

**THIS IS A VACATION RENTAL AGREEMENT (THE “AGREEMENT”) UNDER THE NORTH CAROLINA VACATION RENTAL ACT. THE RIGHTS AND OBLIGATIONS OF THE PARTIES TO THIS AGREEMENT ARE DEFINED BY LAW AND INCLUDE 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.**

In consideration of the monies recited and the mutual obligations described in this Agreement, the Owner does hereby lease and rent to Tenant **Tres Aguas OBX located at 161 Duck Road, Southern Shores, NC 27949 (“the Property”)**. The dates of the vacation rental period, also referred to as the tenancy, are provided in the signature section of this Agreement. The Owner signs this agreement without respect to race, color, religion, sex, national origin, handicap, familial status, sexual orientation or gender identity of any Tenant.

1. **Reservation and Payment Requirements:** (a) When a Reservation Request is received by Owner, the Tenant must forward a signed Vacation Rental Agreement and Advance Rent Payment within 24 hours after the Reservation Request. The entire balance is due no less than 30 days prior to check-in. If the Reservation Request is less than 30 days prior to check-in, the signed Agreement and all rent payment is due within 24 hours of the Reservation Request. Unless the Agreement and all required payments are received by the Owner when due the reservation may be canceled without further notice and subject to the terms of this Agreement. Additional fees shall be required if Tenant requests items in addition to those above. All future modifications shall be documented in writing which may act as an addendum to this Agreement.

**(b)** All Advance Rent Payment shall be deposited in a trust account with Truist Bank, 5416 N. Croatan Highway Kitty Hawk, NC 27949. **The Tenant 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.**

2. **Payment Methods:** Payment can be made to Owner in U.S. funds by cash, travelers check, money order, cashier's check, certified check, company check, personal check, e-checks, Master Card, Visa, American Express, or Discover subject to the following conditions: (a) Credit Card and e-check payments will be processed through a third party depository such as PayPal or Stripe; (b) When payment is made by credit card the person named and endorsing the Vacation Rental Agreement must also be the person whose name is on the credit card; (c) No personal checks, e-checks, or company checks will be accepted during the 30-day period prior to or on the day of check-in; and **(d) A \$30.00 service fee will be charged for all returned checks.**
3. **Taxes:** North Carolina has a Sales and Use Tax and Dare County has an Occupancy Tax that is required on all rentals and fees. These taxes are subject to change. Taxes are as follows: North Carolina 6.75%; Dare 6%.
4. **Security Deposit:** (a) It is understood and agreed that a **refundable Security Deposit of \$400.00 is required** unless waived by the Owner. The Tenant is responsible for any damages, caused by the Tenant as well as those allowed by NCGS 42-51, to the Property during the tenancy and the Security Deposit may be used by the Owner for actual property damages and fees, including but not limited to, cable/internet TV charges, long distance phone calls, damage to: furnishings, household items, carpet, flooring, and swimming pool. Tenant is responsible for items found missing from Property following the tenancy. Tenant must check the Property upon arrival and report all damages found or items that are obviously missing. Failure to report any damaged items prior to check-out shall result in the full or partial loss of the Security Deposit. There will be an accounting of the Security Deposit within 14 days of Tenant's departure. Refusal to pay any Security Deposit requested by the Owner shall constitute a material breach by Tenant and shall result in refusal of occupancy, termination of this Agreement, or eviction without refund. North Carolina law allows Security Deposits to be up to twice the amount of the weekly rental rate. Tenant shall reimburse Owner for all damages to the Property caused by Tenant that is not paid by the Security Deposit. Tenant shall also be responsible to Owner for attorney fees and other costs, as allowed by law, in order to collect such damages.

**(b)** The refundable Security Deposit will be deposited with Truist Bank, 5416 N. Croatan Highway Kitty Hawk, NC 27949. The security deposit will be held, applied and accounted for in accordance with the Tenant Security Deposit Act (N.C.G.S. Chapter 42, Article 6).

5. **Travel Insurance:** Travel insurance is strongly recommended. The Owner *does not* provide travel insurance. Travel insurance is available by third-party providers and it is intended to protect Tenants in the event of unforeseen circumstances that cause cancellation or interruption of the vacation rental period. Subject to the other provisions of this Vacation Rental Agreement and the requirements of the Vacation Rental Act, the insurance shall be Tenant's remedy for losses as a result of covered perils. The Tenant will make a claim for any losses directly with the travel insurance company.
6. **Mandatory Evacuations:** If state or local authorities order a mandatory evacuation of an area that includes the Property subject to this Agreement, the Tenant shall comply with the evacuation order. Upon compliance, Tenant will be entitled to a refund of the prorated rent for each night that Tenant is unable to occupy the Property because of the mandatory evacuation order.
7. **Military Personnel:** A Tenant who executes this Agreement and is a spouse, dependent or member of the Armed Forces of the United States who subsequently receives an order for deployment with a military unit for a period overlapping with the rental period or a permanent change of station order requiring the member to relocate on a date prior to the beginning of the lease term, may terminate this vacation rental agreement by providing Owner with a written notice of termination within 10 calendar days of receipt of the member's order. The notice must be accompanied by either a copy of the official military order or a written verification signed by the member's commanding officer. All monies paid by the Tenant, with the exception of nonrefundable fees lawfully disbursed to third parties in connection with the Agreement, shall be refunded to the Tenant within 30 days of termination of this Agreement.
8. **Cancellations:** All cancellations by Tenant must be in writing and the receipt of the request must be confirmed by the Owner. If a cancellation request is not received and Tenant does not arrive during the vacation rental period, the reservation will be considered to have been canceled and not re-rented. If a reservation is canceled and not re-rented for the canceled period, all Advance Rent Payments including applicable taxes and fees, except the Security Deposit, will be forfeited by Tenant. If Tenant rents multiple weeks and cancels any portion of their stay, Tenant remains responsible for the original time period reserved. If the Property is re-rented for the contract amount all Advanced Rent Payments will be refunded except any costs or fees incurred by the Owner. If the Property is re-rented for less than the contract amount, the refund will be further reduced by the difference between the contract amount and the amount actually received. Any refund will be processed at the end of the month in which you become eligible for the refund. Transfer requests will not be allowed from one reservation to another if the request is not made at least 90 days before the scheduled arrival date. All transfer requests are subject to Owner approval and will be subject to higher rental rates, if applicable.
9. **Limitations of Tenant Recovery:** Subject to the other provisions of this Agreement and the requirements of the Vacation Rental Act Tenant's maximum compensation recoverable is the full refund of all funds previously received from Tenant subject to the following: (a) A refund shall be reduced by fees paid to third parties for the benefit of Tenant; (b) A refund shall be reduced in a prorated amount if Tenant has occupied Property for a portion of the term; (c) No refunds will be available if Tenant is evicted; (d) No refund will be automatically available for the failure of or deficiencies in air conditioning, kitchen appliances, electrical equipment (including, but not limited to TVs, computer equipment), telephone service, internet service, screen porches, animals or smokers previously occupying the Property with or without authorization, plumbing, walkways, pool, or grill unless it renders the Property unfit and uninhabitable; and (e) No refund will be automatically available due to surrounding construction, damaged beach access, beach erosion, beach nourishment, noise, insects, wild animals, public utilities, inclement weather or acts of nature unless it renders the Property unfit and uninhabitable.
10. **Maximum Occupancy:** Occupancy of the premises will be limited to two persons per bedroom including family, children and Tenant's guests. **Occupancy limit at the Property is 8 persons.** The Tenant should not permit the Property to be occupied beyond maximum occupancy. Violation of this prohibition will result in a material breach that allows refusal of occupancy, termination of this agreement, and eviction without refund. Bedding arrangements in the Property are to illustrate possible sleeping arrangements and may not be taken as a representation of permitted occupancy. The hosting of parties in the home, on decks, or anywhere else on the Property beyond the maximum occupancy is a violation of this lease. No RV's or Campers may be parked on the Property for the purpose of extra sleeping capacity nor may they be hooked up to electric, cable or septic facilities. No more vehicles than necessary to accommodate Tenant and Tenant's guests shall be located on the premises. Tenant agrees to be responsible for ensuring that maximum permitted occupancy of the Property is not exceeded during the term of the lease and should contact the Owner with any questions regarding the permitted occupancy of the Property.
11. **Groups Not Allowed:** Groups are not allowed to rent the Property, without special permission from the Owner. This includes sororities, fraternities, students, graduation groups, bachelor parties, bachelorette parties, wedding

groups, chaperoned groups, or unchaperoned groups. Special events such as receptions or reunions must be approved by the Owner when the reservation is submitted. Additional fees may apply for such events. If a group misrepresents itself to be a qualified Tenant and reserves the Property, the misrepresentation is a material breach that allows refusal of occupancy, termination of this agreement, and eviction without refund. Owner reserves the right to refuse occupancy or have the Property vacated without refunding any amounts previously paid. Tenant is invited to consult with Owner prior to signing this Agreement to assure that it is a qualified Tenant.

12. **Animals:** Pets are strictly forbidden on or about the Property whether on a temporary basis or otherwise and whether belonging to the Tenant or anybody else. Tenant shall be subject to a penalty of \$500.00 plus tax upon Owner's demand for any violation of this pet prohibition. Further, Tenant will have committed a material breach and be subject to refusal of occupancy, termination of this agreement, and eviction without refund. Nevertheless, no guarantee is made that the Property has been free of pets or service animals prior to Tenant's occupancy and no refunds can be given if it is discovered that pets or service animals have formerly occupied the Property.
13. **Smoking:** Smoking is not permitted in or around the immediate vicinity of the Property. Smoking includes cigarettes, cigars, pipes, vapes, and other similar paraphernalia. Tenant or tenant's guests that are found to have violated the smoking policy will be liable for and consents to pay cleaning fees and any charges, fees, or costs due to loss of occupancy or habitability to future tenants.
14. **Other Tenant Duties and Occupancy:** Under the terms of this Agreement, the Tenant will be in possession of the Property and responsible for the Property. **Tenant certifies that Tenant is at least 25 years of age.** Tenant shall: (a) Keep that part of the Property he or she occupies and uses as clean and safe as the conditions of the Property permit and cause no unsafe or unsanitary conditions in the common areas and remainder of the Property; (b) Dispose of all ashes, rubbish, garbage, and other waste in a clean and safe manner; (c) Keep all plumbing fixtures in the Property or used by the Tenant as clean as their condition permits; (d) Not deliberately or negligently destroy, deface, damage, or remove any part of the Property or render inoperable the smoke detector provided by the Owner, or knowingly permit any person to do so; (e) Comply with all obligations imposed upon the Tenant by current applicable building and housing codes; (f) Be responsible for all damage, defacement, or removal of any of the property inside the property that is in his or her exclusive control 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 Tenant, or natural forces; (g) Notify the Owner of the need for replacement or repair to a smoke detector. The Owner shall annually place new batteries in a battery operated smoke detector, and the Tenant shall replace the batteries as needed during the tenancy. Failure of the Tenant to replace the batteries as needed shall not be considered negligence on the part of the Tenant or Owner; and (h) Tenant agrees not to use Property for any activity or purpose that violates any criminal law or governmental regulation and may use the Property for residential purposes only. Tenant's breach of any duty contained in this paragraph shall be considered material and shall result in the termination of Tenant's tenancy.
15. **Indemnification, Hold Harmless, and Release; Right of Entry; Assignment:** Tenant agrees to indemnify, hold harmless, and release Owner to the extent allowed by law from and against any liability for personal injury or property damage sustained by any person (including Tenant's guests) as a result of any cause, unless caused by the negligent or willful act of Owner or the failure of Owner to comply with the Vacation Rental Act. To the extent allowed by law, if the Owner, Tenant or a Third Party breaches any duties or obligations that benefit Owner or Tenant, the aggrieved party will seek recourse only against the breaching party. Tenant agrees that the Owner or their respective representatives may enter the Property during reasonable hours to inspect the Property, to make such repairs, alterations, or improvements as Owner may deem appropriate or necessary pursuant to the Vacation Rental Act. Tenant shall not assign this Agreement or sublet the Property in whole or in part.
16. **Expedited Evictions:** Any Tenant who leases residential property subject to a Vacation Rental Agreement for 30 days or less may be evicted and removed from the Property in an expedited eviction proceeding if the Tenant does one of the following: (a) Holds over possession after his or her tenancy has expired; (b) Has committed a material breach of the terms of the Vacation Rental Agreement that, according to the terms of the Agreement, results in the termination of his or her tenancy; (c) Fails to pay rent as required by the Agreement; and/or (d) Has obtained possession of the Property by fraud or misrepresentation.
17. **Transfer of Property:** (a) If the Owner voluntarily transfers the Property, Tenant has the right to enforce the Agreement against the grantee of the Property if Tenant's occupancy under this Agreement is to end 180 days or less after the grantee's interest in the Property is recorded. If Tenant's occupancy is to end more than 180 days after such recordation, Tenant 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, Tenant is entitled to a refund of

all advance rent paid by Tenant (and other fees owed to third parties not already lawfully disbursed). Within 20 days after transfer of the Property, the grantee or the grantee's new agent is required to: (i) notify Tenant in writing of the transfer of the Property, the grantee's name and address, and the date the grantee's interest was recorded; and (ii) advise Tenant whether Tenant has the right to occupy the Property subject to the terms of this agreement or receive a refund of any payments made by Tenant. (b) Upon termination of the Owner's interest in the Property, whether by sale, assignment, death, appointment of a receiver, or otherwise, the Owner, or any agent of Owner is required to transfer all advance rent paid by Tenant (and other fees owed to third parties not already lawfully disbursed) to the Owner's successor-in-interest within 30 days, and notify Tenant by mail of such transfer and of the transferee's name and address. The real estate broker may deduct from advance rents transferred to Owner's successor-in-interest all commissions and fees earned by the real estate broker prior to the transfer. However, if Tenant'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 Property, and the successor-in-interest has not agreed to honor this agreement, all advance rent paid by Tenant, less deductible fees permitted by NCGS 42A-16 must be transferred to Tenant within 30 days.

18. **Pre-Arrival Uninhabitability:** Subject to the other provisions of this Vacation Rental Agreement and the requirements of the Vacation Rental Act if, at the time the Tenant is to begin occupancy of the Property, the Owner cannot provide the Property in a fit and habitable condition or substitute a reasonably comparable property in such condition, the Owner shall refund to the Tenant all payments made by the Tenant.
19. **Other Owner Duties:** Owner shall: (a) Comply with all current applicable building and housing codes to the extent required by the operation of the codes unless the structure is exempt from a current building or housing code; (b) Make all repairs and do whatever is reasonably necessary to put and keep the property in a fit and habitable condition; (c) Keep all common areas of the property in safe condition; (d) Maintain in good and safe working order and reasonable and promptly repair all electrical, plumbing, sanitary, heating, ventilation, and other facilities and major appliances supplied by him or her upon written notification from the Tenant that the repairs are needed; (e) Provide operable smoke detectors. The Owner shall replace or repair the smoke detectors if the Owner is notified by the Tenant in writing that replacement or repair is needed. The Owner shall annually place new batteries in a battery-operated smoke detector, and the Tenant shall replace the batteries as needed during the tenancy. Failure of the Tenant to replace the batteries as needed shall not be considered negligence on the part of the Tenant or Owner; and (f) In dwelling units having a fossil-fuel burning heater, appliance, or fireplace and in any dwelling unit having an attached garage, Owner shall provide a minimum of one operable carbon monoxide alarm per rental unit per level, pursuant to NCGS 42A-31.
20. **(a) Acceptance of Policies: Tenant also agrees to comply with the Vacation Rental Policies found on the Owner's website ([www.TresAguasOBX.com](http://www.TresAguasOBX.com)) and incorporated herein by reference and shall be binding to the extent not inconsistent with other provisions of this Agreement. Tenant also agrees and incorporated herein by reference, to the rental rate, refundable security deposit, and taxes accepted and paid by the Tenant on the Owner's website and reservation booking platform.**

**(b) The parties agree that electronic means may be used to sign this Agreement or to make any modifications the parties may agree to, and that any written notice, communication or documents may be transmitted electronically to any email address, mobile phone number or other electronic communication used by the parties to communicate during the course of this Agreement. Any notices required or authorized to be given hereunder or pursuant to applicable law may also be mailed to Tenant's address or hand delivered to the Tenant at the address of the Property and to the Owner at the Owner's address.**

**(c) Tenant may request a copy be mailed, emailed or faxed. By signing this Vacation Rental Agreement Tenant acknowledges that Tenant has read and understands the Vacation Rental Policies. Violation of the Vacation Rental Policies pertaining to smoking, owner areas, pools, pets, telephone, cable, internet use, and grilling will result in a material breach that allows refusal of occupancy, termination of this agreement, or eviction without refund.**

21. **Competency:** All parties to this Agreement verify that they are of legal age and / or otherwise competent to enter into this Agreement.
22. **Applicable Law, Jurisdiction and Venue:** This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina. In the event of a dispute, Tenant consents, submits, and waives all due process or any other objections to the exclusive jurisdiction and venue of State Courts in Dare County, North Carolina or Federal Courts in the Eastern District of North Carolina. Tenant agrees that such courts

constitute a convenient forum in that the Real Property that is the subject of this agreement is located in Dare County, North Carolina.

- 23. **Entire Agreement:** This Agreement is the entire agreement among the parties with respect to the subject matter hereof, and no representations 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, and if any term or provision hereof shall be declared illegal, invalid, or in conflict with North Carolina Law or the purposes of this Agreement 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.

Tenant has read, acknowledges, and accepts the terms set forth within this Vacation Rental Agreement and the policies incorporated herein including provisions concerning travel insurance and cancellation.

\_\_\_\_\_ Tenant  
Signature and Date

\_\_\_\_\_ Tenant  
Typed Name and Date

\_\_\_\_\_ Owner  
Signature

\_\_\_\_\_ Owner  
Typed Name

\_\_\_\_\_  
Dates of Vacation Rental Period