deliver tenant booking waivers and forms to the Association's manager in electronic format prior to the arrival of the short term tenant.

5. The rental agent and the Rental Owner must concur on the method by which the Town of Vail Lodging Tax will be reported and paid for all short term rental activities.

This policy statement was adopted and approved by the Board as of an effective date of February ___, 2016.