

BAUHAUS LONG-TERM RENTAL AGREEMENT

Dear Lessee,

Thank you for choosing the Bauhaus Beach House for your long-term rental needs. We look forward to providing hospitable lodging during your stay on Bainbridge Island!

We are pleased to confirm your rental request and to provide you with this rental agreement. Please read, sign and mail/deliver this rental agreement with payment to **Bauhaus Beach House, 9865 Manitou Beach Dr. NE, Bainbridge Island, WA 98110**. Please read all information herein thoroughly. Your signature signifies that you and all others who will be staying in the unit will comply with the policies set forth herein. Please contact us immediately if you have any questions. If supplemental contracts by Lessor's assigned agent apply, you will be asked to read and sign a copy of that contract as well. Please keep these documents for your records. In addition to this contract there is a complete House Manual, on-line and on premises, describing all aspects of the Beach House, things to do, where to go, and all the information you will need.

BY THIS AGREEMENT made and entered into on _____, 2008
between the Owner of Bauhaus Beach House, herein referred to as Lessor, and

_____ herein referred to as Lessee.

Lessor leases to Lessee the premises situated at 9865 Manitou Beach Dr. NE, in the City of Bainbridge Island, County of Kitsap, State of Washington, together with all appurtenances, except for storage shed and including all furnishings, for a term of _____ months, to commence on , 20____ and end on _____, 20____.

RENT: Lessee agrees to pay, without demand, to Lessor as rent for the premises the sum of (\$_____) per month in advance on the first day of each calendar month beginning, _____, 2008, at _____, City Seattle, State of Washington, or at such other place as Lessor may designate.

If Lessee's use of the premises begins before the first day of the first month, the rent shall be prorated accordingly for the sum of (\$_____). On rental agreements lasting six months or longer, the last month's payment is also due upon execution of this agreement.

A late fee of \$150 will be assessed on all payments not received prior to the 5th of the month in which the rent is due. A \$35 NSF check fee will be assessed on all checks returned by Lessor's bank marked NSF or Uncollected Funds.

SECURITY DEPOSIT: On execution of this lease, Lessee deposits with Lessor (\$_____), but not less than one full month's rent, receipt of which is acknowledged by Lessor, as security for the faithful performance by Lessee of the terms hereof, to be returned to Lessee, without interest, on the full and faithful performance by him of the provisions hereof. The balance of all deposits will be refunded within one month from date possession is delivered to Lessor or his/her agent together with a statement showing any charges made against such deposits.

RATES: Long-term rental rates include all utilities and maintenance: Bi-monthly housecleaning, landscaping, cable/phone/internet, heating, water, sewer, electric, garbage, and alarm. If applicable, additional broker and/or Lessor assigned agent commission will be charged for long-term rentals.

LONG-TERM RENTAL RATES		2 – 3 months	3 – 6 months	6 – 9 months
Low Season	September 01 – May 31	\$6,250/mo.	\$5,000/mo.	\$4,250/mo

UTILITIES: Lessor shall provide and pay for all normal utility services required on the premises, including water, sewer, heat and garbage. Lessor also provides twice monthly housecleaning services and landscape maintenance. Lessor shall be responsible for paying for any utilities and services that cost more than documented year-to-year monthly averages at premises. Cable, internet, and telephone service inside the continental United States only are also provided by Lessor. Lessee may use a calling card for international calls. Any additional charges showing on aforementioned utility and service bills will be deduction from Lessee’s security deposit.

PAYMENT OPTIONS: Cashiers/Registered/Personal Check. VISA and MasterCard are also acceptable with any additional processing fees to be paid by Lessee.

NUMBER OF OCCUPANTS: Lessee agrees that the premises shall be occupied by no more than _____ persons, consisting of _____ adults and _____ children, without written consent of Lessor.

MULTIPLE OCCUPANCY: It is expressly understood that this Agreement is between the Lessor and/or agent and each Lessee signatory jointly and severally. Each signatory will be responsible for timely payment of rent and performance of all other provisions of this Agreement.

QUIET ENJOYMENT: Lessor covenants that on paying the rent and performing the covenants herein contained, Lessee shall peacefully and quietly have, hold, and enjoy the premises for the agreed term.

USE OF THE PREMISES: The premises shall be used and occupied by Lessee exclusively as a private single family residence, and neither the premises nor any part thereof shall be used at any time during the term of this lease by Lessee for the purpose of carrying on any business, profession, or trade of any kind, or for any purpose other than as a private single family residence. Lessee shall comply with all the sanitary laws, ordinances, rules, and orders of appropriate governmental authorities affecting the cleanliness, occupancy, and preservation of the premises, and the sidewalks connected thereto, during the term of this lease.

HOLDING OVER: Because of the nature of the Lessor’s and/or agent’s businesses (including short term recreational rentals) Lessee understands, and is hereby put on notice that any unauthorized “holding over” of the property past the stated rental period could jeopardize Lessor’s and/or agent’s businesses and cause loss of rental income from other previously booked guests, temporary and/or permanent loss of business, goodwill and reputation and could force the Lessor and/or agent to breach an agreement with a short term recreational guests who have reservations during the Lessee’s unauthorized “holding over” period. In this event, Lessor and/or agent may be legally liable in damages to said other guests. Lessee should be aware that unauthorized “holding over” has been construed as a factor in establishing “malicious continuing occupation” of rental property, which may entitle Lessor to treble damages in any unlawful detained action. Lessee also recognizes that unauthorized “holding over” could be grounds in court case as a cause for intentionally interfering with Lessor’s prospective business advantage. In addition, Lessor and/or agent will charge the full posted vacation rental daily rate for each day past the surrender due date. All such costs, plus tax, will be charged to the Lessee, and Lessee and invitees will be subject to immediate eviction.

Should Lessee be remain in possession of the premises with the consent of Lessor after the natural expiration of this lease, a new month-to-month tenancy shall be created between Lessor and Lessee

which shall be subject to all the terms and conditions hereof, with any applicable rate increases, but shall be terminated on thirty (30) days' written notice served by either Lessor or Lessee on the other party.

ASSIGNMENT AND SUBLETTING: Lessee shall not assign this lease, or sublet or grant any concession or license to use the premises or any part thereof without the prior written consent of Lessor. A consent by Lessor to one assignment, subletting, concession, or license shall not be deemed to be a consent to any subsequent assignment, subletting, concession, or license. An assignment or subletting by operation of law, shall be void and shall, at Lessor's option, terminate this lease.

SUBORDINATION OF LEASE: This Lease and Lessee's leasehold interest hereunder are and shall be subject, subordinate, and inferior to any liens or encumbrances now or hereafter placed on the premises by Lessor, all advances made under any such liens or encumbrances, the interest payable on any such liens or encumbrances, and any and all renewals or extensions of such liens or encumbrances.

ANIMALS: No animals allowed on the premises without express written consent of Bauhaus Beach House or its assigned agent. A minimum \$500 fine will be charged for non-compliance, plus Lessee will be charged for any additional cleaning. Lessee may be given written permission to bring a pet onto the premises pending approval and a negotiated nonrefundable pet fee. If it is found that there are more pets or different pets than agreed to on the premises or if complaints come from neighbors about excessive noise due to the pets Lessee may be asked to vacate immediately with no refund.

MAINTENANCE AND REPAIRS: Lessee acknowledges that the premises are in good order and repair upon inspection, unless otherwise indicated. Lessee will at his/her own expense, maintain the premises in a clean and sanitary manner including all furnishings, floor and window coverings, decorative items, equipment, appliances, smoke detectors, plumbing, heating and air conditioning and will surrender the same, at termination, in as good condition as received, normal wear and tear expected. Lessee will be responsible for any damages caused by his/her misuse, waste, and/or negligence and that of his/her family, invitees and guests. Lessee shall notify Lessor of any needed repairs and/or maintenance. Major maintenance and repair of the leased premises, not due to Lessee's misuse, waste, or neglect or that of his employee, family, agent, or visitor, shall be the responsibility of Lessor or his assigns.

ALTERATIONS AND IMPROVEMENTS: Lessee shall make no alterations to the buildings on the premises or construct any building or make other improvements on the premises without the prior written consent of Lessor. Lessee will not paint, paper, redecorate or make alterations to the premises. All alterations, changes and improvements built, constructed, or placed on the premises by Lessee, with the exception of fixtures removable without damage to the premises and movable personal property, shall, unless otherwise provided by written agreement between Lessor and Lessee, be the property of Lessor and remain on the premises at the expiration or sooner termination of this lease.

SECURITY AND INVENTORY OF THE UNIT: When Lessee assumes possession of unit, Lessee assumes responsibility for it and its contents, as well as Lessee's own personal property. Lessee will keep all provided furnishings and equipment in good condition and repair, and will be responsible for any damage to them other than normal wear and tear. Any items that are found damaged or missing from unit will be charged at replacement cost plus a 20% administrative fee. Lessee will be charged \$100.00 for lost keys and alarm key fobs. Lessee agrees to lock the doors and leave automatic entry lights on when leaving the premises.

DAMAGES TO PREMISES: If the premises are damaged by fire or from any other casualty not due to the Lessee's negligence or will act or that of his employee, family, agent, or visitor, which renders the premises unrentable, the premises shall be promptly repaired by Lessor and there shall be an abatement of rent corresponding with the time during which, and the extent to which, the leased premises may have been untenable; but, if the leased premises should be damaged other than by Lessee's negligence or willful act or that of his employee, family, agent, or visitor to the extent that Lessor shall decide not to rebuild or repair, the term of this lease shall end and the rent shall be prorated up to the time of the damage. If damage is the result of Lessee or his/her invitees, all damage will be paid for by the Lessee and/or his/her invitees.

DANGEROUS MATERIALS: Lessee shall not keep or have on the leased premises any article or thing of a dangerous, inflammable, or explosive character that might unreasonably increase the danger of fire on the leased premises or that might be considered hazardous or extra hazardous by any responsible insurance company. Lessee will not commit any waste upon the premises, or any nuisance or act, which may disturb the quiet enjoyment of any tenants/owners in the neighborhood.

ENTRY AND INSPECTION: Lessor will have the right to enter the premises a) in case of an emergency, b) to make necessary or agreed repairs, decorations, alterations, improvements, supply necessary or agreed services, show the premises to prospective or actual buyers, lenders, tenants, workmen or contractors, c) when Lessee has abandoned or surrendered the premises. Except under a. and c. entry may be made only during normal business hours, and with at least twenty-four (24) hours prior notice to Lessee. Outdoor maintenance such as gardening and lawn care will be made during normal business hours without any prior notice to or consent from Lessee.

DISPLAY OF SIGNS: During the last forty five (45) days of this lease, Lessor or his agent shall have the privilege of displaying the usual "For Sale" or "For Rent" or "Vacancy" signs on the premises and of showing the property to prospective purchaser or tenants.

INDEMNIFICATION: Lessor, and/or assigned agent, will not be liable for any damage or injury to Lessee or any other person(s), or to any property occurring on the premises, unless such damage is the legal result of the negligence or willful misconduct of Lessor, his/her Agents or Employees. Children are welcome, however, there may be conditions in and around the unit that may pose hazards to them, as well as to adults. Children must be supervised at all times. All minors are to be supervised by an adult at all times while in or near the spa/hot-tub. Lessee will hold Lessor and/or his/her Agent harmless from any claims for damages, no matter how caused, except for injury or damages caused by negligence or willful misconduct of Lessor, his/her Agents or Employees. It is understood that Lessor's insurance does not cover Lessee's personal property or improvements.

NOTICES: Unless otherwise provided, any notice by either party may given personally or by mailing the same, postage prepaid, certified to Guest at the premises or to Owner at the address shown in the signature block or at such other places as may be designated by the parties. Notice will be deemed effective five (5) days after mailing or when receipt is acknowledged in writing.

TIME: Time is of the essence of the Agreement.

PHYSICAL POSSESSION: If Lessor is unable to deliver possession of the premises at the commencement date set forth above, Lessor will not be liable for any damage caused, nor will this Agreement be void or voidable, but Lessee will not be liable for any rent until possession is delivered.

SURRENDER OF PREMISES: At the expiration of the lease term, Lessee shall quit and surrender the premises in as good state and condition as they were at the commencement of the lease, reasonable use and wear thereof and damages by the elements excepted.

WAIVER: Failure of Lessor to enforce any provision of this Agreement will not be deemed a waiver. The acceptance of rent by Lessor will not waive his/her right to enforce any provision of this Agreement.

ATTORNEY'S FEES: In any action or proceeding involving a dispute between Lessor and Lessee arising out of this Agreement, the prevailing party will be entitled to reasonable attorney's fees.

FAIR HOUSING: Lessor and Lessee understand that the state and federal housing laws prohibit discrimination in the sale, rental, appraisal, financing or advertising of housing on the basis of race, religion, color, sex, familial status, sexual preference, handicap or national origin.

SALE OF PROPERTY: The Lessor may list and sell the property. If the Lessor enters into a sale agreement that requires that the property to be turned over to a buyer, it may require the contract to be cancelled. A property may be rented while in escrow. All funds will be returned to the Lessee without deduction and Lessor will advise Lessee as quickly as possible. In this event, Lessor will not be responsible to relocate to another property, if such notice has been given to Lessee.

ABANDONMENT: If at any time during the term of this lease Lessee abandons the premises or any part thereof, Lessor may, at his option, enter the premises by any means without being liable for any prosecution therefore, and without becoming liable to Lessee for damages or for any payment of any kind whatever, and may, at his discretion, as agent for Lessee, relet the premises, or any part thereof, for the whole or any part of the then unexpired term, and may receive and collect all rent payable by virtue of such reletting, and, at Lessor's option, hold Lessee liable for any difference between the rent that would have been payable under this lease during the balance of the unexpired term, if this lease had continued in force, and the net rent for such period realized by Lessor by means of such reletting. If Lessor's right of reentry is exercised following abandonment of the premises by Lessee, then Lessor may consider any personal property belonging to Lessee and left on the premises to also have been abandoned, in which case Lessor may dispose of all such personal property in any manner Lessor shall deem proper and is hereby relieved of all liability for doing so.

DEFAULT: If any default is made in the payment of rent, or any part thereof, at the times herein specified, or if any default is made in the performance of or compliance with any other term or condition hereof, the lease, at the option of Lessor, shall terminate and be forfeited, and Lessor may reenter the premises and remove all persons therefrom. Lessee shall be given written notice of any default or breach, and termination and forfeiture of the lease shall not result if, within ten (10) days of receipt of such notice, Lessee has corrected the default or breach or has taken action reasonably likely to effect such correction within a reasonable time.

ENTIRE AGREEMENT: The foregoing constitutes the entire agreement between the parties and may be modified only in writing signed by all parties.

BINDING EFFECT: The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives and assigns of the parties hereto, and all covenants are to be construed as conditions of this lease.

ADDITIONAL TERMS AND CONDITIONS:

A. Rental payments are non-refundable. Lessor, or assigned agent, is not responsible for the weather or other "Acts of God" for which there will be no refunds except as outlined above.

B. There is no smoking inside the unit. Lessee's security deposit will be charged \$500.00, plus cleaning of drapes, bedspreads and bed linens, and any additional cleaning costs, if there is any smell of tobacco in the premises.

C. Premises is in a residential neighborhood. Lessees agree to have consideration for others and refrain from unnecessary noise, e.g. loud radios or yelling which may cause a disturbance of the peace and quiet of nearby neighbors.

D. The Lessor may provide beach or sports equipment for use by Lessee. By execution of this Rental Agreement/Lease, it is agreed that said equipment will remain Lessor's property and Lessee is free to use same in an appropriate and safe manner. If Lessee (or Lessee's designated user) shall use such equipment. They shall use and enjoy them at their own risk and be responsible for any injuries caused by equipment. If any Lessee (or Lessee's designated user) is injured or harmed in the use of such equipment, Lessor or Lessor's Agent shall not be responsible or liable for any injuries related to the use and enjoyment of the sports/beach equipment.

F. Lessor and its assigned agent, are not responsible for items left behind. Minimum charge for returned items by USPS or UPS is \$35.00.

G. Lessee assuming liability must be 25 years of age or older; exceptions can be made on an individual basis.

IN WITNESS WHEREOF, the parties have executed this lease on the day and year written above.

Signature

Signature

Lessor

Lessee

If applicable:

Credit card #: _____ Expiration: _____

Name on Card: _____ Three digit security code: _____

Phone #: _____ Drivers License #: _____

If payment is by check, please include and

MAIL or DELIVER this Agreement to:

Attn: Bauhaus Beach House
9865 Manitou Beach Dr. NE
Bainbridge Island, WA 98110