

## Hale Waialele Rental Agreement

This Short Term Rental Agreement (the "Agreement") is made by and between Karen & Paul Hill ("Owner") and "Guest" as of the date the reservation is made and deposit received. Guest shall comply with all applicable laws, regulations, and ordinances. Guest is responsible for determining which laws, regulations, and ordinances are applicable to Guest. For good and valuable consideration, the sufficiency of which is acknowledged, the parties hereby agree as follows:

1. **Property:** The property is located at: 78-7102 Walua Road, Kailua-Kona, Hawaii 96740.
2. **Rental Party:** The rental party shall consist of Guest and authorized companions.
3. **Maximum Occupancy:** The maximum number of guests is limited to 10 persons.
4. **Term of the Lease:** The lease begins at 4 p.m. on "Check-in Date" and ends at 11 a.m. on "Check-out Date".
5. **Amenities:** Guest represents that the use of any amenity provided by Owner on or at the Property by any guest, additional guest, or other invitees shall be at each person's own risk and Guest warrants that proper disclosures and warnings shall be made to any other user of the amenities.
6. **Rental Rules:** Guest agrees to abide by the Rental Guidelines attached as Exhibit A at all times while at the property and shall cause all members of the rental party and anyone else the Guest permits on the property to abide by the following rules at all times while at the property.
7. **Access:** Guest shall allow Homeowner and/or Property Manager access to the property for purposes of repairs and maintenance. Homeowner/Property Manager shall exercise this right of access in a reasonable manner.
8. **Rental Rate and Fees:**
  - a. A deposit of 50% of full rental rate is due upon booking. The deposit will be applied toward the rental fees.
  - b. Payment in full shall be due no later than 60 days prior to Check-in Date:
    - i. Various rates apply to different times of year as well as different minimum stay requirements. Please refer to website for details.
  - c. Additional fees may apply such as Cleaning Fee, Event Fee, Hawaii Faxes, Property Damage Protection, Fee for Charges on International Credit Cards, etc.
  - d. Property Damage Protection is required. Property Damage Protection Insurance is offered through HomeAway/Vrbo. In lieu of purchasing Property Damage Protection Insurance, a separate refundable deposit of \$5000.00 may be posted for this purpose.
9. **Cancellation Policy:** If Guest wishes to cancel his/her reservation, the deposit will be refunded as follows:
  - a. 100% if canceled at least 60 days prior to the Check-in Date
  - b. 50% if canceled between 30-60 days prior to the Check-in Date
  - c. 0 (zero)% if canceled less than 30 days prior to the Check-in Date
  - d. Owner reserves the right to cancel any booking with a full refund processed immediately.
  - e. Free transfer of reservation or refund if Hawaii State or County restrictions prevent travel due to Covid-19.

Natural Disasters During Guest Stay: If the Property becomes unsuitable for occupancy due to a natural disaster beyond the Owner's control after a Guest's stay has begun, Owner is not responsible for replacement accommodations or refund of rent, taxes, fees, and deposits. **Guest is encouraged to acquire traveler's insurance to cover suitable replacement accommodations as well as rent, taxes, fees, and deposits paid by Guest.**

10. **Insurance:** Guest's personal property is not insured by Owner. Guest is not a co-insured and is expressly excluded from any insurance policy held by Owner which is now in effect or becomes effective during the term of this Agreement. For this reason, **Owner strongly encourages guests to purchase traveler's insurance particularly with respect to Covid.** Guest acknowledges, affirms, and agrees that Owner's insurance does not cover Guest's or companions' belongings, or damages created by them. Guest shall bear full responsibility for any loss or damage to any personal property.

11. **Payment:** Acceptable payment methods are E-check, Visa, MasterCard, American Express.

12. **Waiver of Claims:** Hale Wailele is privately owned. The Guest agrees to indemnify and hold harmless the owner and their representatives from and against any liability for personal injury or property damage sustained by any person (including guests of the Guest) as a result of any cause, unless caused by gross negligence or intentional willful act of the Owner or their representatives.

### **Rental Guidelines (Exhibit A)**

1. Hale Wailele is part of a residential neighborhood. Hawaii County has set quiet hours from 10 p.m. to 8 a.m. Please observe these hours and be respectful of our neighbors.
2. Smoking is allowed outside only.
3. People other than those in the Guest party set forth above may not stay overnight in the property. Any person in the property is the sole responsibility of the Guest.
4. Please exercise care in helping to protect the unique, delicate, and custom features of the house including the marble, granite, koa wood, furnishings, ornaments and windows, rare &/or delicate landscaping and other materials and details.
5. Only use appliances for their intended purposes.
6. Pets are NOT allowed.
7. Vehicles are to be parked on the driveway only.
8. Housekeeping: There is no daily housekeeping service. While linens, bath towels, pool towels, and beach towels are included in the estate, daily maid service is not included in the rental rate. We permit only the beach towels to be taken from the property. Please inquire for additional services.
9. Spa: no children under the age of 18 are permitted in the spa without adult supervision. When using the spa, remember there is a certain health risk associated with this facility. Use at your own risk. Our property managers drain, sanitize, refill and replenish chemicals in the spa prior to your arrival.
10. Pools and ponds are not fenced. Children must be supervised at all times.
11. Water and Septic: The property is on a septic system. The mineral content of the water is high. The septic system is very effective; however, it will clog if improper material is flushed. **DO NOT FLUSH** anything other than toilet paper. No feminine hygiene products should be flushed at anytime. If it is found that such products have been flushed and clog the septic system, you could be charged damages of up to \$150.00.
12. **Disputes:** In the event of any dispute, claim, or disagreement relating to this Agreement, the parties hereto shall use their best efforts to settle such

disputes. They shall consult and negotiate with each other, in good faith and, recognizing their mutual interests, attempt to reach a solution satisfactory to both parties. If they do not reach a solution, then upon notice by either party to the other, such disputes shall be submitted to mediation in Kailua-Kona, HI, administered by Dispute Prevention and Resolution, Inc. (“DPR”), before resorting to arbitration. Thereafter, if the parties are unable to settle any dispute or, by mediation, such dispute shall be submitted to arbitration by a single arbitrator.. Any person who desires to submit a dispute to arbitration shall promptly notify the other party in writing. The arbitrator shall be selected by the parties in accordance with the rules of DPR. The decision of the arbitrator shall be final and binding on the parties hereto. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. All proper costs and expenses of such arbitration shall be charged to the party or parties in such amounts as the arbitrator shall determine. In the resolution of any dispute, each party hereby irrevocably waives any claim or entitlement to exemplary or punitive damages. Any judicial proceeding brought by any party shall be brought in the Third Circuit Court of the State of Hawaii.

**Event Requirements (Exhibit B) - Please acknowledge receipt and acceptance Exhibit B “Event Requirements”**

**On the Edge Designs LLC must approve the details of your event.** If you are holding an event at Hale Waialele that includes more than 15 people, please be advised of the following requirements:

1. On the Edge Designs (Hale Waialele) requires that the you, the host obtain **Special Event Insurance** including as a minimum:

**Commercial General Liability and Host Liquor Liability (or Liquor Legal Liability if liquor is to be sold)**  
**Waiver of Subrogation**  
**No Deductible**

Minimum coverage amounts: \$1M Bodily Injury and Property Damage each occurrence, \$1M Personal Injury, \$2M Aggregate

**Policy Coverage will encompass any other approved events of over 15 persons. (ie: Wedding Rehearsal, Post Wedding Brunch).**

“**On The Edge Designs LLC, 78-7102 Walua Rd, Kailua Kona, HI 96740**” are to be listed as “**Additional Insured**” on this Special Event insurance policy.

This insurance may be available as an endorsement to your Homeowners policy or can easily be purchased online for approximately \$100 from companies such as The Event Helper.

2. Other vendors, to include caterers, bands or DJs, bartenders, performance artists and rental companies are required to have or be covered by Commercial General Liability and Liquor Liability. These need to be provided to us.

“**On The Edge Designs LLC, 78-7102 Walua Rd, Kailua Kona, HI 96740**” are to be listed as “**Additional Insured**” on their insurance policy.

3. **Bartender(s) are required to serve all liquor and must have a minimum “Hawaii Blue Card” certification and insurance noted in #2 (above).**

4. Proof of **Insurance** and “**Additional Insured**” documentation, along with the attached “Event Details”, are required at least 90 days before the event, otherwise your reservation may be cancelled.

5. To ensure a successful event that you will enjoy, **Hale Waialele requires that your event be catered and served by approved professional caterers.** Drop off of food is not permitted. We have found that Kona has a limited number of “professional” caterers that meet the insurance that Hale Waialele requires. Therefore we recommend you select from our approved caterers list which includes an assortment of caterers with a variety of price ranges. Please contact us for a current list of recommended caterers.

6. Please note that no type of subwoofer is allowed for Bands or DJs. We can recommend some who are experienced in a neighborhood setting.

7. We are very happy to accommodate a fun dance party and if your vision includes a club style reception including EDM raves/hip hop/rap this is not an appropriate location.

8. Your personal speakers are not allowed as we have an excellent Sonos music system.

9. Hale Waialele is part of a residential neighborhood. Hawaii County has quiet hours from 10 p.m. to 8 a.m. It is important to plan your event accordingly.

10. You are welcome to move the lanai furniture with the exception of the large glass top table just outside the kitchen. If you do, please take pictures beforehand, and return all the furniture and planters to their original positions before you check-out. **If the furniture is not returned to the original positions, there will be a \$500 fee.**