

PROPERTY RENTAL MANAGEMENT CONTRACT

Between us, _____, who as follows is known as “the proprietor”, of legal age, married once, citizen of _____. I.D. No. _____, with domicile in _____, in my condition of the owner of condo no. __, located at Urbanización Las Palmas, Playas del Coco, Guanacaste, Condominium _____, and the society TROPICAL FELGATE (COSTA RICA) LLC LIMITADA T/A TROPICAL FELGATE, , COMPANY LIMITED BY SHARES REGISTERED IN COSTA RICA No 3-102-488022-00 with domicile in the REPUBLIC OF COSTA RICA, who as follows is known as “the administrator”, have come up to the present Property Management Contract, which will be ruled by the applicable regulations according to the laws of the Republic of Costa Rica and by the following terms and conditions:

FIRST: “The proprietor” is the owner and/or the trustee of the properties listed in the Annex No1.

SECOND: By means of this contract “the proprietor” authorizes “the administrator” to rent the above mentioned condominium, either by month or by days to third parties, keeping “the administrator” free of any responsibility in case of any accident or injuries suffered by the tenants inside or outside of the condo, in the swimming pool area or the common areas. At the same time “the proprietor” expressly agrees that he has understood and accepted the memorandum that “the administrator” has delivered to him which is attached as annex No. 2 and refers to the condo fees table, recommended rent fees, and condo cleaning fees. All these annexes become part of the present Contract.

THIRD: Hereby “the proprietor” express that term of the present contract and the authorization given to “the administrator” is for the term of one year starting this date, which will be automatically renewed for equal consecutive periods in the case of not having otherwise previously agreed in writing before the maturity of the contract, to manage the property and hereby “the administrator” is empowered by “the proprietor” to perform a rent agreement on his behalf with the condo tenants. In case that “the proprietor” as owner of the afore mentioned properties requests the cancellation of the contract to recover the control of the condo for his own use, must do it in writing at least with one months in advance, in order to avoid inconveniences to the tenants and to “the administrator” and in any case “the proprietor” must indemnify the tenant in case when the condo had been rented by month, in accordance with the prevailing applicable rent law.

FORTH: “The proprietor” authorizes to “the administrator” to obtain reimbursement for any kind of damage made by the tenants to the above-mentioned property, imposing the corresponding legal actions before the competent legal authority on behalf of “the proprietor”.

FIFTH: The condominium owned by “the proprietor” will not suffer any kind of improvements or modifications, unless otherwise duly authorized in writing by the “proprietor”, and those improvements will become a part of the condo when the rent contract is expired without any kind of reimbursement or indemnification to the tenant.

SIXTH: The Proprietor will keep at least \$150.00 contingency fund on the Administrator account for emergency repairs such as major water leaks or power loss which could be fixed by the Administrator’s maintenance staff. In cases where the third parties (Water Company or Electricity Company) works are involved the Proprietor will be billed for direct costs according to the third party invoices and the copy of such invoices will be available on request. Whenever this contingency fund is depleted, the Administrator will provide to the Proprietor full report for the works done. Copies of the invoices and receipts for such works will be available on request.

SEVENTH: In cases when the Proprietor requests the Administrator to pay on his behalf condo fees to the third party Property Management company and as most of the Property Management companies request condo fees three months in advance, the Administrator will keep an equivalent of three months condo fee amount on the rental income account of the Proprietor at any time.

EIGHTH: In cases when the Proprietor requests the Administrator to pay on his behalf utility bills directly to the utility companies, the Administrator will do so and the cost of this service (normally 6-7%) will be included in the commission of the Administrator.

NINETH: “The proprietor” hereby authorizes “the administrator” to deduct from the rental income 30% commission, as the administration and maintenance fees for all Rentals generated by “the Administrator”.

In cases, when the “Proprietor” generates a rental, “the Administrator” will retain 10% or US\$40.00, whichever is greater, of the Rental Income for short term rentals “up to 1 calendar month” and 10% or US\$40.00, whichever is greater, of the Rental Income for each consecutive month for rentals “one calendar month and over” as his administration fee. The Administrator will not charge any rental fee if the proprietor stays in his property given that the proprietor will give a written notice of the dates of his stay at least four week in advance during the period from March 1 to December 1 and at least twelve weeks for the period from December 1 to March 1 and pays standard condo fee and bills for the period of his stay in the unit.

TENTH: The Administrator will pay a rental income, deducting the amounts specified in Point 6, 7, 8 and 9 to the nominated by the Proprietor bank or PayPal account either on a quarterly basis or from time to time on request of the Proprietor, but not oftener than once in three months. Cost of the wire transfer or

PayPal charges are to the Proprietor account. No cash payments will be provided.

ELEVENTH: By this contract, the “proprietor” grants Full Power of Attorney as it may be necessary according to the article No. 1259 of the Civil Code of Costa Rica, to “the administrator” to sign the rent contracts with the possible tenants of his property, according to the terms and conditions of this private contract. “The administrator” accepts this power of attorney and at the same time agrees to maintain an account statement showing all the incoming payments from renting the property, as well as any deductions made for administration fees, utilities and applicable maintenance fees.

Being both parties in conformity with the terms of the present Private Contract, we sign in the city of El Coco, Guanacaste, in two original copies in English language, this ___ day of the month of _____ of the year two thousand and eight.

On behalf of TROPICAL FELGATE (COSTA RICA) LLC LIMITADA T/A
TROPICAL FELGATE
“The Administrator”

Name:
Passport:
“The Proprietor”

ANNEX 1

The proprietor submits into management the following properties:-

Condominium _____

1. When the Proprietor is using Property Management services of the third parties, he/she is responsible for paying condo fees and utility bills those third parties, unless this service was requested from the Administrator.

3. When the proprietor uses the rental services of the Administrator :

RENTAL TERM:	FEE	INCLUDED IN THE FEE
RENTALS GENERATED BY THE ADMINISTRATOR	30%	Full Administration* and Advertising***
		Full Move-in/move-out cleaning****, Initial supply of soap, toilet paper;
RENTAL GENERATED BY THE PROPRIETOR	10% OR \$40.00 WHICHEVER IS GREATER	Partial Administration.** Full Move-in/move-out cleaning***, Initial supply of soap, toilet paper;

Glossary.

*By Administration we mean:

1. Full administrative paperwork;
2. Issuing Reservation Confirmations and Long Lease Agreements to the clients.
3. Issuing regular monthly statements for the owner and in cases of long rentals, issuing monthly statement for the tenants.
4. 24/7 response to emergency situations with the units and tenants;
5. collecting rental fees and utility bills payments where appropriate;
6. paying condo fees and utility bills to the third parties when requested by the Proprietor;
7. A small repair to the utilities and appliances where there's no extra spending on the materials or parts is involved.
8. All repairs needed to be done by the Administrator maintenance staff with estimate of more than \$150.00 should be agreed with the Proprietor in writing.

** By Partial Administration we mean:

1. 24/7 response to emergency situations with the units and tenants;
2. A small repair to the utilities and appliances where there's no extra spending on the materials or parts is involved.
3. All repairs needed to be done by the Administrator maintenance staff with estimate of more than \$150.00 should be agreed with the Proprietor in writing.

*** By Advertising we mean:-

- Advertising of the Proprietor's property on our 13 own websites accumulating over 1 million clicks per month at:
1. www.1costarica.net
 2. www.costaricarentals.gb.com
 3. www.costaricaproperty.co.uk
 4. www.costaricarealestate.org.uk
 5. www.costaricarealestate.gb.com
 6. www.costaricarealestate4you.com
 7. www.costaricarentals4you.com
 8. www.costaricaproperty4you.com

9. www.tropicalfelgate.com
10. www.tropical-felgate.co.uk
11. www.real-estate-search.co.uk
12. www.hotpropertyinvestment.co.uk
13. www.pura-vida.org.uk

Advertising on the major rental portals:

1. <http://www.homeaway.com/>
2. <http://www.cyberrentals.com/>
3. <http://www.greatrentals.com/>
4. <http://www.a1vacations.com/>
5. <http://www.holiday-rentals.co.uk/>
6. www.condo.com

Boards and signs in Las Palmas Urbanizacion and Playas del Coco.

**** By Full Move-in/Move-out cleaning we mean:-

- a. Beddings and towels washing;
- b. Kitchen cabinets and sinks dusting and washing;
- c. Bathrooms and Toilets cleaning and disinfection;
- d. Fumigation against insects when needed;
- e. Windows and Floors washing;
- f. Walls washing when needed;
- g. Replenishing initial soaps and toilet paper supply;

Please note that it is a must to clean the unit when tenants move out as in Costa Rica climate conditions the unit has to be clean when left for more than 4-5 days to prevent mould and bad smells developing and the unit to be ready to show to the potential clients.

ANNEX 2

RECOMMENDED SHORT TERM RENTAL RATES

From November 1, 2009

RATES FOR PROPERTIES SLEEPS UP TO 3 (THREE)

Name of Period	Dates		Rates		
	Begins	Ends	Weekly	Per night	Monthly
High Season	Dec 1, 2009	Jan 31, 2010	\$ 495.00	\$ 85.00	\$ 880.00
Intermid Season	Feb 1, 2010	Aug 31, 2010	\$ 430.00	\$ 75.00	\$ 770.00
Green Season	Sep 1, 2010	Nov 30, 2010	\$ 365.00	\$ 65.00	\$ 660.00

RATES FOR PROPERTIES SLEEPS UP TO 4 (FOUR)

Name of Period	Dates		Rates		
	Begins	Ends	Weekly	Per night	Monthly
High Season	Dec 1, 2009	Jan 31, 2010	\$ 595.00	\$ 99.00	\$ 1,100.00
Intermid Season	Feb 1, 2010	Aug 31, 2010	\$465.00	\$ 80.00	\$ 990.00
Green Season	Sep 1, 2010	Nov 30, 2010	\$ 395.00	\$ 70.00	\$ 880.00

RATES FOR PROPERTIES SLEEPS UP TO 6 (SIX)

Name of Period	Dates		Rates		
	Begins	Ends	Weekly	Per night	Monthly
High Season	Dec 1, 2009	Jan 31, 2010	\$ 700.00	\$ 120.00	\$ 1,250.00
Intermid Season	Feb 1, 2010	Aug 31, 2010	\$ 630.00	\$ 110.00	\$ 1,100.00
Green Season	Sep 1, 2010	Nov 30, 2010	\$ 530.00	\$ 90.00	\$ 950.00

LONG TERM (OVER ONE MONTH) RENTAL RATES HAVE TO BE AGREED WITH THE PROPRIETOR ON CASE BY CASE BASIS.