

JCV Properties
NEW CLIENT PACKAGE

Our Services:

Marketing, Website design, and website maintenance: Our first step in your journey with us is to create a page for your home on the Homeaway™ website. Homeaway™, Inc. is the world's leading online market place for the vacation rental industry. Guests that are searching for a vacation rental will see everything your property has to offer in one quick glance. This means that they will be able to see your availability calendar, pictures and descriptions of your home, reviews from previous guests, and request information about booking your property—all in one place! In other words, you have a personalized "website" for your individual property that we manage for you.

Reservations: Your Homeaway™ website will generate e-mail inquiries and phone calls about your property that will come directly to our office. We respond to every request individually, meaning that we don't allow auto responses or the ability for the guest to automatically book online. This policy allows us to have more control over who rents your home. Our booking and reservations manager will personally speak with every guest via email, Homeaway™, or phone; making every guest's booking experience enjoyable and personal.

Scheduling cleaning: Taking good care of your vacation rental home is crucial to your success. Travelers expect a clean, fully functional property upon arrival, and anything less can result in a negative review and an unhappy guest. We employ our own housekeeping staff that is highly experienced and trustworthy. Our lead housekeeper has been with us for several years and will ensure your guests arrive to a spotless home with a fresh scent throughout.

Walkthroughs: We will make sure that everything is just right for guests when they arrive at your luxury rental. JCV Properties will schedule regular walkthroughs of your property to ensure that everything is in working order, in the right place, and nothing is missing. You can rest assured that your home is being taken care of on a regular basis.

Overseeing maintenance and repairs: Your guests may not expect daily maid service, but they certainly expect prompt help when something happens; for instance, when the air conditioning gives out or the smoke detector needs a new battery. A part of our service is ensuring that your

guests will receive prompt responses to maintenance problems during their stay. Our company is vastly networked with service providers in the area and we can help hire and oversee lawn companies, window washers, and other essential services. For repairs, we will tap into our network and get multiple bids and check references to make sure that the best people are hired for the job.

Project management for remodeling or updating: We would like to stress the importance of having a modernized and well-appointed home in order for your guests to feel like they are staying in a quality, luxurious rental. Your second home or investment property may need some updating to achieve this goal. We have a great deal of experience with project management for updates and remodels; including kitchens, bathrooms, and landscaping. Our team will lead you through the process of making your home a luxury vacation rental.

What is JCV Properties responsible for on my property?

- Rental promotions and advertising including creating a full comprehensive listing on VRBO™ and Homeaway™
- Managing reservations, rental agreements, and collecting rent
- Managing and coordinating all access to the property
- Managing housekeeping services after guest checkout
- Managing soft good and cleaning product inventory (at owner's cost)
- Managing maintenance and repairs as well as landscaping services (at owners request)
- Guest relations
- Providing emergency service call support 24/7 for guests
- Preparing and paying applicable lodging and sales taxes (at owner's cost)

What are owners responsible for?

Initial Investment:

- VRBO™ and Homeaway™ Advertising and set up (required because of their powerful search engine optimization)
- Professional photo session for your home allowing for up to 24 pictures online
- Electronic keyless door-lock

- Guest amenities inventory (paper products and toiletries, cleaning supplies, we can assist with purchasing if needed)
- Furnishings, linens and kitchen basics (we can assist with purchasing if needed)
- Paying monthly mortgage, utilities, insurance, HOA fees, other obligations associated with owning the home, and transient use insurance for your property to ensure you are properly protected during guest rentals
- Furnishing the home with any additional added amenities that would increase the home's desirability, a hot tub is highly recommended
- Ensuring the home is in full operating condition prior to the first reservation. Cable, WiFi, power, hot tub, deferred maintenance projects complete etc...
- Providing repairs or replacements for items and inventory resulting from normal wear and tear. (Damages, repairs or inventory replacement resulting specifically from a Guest's negligence are paid for by the Guest or the Accidental Damage insurance.)



**JCV Property Solutions LLC
DBA JCV Properties
VACATION RENTAL PROPERTY MANAGEMENT AGREEMENT**

OWNERS(S), _____, _____
_____ hereafter known as "OWNER" and Vacation Rental MANAGER, JCV Property Solutions LLC DBA JCV Properties, hereinafter called "MANAGER" hereby agree:
(If multiple owners, please attach to this agreement a list of the names and complete mailing and email addresses of all owners. Identify on this agreement the applicable information for a primary contact person who is authorized to act on behalf of all owners and make and receive payments on behalf of all owners.)

1. RIGHT TO MANAGE: OWNER hereby makes, constitutes and appoints the MANAGER with full power of substitution, its true and lawful attorney-in-fact to sign and acknowledge any rental of said property pursuant to the terms hereof, and take any action, including eviction of any tenant, necessary to enforce compliance with such rental agreements. The foregoing grant of authority is a Special Power of Attorney granted for the term of this agreement.

PROPERTY ADDRESS: _____

This agreement shall be effective beginning on _____, 20 ____.

2. TERM: The term of this Agreement shall be for a period of one year from its effective date. This Agreement may be terminated only by a 30 day notice in writing; otherwise it shall automatically renew for another one-year period. During the term of this Agreement, OWNER authorizes MANAGER to accept reservations for the Premises up to 12 months in advance, except for excluded dates reserved by OWNER. OWNER agrees to give written notice to MANAGER of any desired OWNER or OWNER's guest occupancy of the Premises, provided that such reservations may not interfere with rental reservations previously committed by MANAGER. In addition, OWNER and MANAGER agree to abide by all rules and regulations set forth in the North Carolina Vacation Rental Act (attached herein as Exhibit A), specifically to Section 42A-19 (A) and (B) regarding transfer of title of residential property.

2. MANAGEMENT RESPONSIBILITIES: MANAGER will be responsible for the following:

- Responding to reservation inquiries.
- Processing reservations, collection of rent, taxes and fees, cancellations and personally handling disputes.
- Renter management and relations.
- Scheduling housekeeping and laundry services.
- Check-in and check-out services.
- Preparation and personal enforcement of rental agreements.
- Walk-through of home after each guest.
- Monthly OWNER statements, disbursements and tax reporting.

3. MARKETING: OWNER agrees to directly pay for annual marketing of the property on VRBO.com and HomeAway.com. MANAGER will set up advertising on behalf of the OWNER for a start-up fee of _____ and will continue to manage advertising on these sites at no additional charge for the term of this

agreement. OWNER agrees to pay for professional photos of the premises for marketing purposes upon execution of this agreement. Any additional advertising will be at the OWNERS expense directly.

4. MANAGEMENT FEES: OWNER is advised and agrees to pay the following:

- The OWNER shall pay to MANAGER, a rental property management fee of _____ of gross rental income collected for this premises. MANAGER will deduct this fee from monthly disbursements paid to OWNER
- In addition to rental rates, tenants shall pay to MANAGER a cleaning fee of _____ for each rental period. This fee is due whether the premises is occupied by a rental tenant, OWNER as tenant or OWNER'S guest as tenant.

5. RENTAL RATES: MANAGER will work with OWNER to set all rental rates and terms. Due to competitive market conditions, tourist fluctuations and demand, MANAGER reserves the right to alter rates and terms and make special rates and terms to maximize the OWNERS rental income and occupancy percentage. MANAGER may not alter rates and terms so as to discount the regular rental rate more than 25% without prior approval of OWNER.

6. DISCLAIMER OF GUARANTEES: The OWNER understands and agrees that MANAGER has made no guarantees (written or verbal) of occupancy or income levels for the property. OWNER also acknowledges that MANAGER makes no guarantees regarding amounts of expenses and that no representations of tax benefits have been made.

7. SECURITY DEPOSITS: MANAGER does not collect a set security deposit from the tenant. The rental agreement to be signed by the tenant authorizes the MANAGER to immediately charge the credit card on file for any damages that occur during the tenant's stay.

8. PAYMENTS: MANAGER shall render to the OWNER within 10 days after the end of each calendar month during which this agreement is in effect, a statement of accounts of income collected and/or expenditures made during the preceding calendar month. Along with the statement, MANAGER shall also disburse to the OWNER all rents collected less MANAGER fees and less all disbursements made on behalf of and for the account of the OWNER.

9. COSTS: OWNER is advised and agrees to the following:

- To supply and maintain the furnishings and keep the property in good order and repair.
- To pay for all the running costs of the subject property, including all utilities, pest control, pool/spa service and supplies, trash collection, lawn care, HOA fees, Home owner's insurance, and any other expense normally associated with owning a home.
- To pay for maintenance and replacement of damaged items due to normal wear and tear.

10. REPAIRS: MANAGER will notify OWNER of necessary repairs and maintenance that are not of an emergency basis. OWNER agrees to schedule repairs in a timely manner. However, MANAGER is authorized to make, at OWNER'S expense and without prior approval, any emergency repair involving danger to life, property, or for the preservation of the safety of persons occupying the property. While all tenant rental contracts state there is no compensation for temporary disruption of essential services of the property during the period the property is rented, MANAGER is authorized to make rental rebates as MANAGER deems appropriate. MANAGER is authorized, and shall use its best efforts to correct any such problems as quickly as possible in order to maximize rental income. In general the OWNER will be billed directly for such incurred expenses. In the event of emergency repairs the OWNER will reimburse the MANAGER for any costs incurred.

11. TAXES: OWNER shall be solely responsible for payment of all real estate, personal property, and other property taxes. OWNER shall be responsible for all North Carolina Sales and Use tax and Buncombe County Occupancy tax. Sales and Use Tax and Occupancy tax due on rental proceeds which are collected by the MANAGER from guests will be paid to the appropriate governmental entities by the MANAGER monthly. MANAGER will summarize taxes paid on the statement of accounts received monthly by OWNER.

OWNER must sign below:

I, _____, managing OWNER, agree to use the MANAGER as my agent to prepare and file Sales and Use and Buncombe County Occupancy tax returns on my behalf monthly. These taxes will be paid through OWNER's Sales and Use and Buncombe County Occupancy tax ID's.

Signature of OWNER: _____

12. USE BY OWNER: OWNER, family, and personal guests will be allowed to use the property at any time if no prior reservation by MANAGER has been made and OWNER requests and obtains confirmation of a reservation for the period in question through the MANAGER. OWNER'S account will be charged the appropriate cleaning fee unless prior payment arrangements are made with MANAGER. OWNER assumes all liabilities associated with personal use of the property by OWNER or OWNER'S personal guests. OWNER and OWNER'S personal guests agree to observe the standard check-in and check-out times unless arrangements are made prior to arrival through the MANAGER.

13. LINENS AND SUPPLIES: OWNER shall be responsible for providing two sets of sheets, bedspreads, blankets, and towels. OWNER shall be responsible for providing an initial supply of paper towels, toilet paper, trash bags and dish/dishwasher soap for each renter. The OWNER may from time to time be requested to purchase replacement linens and supplies as needed.

14. DOOR LOCKS: MANAGER requires that the premises have a coded door lock installed at OWNER'S expense to eliminate the problems and labor cost associated with handling keys.

15. LOSS LIABILITY: MANAGER shall not be liable for loss of OWNER'S personal property located in the rental property. Any loss of rents collected resulting from theft, dishonored or un-collectible checks, bank failure, declined credit card authorizations, storms, accidents, or other causes or events beyond its control. MANAGER shall not be required to initiate legal actions or retain an attorney for the purpose of collection of rents, collection of damages, eviction of tenants or other persons unless directed by OWNER. Collection fees and legal fees are the responsibility of the OWNER.

16. LIABILITY INSURANCE: It is understood that the OWNER shall carry personal liability insurance for the property in the minimum amount of \$100,000/\$300,000, a copy of which shall be furnished by OWNER to MANAGER, and the OWNER is strongly encouraged to also carry an umbrella policy extending coverage to \$1,000,000. OWNER agrees to indemnify and hold harmless MANAGER.

Insurance Co. _____

Policy# _____

17. SALE OF PROPERTY: OWNER agrees to notify MANAGER in writing if property is placed on the market for sale. OWNER agrees that property will only be shown when vacant or as coordinated through MANAGER.

18. INDEMNIFICATION: OWNER agrees that MANAGER shall not be liable for any claim for loss, accidents, injuries or illness that occur to any person or property while on the premises or its facilities unless such damage is the legal result of negligence or willful misconduct by the MANAGER. MANAGER is not responsible for the loss of personal belongings or valuables of the OWNER, the renter or their guests. OWNER agrees that they, along with all renters/guests are expressly assuming the risk of any harm arising from their use of the premises or others whom they invite to use the premises. OWNER shall indemnify and hold harmless the MANAGER.

19. ARBITRATION: This Agreement shall be governed by and interpreted in accordance with the laws of the State of North Carolina. In the event that a dispute shall arise between OWNER and MANAGER to this contract, it is hereby agreed that the dispute shall be referred to United States Arbitration and Mediation for arbitration in accordance with United States Arbitration and Mediation Rules of Arbitration. The arbitrator's decision shall be final and binding and judgement may be entered thereon. In the event a party fails to proceed with arbitration, unsuccessfully challenges the arbitrator's award, or fails to comply with arbitrator's award, the other party is entitled of costs of suit including a reasonable attorney's fee for having to compel arbitration or defend or enforce the award.

22. ENTIRE AGREEMENT: The foregoing constitutes the entire agreement between the parties and may be modified only in writing and signed by all parties. Each section, subsection or paragraph of this Agreement shall be deemed severable. If for any reason any portion of this Agreement is unenforceable, that portion shall not affect the applicability or validity of any other portion of this Agreement.

Accepted by: (OWNER- Managing OWNER)

Name: _____
Address _____ City _____ State _____
Zip _____

Signature: _____ Date: _____

All other OWNERS must sign below:

Name _____ Date _____
Name _____ Date _____
Name _____ Date _____

MANAGER: John Virkler – JCV Property Solutions LLC
4020 Hendersonville Rd Suite C
Fletcher, NC 28732
Contact Phone: 828-475-3993
Fax: 888-490-1456
Email: Homes@JohnVirkler.com

Signature: _____ Date: _____

Chapter 42A.
Vacation Rental Act.

Article 1.

Vacation Rentals.

§ 42A-1. Title.

This Chapter shall be known as the North Carolina Vacation Rental Act. (1999-420, s. 1.)

§ 42A-2. Purpose and scope of act.

The General Assembly finds that the growth of the tourism industry in North Carolina has led to a greatly expanded market of privately owned residences that are rented to tourists for vacation, leisure, and recreational purposes. Rental transactions conducted by the owners of these residences or licensed real estate brokers acting on their behalf present unique situations not normally found in the rental of primary residences for long terms, and therefore make it necessary for the General Assembly to enact laws regulating the competing interests of landlords, real estate brokers, and tenants. (1999-420, s. 1.)

§ 42A-3. Application; exemptions.

(a) The provisions of this Chapter shall apply to any person, partnership, corporation, limited liability company, association, or other business entity who acts as a landlord or real estate broker engaged in the rental or management of residential property for vacation rental as defined in this Chapter.

(b) The provisions of this Chapter shall not apply to:

- (1) Lodging provided by hotels, motels, tourist camps, and other places subject to regulation under Chapter 72 of the General Statutes.
- (2) Rentals to persons temporarily renting a dwelling unit when traveling away from their primary residence for business or employment purposes.
- (3) Rentals to persons having no other place of primary residence.
- (4) Rentals for which no more than nominal consideration is given. (1999-420, s. 1.)

§ 42A-4. Definitions.

The following definitions apply in this Chapter:

- (1) Real estate broker. - A real estate broker as defined in G.S. 93A-2(a).
- (2) Residential property. - An apartment, condominium, single-family home, townhouse, cottage, or other property that is devoted to residential use or occupancy by one or more persons for a definite or indefinite period.
- (3) Vacation rental. - The rental of residential property for vacation, leisure, or recreation purposes for fewer than 90 days by a person who has a place of permanent residence to which he or she intends to return.
- (4) Vacation rental agreement. - A written agreement between a landlord or his or her real estate broker and a tenant in which the tenant agrees to rent residential property belonging to the landlord for a vacation rental. (1999-420, s. 1.)

§§ 42A-5 through 42A-9. Reserved for future codification purposes.

Article 2.

Vacation Rental Agreements.

§ 42A-10. Written agreement required.

(a) A landlord or real estate broker and tenant shall execute a vacation rental agreement for all vacation rentals subject to the provisions of this Chapter. No vacation rental agreement shall be valid and enforceable unless the tenant has accepted the agreement as evidenced by one of the following:

- (1) The tenant's signature on the agreement.
- (2) The tenant's payment of any monies to the landlord or real estate broker after the tenant's receipt of the agreement.
- (3) The tenant's taking possession of the property after the tenant's receipt of the agreement.

(b) Any real estate broker who executes a vacation rental agreement that does not conform to the provisions of this Chapter or fails to execute a vacation rental agreement shall be guilty of an unfair trade practice in violation of G.S. 75-1.1, and shall be prohibited from commencing an expedited eviction proceeding as provided in Article 4 of this Chapter. (1999-420, s. 1.)

§ 42A-11. Vacation rental agreements.

(a) A vacation rental agreement executed under this Chapter shall contain the following notice on its face which shall be set forth in a clear and conspicuous manner that distinguishes it from other provisions of the agreement: "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."

(b) The vacation rental agreement shall contain provisions separate from the requirements of subsection (a) of this section which shall describe the following as permitted or required by this Chapter:

- (1) The manner in which funds shall be received, deposited, and disbursed in advance of the tenant's occupancy of the property.
- (2) Any processing fees permitted under G.S. 42A-17(c).
- (2a) Any cleaning fee permitted under G.S. 42A-17(d).
- (3) The rights and obligations of the landlord and tenant under G.S. 42A-17(b).
- (4) The applicability of expedited eviction procedures.
- (5) The rights and obligations of the landlord or real estate broker and the tenant upon the transfer of the property.
- (6) The rights and obligations of the landlord or real estate broker and the tenant under G.S. 42A-36.
- (7) Any other obligations of the landlord and tenant. (1999-420, s. 1; 2012-17, s. 5.)

§§ 42A-12 through 42A-14. Reserved for future codification purposes.

Article 3.

Handling and Accounting of Funds.

§ 42A-15. Trust account uses.

A landlord or real estate broker may require a tenant to pay all or part of any required rent, security deposit, or other fees permitted by law in advance of the commencement of a tenancy under this Chapter if these payments are expressly authorized in the vacation rental agreement. If the tenant is required to make any advance payments, other than a security deposit, whether the payment is denominated as rent or otherwise, the landlord or real estate broker shall deposit these payments in a trust account in an insured bank or savings and loan association in North Carolina no later than three banking days after the receipt of these payments. These payments deposited in a trust account shall not earn interest unless the landlord and tenant agree in the vacation rental agreement that the payments may be deposited in an interest-bearing account. The landlord and tenant shall also provide in the agreement to whom the accrued interest shall be disbursed. (1999-420, s. 1; 2014-115, s. 3.)

§ 42A-16. Advance payments uses.

(a) A landlord or real estate broker shall not disburse prior to the occupancy of the property by the tenant an amount greater than fifty percent (50%) of the total rent except as permitted pursuant to this subsection. A landlord or real estate broker may disburse prior to the occupancy of the property by the tenant any fees owed to third parties to pay for goods, services, or benefits procured by the landlord or real estate broker for the benefit of the tenant, including administrative fees permitted by G.S. 42A-17(c), if the disbursement is expressly authorized in the vacation rental agreement. The funds remaining after any disbursement permitted under this subsection shall remain in the trust account and may not be disbursed until the occurrence of one of the following:

- (1) The commencement of the tenancy, at which time the remaining funds may be disbursed in accordance with the terms of the agreement.
- (2) The tenant commits a material breach, at which time the landlord may retain an amount sufficient to defray the actual damages suffered by the landlord as a result of the breach.
- (3) The landlord or real estate broker refunds the money to the tenant.
- (4) The funds in the trust account are transferred in accordance with G.S. 42A-19(b) upon the termination of the landlord's interest in the property.

(b) Funds collected for sales or occupancy taxes and tenant security deposits shall not be disbursed from the trust account prior to termination of the tenancy or material breach of the agreement by the tenant, except as a refund to the tenant.

(c) The tenant's execution of a vacation rental agreement in which he or she agrees to the advance disbursement of payments shall not constitute a waiver or loss of any of the tenant's rights to reimbursement of such payments if the tenant is lawfully entitled to reimbursement. (1999-420, s. 1.)

§ 42A-17. Accounting; reimbursement.

(a) A vacation rental agreement shall identify the name and address of the bank or savings and loan association in which the tenant's security deposit and other advance payments are held in a trust account, and the landlord and real estate broker shall provide the tenant with an accounting of such deposit and payments if the tenant makes a reasonable request for an accounting prior to the tenant's occupancy of the property.

(b) Except as provided in G.S. 42A-36, if, at the time the tenant is to begin occupancy of the property, the landlord or real estate broker cannot provide the property in a fit and habitable condition or substitute a reasonably comparable property in such condition, the landlord and real estate broker shall refund to the tenant all payments made by the tenant.

(c) A vacation rental agreement may include administrative fees, the amounts of which shall be provided in the agreement, reasonably calculated to cover the costs of processing the tenant's reservation, transfer, or cancellation of a vacation rental.

(d) A vacation rental agreement may include a cleaning fee, the amount of which shall be provided in the agreement, reasonably calculated to cover the costs of cleaning the residential property upon the termination of the tenancy. (1999-420, s. 1; 2005-292, s. 1; 2012-17, s. 6.)

§ 42A-18. Applicability of the Residential Tenant Security Deposit Act.

(a) Except as may otherwise be provided in this Chapter, all funds collected from a tenant and not identified in the vacation rental agreement as occupancy or sales taxes, fees, or rent payments shall be considered a tenant security deposit and shall be subject to the provisions of the Residential Tenant Security Deposit Act, as codified in Article 6 of Chapter 42 of the General Statutes. Funds collected as a tenant security deposit in connection with a vacation rental shall be deposited into a trust account as required by G.S. 42-50. The landlord or real estate broker shall not have the option of obtaining a bond in lieu of maintaining security deposit funds in a trust account. In addition to the permitted uses of tenant security deposit monies as provided in G.S. 42-51, a landlord or real estate broker may, after the termination of a tenancy under this Chapter, deduct from any tenant security deposit the amount of any long distance or per call telephone charges and cable television charges that are the obligation of the tenant under the vacation rental agreement and are left unpaid by the tenant at the conclusion of the tenancy. The landlord or real estate broker shall apply, account for, or refund tenant security deposit monies as provided in G.S. 42-51 within 45 days following the conclusion of the tenancy.

(b) A vacation rental agreement shall not contain language compelling or permitting the automatic forfeiture of all or part of a tenant security deposit in case of breach of contract by the tenant, and no such forfeiture shall be allowed. The vacation rental agreement shall provide that a tenant security deposit may be applied to actual damages caused by the tenant as permitted under Article 6 of Chapter 42 of the General Statutes. (1999-420, s. 1.)

§ 42A-19. Transfer of property subject to a vacation rental agreement.

(a) The grantee of residential property voluntarily transferred by a landlord who has entered into a vacation rental agreement for the use of the property shall take title to the property subject to the vacation rental agreement if the vacation rental is to end not later than 180 days after the grantee's interest in the property is recorded in the office of the register of deeds. If the vacation rental is to end more than 180 days after the recording of the grantee's interest, the tenant shall have no right to enforce the terms of the agreement unless the grantee has agreed in writing to honor those terms, but the tenant shall be entitled to a refund of payments made by him or her, as provided in subsection (b) of this section.

Prior to entering into any contract of sale, the landlord shall disclose to the grantee the time periods that the property is subject to a vacation rental agreement. Not later than 10 days after transfer of the property, the landlord shall disclose to the grantee each tenant's name and address and shall provide the grantee with a copy of each vacation rental agreement. In lieu of providing the grantee a copy of each vacation rental agreement, where the landlord or the landlord's agent utilizes a standard form vacation rental agreement, the landlord may provide the grantee with a copy of the part of each vacation rental agreement that contains information unique to the tenancy, the amount to be paid by the tenant, and the parties' signatures, along with one copy of the rest of the standard form vacation rental agreement. However, the landlord shall not be required to provide the grantee with copies of the vacation rental agreements if in anticipation of acquiring the property the grantee has engaged the landlord's rental agent to continue to manage the property after the transfer and the landlord authorizes the rental agent to provide the information to the grantee and the grantee approves. Not later than 20 days after transfer of the property, the grantee or the grantee's agent shall:

- (1) Notify each tenant in writing of the property transfer, the grantee's name and address, and the date the grantee's interest was recorded.
- (2) Advise each tenant whether he or she has the right to occupy the property subject to the terms of the vacation rental agreement and the provisions of this section.
- (3) Advise each tenant of whether he or she has the right to receive a refund of any payments made by him or her.

Notwithstanding any other provision of this section, if the grantee engages as the grantee's broker and rental agent for the property the broker who procured the tenant's vacation rental agreement for the landlord, the grantee shall have no obligation under subdivisions (1), (2), and (3) of this subsection with regard to those tenants whose vacation rental agreements must be honored under this section or with regard to those tenants whose vacation rental agreements the grantee has agreed in writing to honor.

(b) Except as otherwise provided in this subsection, upon termination of the landlord's interest in the residential property subject to a vacation rental agreement, whether by sale, assignment, death, appointment of receiver or otherwise, the landlord or the landlord's agent, or the real estate broker, shall, within 30 days, transfer all advance rent paid by the tenant, and the portion of any fees remaining after any lawful deductions made under G.S. 42A-16, to the landlord's successor in interest and thereafter notify the tenant by mail of such transfer and of the transferee's name and address. For vacation rentals that end more than 180 days after the recording of the interest of the landlord's successor in interest, unless the landlord's successor in interest has agreed in writing to honor the vacation rental agreement, the landlord or the landlord's agent, or the real estate broker, shall, within 30 days, transfer all advance rent paid by the tenant, and the portion of any fees remaining after any lawful deductions made under G.S. 42A-16, to the tenant. Compliance with this subsection shall relieve the landlord or real estate broker of further liability with respect to any payment of rent or fees. Funds held as a security deposit shall be disbursed in accordance with G.S. 42A-18.

(c) Repealed by Session Laws 2000-140, s. 41, effective July 21, 2000.

(d) The failure of a landlord to comply with the provisions of this section shall constitute an unfair trade practice in violation of G.S. 75-1.1. A landlord who complies with the requirements of this section shall have no further obligations to the tenant. (1999-420, s. 1; 2000-140, s. 41; 2005-292, s. 2.)

§§ 42A-20 through 42A-22. Reserved for future codification purposes.

Article 4.

Expedited Eviction Proceedings.

§ 42A-23. Grounds for eviction.

(a) Any tenant who leases residential property subject to a vacation rental agreement under this Chapter for 30 days or less may be evicted and removed from the property in an expedited eviction proceeding brought by the landlord, or real estate broker as agent for the landlord, as provided in this Article if the tenant does one of the following:

- (1) Holds over possession after his or her tenancy has expired.
- (2) 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.
- (3) Fails to pay rent as required by the agreement.
- (4) Has obtained possession of the property by fraud or misrepresentation.

(b) Only the right to possession shall be relevant in an expedited eviction proceeding. All other issues related to the rental of the residential property shall be presented in a separate civil action. (1999-420, s. 1.)

§ 42A-24. Expedited eviction.

(a) Before commencing an expedited eviction proceeding, the landlord or real estate broker shall give the tenant at least four hours' notice, either orally or in writing, to quit the premises. If reasonable efforts to personally give oral or written notice have failed, written notice may be given by posting the notice on the front door of the property.

(b) An expedited eviction proceeding shall commence with the filing of a complaint and issuance of summons in the county where the property is located. If the office of the clerk of superior court is closed, the complaint shall be filed with, and the summons issued by, a magistrate. The service of the summons and complaint for expedited eviction shall be made by a sworn law enforcement officer on the tenant personally or by posting a copy of the summons and complaint on the front door of the property. The officer, upon service, shall promptly file a return therefor. A hearing on the expedited eviction shall be held before a magistrate in the county where the property is located not sooner than 12 hours after service upon the tenant and no later than 48 hours after such service. To the extent that the provisions of this Article are in conflict with the Rules of Civil Procedure, Chapter 1A of the General Statutes, with respect to the commencement of an action or service of process, this Article controls.

(c) The complaint for expedited eviction shall allege and the landlord or real estate broker shall prove the following at the hearing:

- (1) The vacation rental is for a term of 30 days or less.
- (2) The tenant entered into and accepted a vacation rental agreement that conforms to the provisions of this Chapter.
- (3) The tenant committed one or more of the acts listed in G.S. 42A-23(a) as grounds for eviction.
- (4) The landlord or real estate broker has given notice to the tenant to vacate as a result of the breach as provided in subsection (a) of this section.

The rules of evidence shall not apply in an expedited eviction proceeding, and the court shall allow any reasonably reliable and material statements, documents, or other exhibits to be admitted as evidence. The provisions of G.S. 7A-218, 7A-219, and 7A-220, except any provisions regarding amount in controversy, shall apply to an expedited eviction proceeding held before the magistrate. These provisions shall not be construed to broaden the scope of an expedited eviction proceeding to issues other than the right to possession.

(d) If the court finds for the landlord or real estate broker, the court shall immediately enter a written order granting the landlord or real estate broker possession and stating the time when the tenant shall vacate the property. In no case shall this time be less than 2 hours or more than 8 hours after service of the order on the tenant. The court's order shall be served on the tenant at the hearing. If the tenant does not appear at the hearing or leaves before the order is served, the order shall be served by delivering the order to the tenant or by posting the order on the front door of the property by any sworn law enforcement officer. The officer, upon service, shall file a return therefor.

If the court finds for the landlord or real estate broker, the court shall determine the amount of the appeal bond that the tenant shall be required to post should the tenant seek to appeal the court order. The amount of the bond shall be an estimate of the rent that will become due while the tenant is prosecuting the appeal and reasonable damages that the landlord may suffer, including damage to property and damages arising from the inability of the landlord or real estate broker to honor other vacation rental agreements due to the tenant's possession of the property. (1999-420, s. 1.)

§ 42A-25. Appeal.

A tenant or landlord may appeal a court order issued pursuant to G.S. 42A-24(d) to district court for a trial de novo. A tenant may petition the district court to stay the eviction order and shall post a cash or secured bond with the court in the amount determined by the court pursuant to G.S. 42A-24(d). (1999-420, s. 1.)

§ 42A-26. Violation of court order.

If a tenant fails to remove personal property from a residential property subject to a vacation rental after the court has entered an order of eviction, the landlord or real estate broker shall have the same rights as provided in G.S. 42-36.2(b) as if the sheriff had not removed the tenant's property. The failure of a tenant or the guest of a tenant to vacate a residential property in accordance with a court order issued pursuant to G.S. 42A-24(d) shall constitute a criminal trespass under G.S. 14-159.13. (1999-420, s. 1.)

§ 42A-27. Penalties for abuse.

A landlord or real estate broker shall undertake to evict a tenant pursuant to an expedited eviction proceeding only when he or she has a good faith belief that grounds for eviction exists under the provisions of this Chapter. Otherwise, the landlord or real estate broker shall be guilty of an unfair trade practice under G.S. 75-1.1 and a Class 1 misdemeanor. (1999-420, s. 1.)

§§ 42A-28 through 42A-30. Reserved for future codification purposes.

Article 5.

Landlord and Tenant Duties.

§ 42A-31. Landlord to provide fit premises.

A landlord of a residential property used for a vacation rental shall:

- (1) Comply with all current applicable building and housing codes.
- (2) Make all repairs and do whatever is reasonably necessary to put and keep the property in a fit and habitable condition.
- (3) Keep all common areas of the property in safe condition.
- (4) Maintain in good and safe working order and reasonably and promptly repair all electrical, plumbing, sanitary, heating, ventilating, and other facilities and major appliances supplied by him or her upon written notification from the tenant that repairs are needed.
- (5) Provide operable smoke detectors. The landlord shall replace or repair the smoke detectors if the landlord is notified by the tenant in writing that replacement or repair is needed. The landlord 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 landlord.

These duties shall not be waived; however, the landlord and tenant may make additional covenants not inconsistent herewith in the vacation rental agreement. (1999-420, s. 1.)

§ 42A-32. Tenant to maintain dwelling unit.

The tenant of a residential property used for a vacation rental shall:

- (1) Keep that part of the property which 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 that he or she uses.

- (2) Dispose of all ashes, rubbish, garbage, and other waste in a clean and safe manner.
- (3) Keep all plumbing fixtures in the property or used by the tenant as clean as their condition permits.
- (4) Not deliberately or negligently destroy, deface, damage, or remove any part of the property or render inoperable the smoke detector provided by the landlord or knowingly permit any person to do so.
- (5) Comply with all obligations imposed upon the tenant by current applicable building and housing codes.
- (6) Be responsible for all damage, defacement, or removal of any 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 landlord or his or her agent, defective products supplied or repairs authorized by the landlord, acts of third parties not invitees of the tenant, or natural forces.
- (7) Notify the landlord of the need for replacement of or repairs to a smoke detector. The landlord 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 the landlord.

These duties shall not be waived; however, the landlord and tenant may make additional covenants not inconsistent herewith in the vacation rental agreement. (1999-420, s. 1.)

§§ 42A-33 through 42A-35. Reserved for future codification purposes.

Article 6.

General Provisions.

§ 42A-36. Mandatory evacuations.

If State or local authorities, acting pursuant to Article 1A of Chapter 166A of the General Statutes, order a mandatory evacuation of an area that includes the residential property subject to a vacation rental, the tenant under the vacation rental agreement, whether in possession of the property or not, shall comply with the evacuation order. Upon compliance, the tenant shall be entitled to a refund from the landlord of the rent, taxes, and any other payments made by the tenant pursuant to the vacation rental agreement as a condition of the tenant's right to occupy the property prorated for each night that the tenant is unable to occupy the property because of the mandatory evacuation order. The tenant shall not be entitled to a refund if: (i) 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 the tenant for losses or damages resulting from loss of use of the property due to a mandatory evacuation order; or (ii) the tenant purchased insurance offered by the landlord or real estate broker. The insurance offered shall be provided by an insurance company duly authorized by the North Carolina Department of Insurance, and the cost of the insurance shall not exceed eight percent (8%) of the total amount charged for the vacation rental to the tenant less the amount paid by the tenant for a security deposit. (1999-420, s. 1; 2005-292, s. 3; 2009-245, s. 2; 2012-12, s. 2(h).)

§§ 42A-37 through 42A-40. Reserved for future codification purposes.