



SHADOW MOUNTAIN RESORT & CLUB RENTAL MANAGEMENT PROGRAM SUMMARY

The purpose of these guidelines is to summarize various rental plan expenses at Shadow Mountain Resort & Club as well as to review other procedures which govern owner's rental activities. This summary is not intended to supersede applicable rental agreement.

1. Any unit owner engaging Shadow Mountain Resort Investment Group, LLC ("SMRIG") – as rental agent will do so exclusively and on an individual basis.
2. Each unit owner determines when he or she desires to make the condominium available for rental.
3. A condominium owner's occupancy rights are subject, of course, to prior rental commitments made by SMRIG on the owners' behalf. Nevertheless, SMRIG, if provided with adequate advance notice, will make every effort to accommodate an owner's occupancy request by rearranging conflicting reservations to other Shadow Mountain condominiums which SMRIG may control as rental agent.
4. So long as a condominium owner is under contract with SMRIG, SMRIG will serve as that owners' exclusive agent for rental purposes.
5. Rental rates and discounts are determined exclusively by SMRIG. At all times SMRIG shall endeavor to adhere to rental policies which will be in the long-term best interest of the condominium owner.
6. SMRIG does not allocate rental opportunities among the Shadow Mountain condominiums under its control on any system of rotation. Rather SMRIG provides each prospective renter with a description of the units available and seeks to accommodate the renter's preferences to the maximum extent practicable, including location and quality of furnishings and décor, i.e. rating system: A-Superior; B-Standard; C-Below Standard.
7. All owners and/or owner's guest must register with the front desk upon arrival and must check-out with the front desk upon departing.
8. When owner and/or owner's guest uses the condominium, maid service is only mandatory upon check-out.
9. Owner guests should pay bills for housekeeping, club guest fees, telephone, restaurant, pro-shop and other similar charges upon check-out. Any unpaid bill will be charged to owner account.
10. The owner who elects to engage SMRIG as rental agent is also required to bear the following expenses:
 - A. SMRIG's management fee of \$450.00 per year plus 40% of rental income.
 - B. Travel agent commissions and credit card fees.
 - C. 5% Group business commission.
 - D. Unit item replacements.
 - E. The cost of all repairs to the unit (minor repairs included within monthly maintenance fee outlined in Rental Program Agreement).
 - F. Monthly telephone extension charges.
 - G. Annual club dues (currently \$917 per year/\$750 Initiation Fee) for each unit with a rental contract.

11. An owner, irrespective of any decision to make a unit available for rental will be required to bear the following expenses:

Mortgage Payments	Real Estate Property Taxes
Homeowner Association Fees	Cost of Major Unit Repairs
Telephone	Utility Charges Applicable to Unit

12. Any owner engaging SMRIG as rental agent will be required to maintain a working capital account with SMRIG of \$150.00.

13. Individuals not wishing to join the Rental Program of agent but desirous of mail service and/or check-in service as well as message/phone service and use of housekeeping and maintenance service should request a Housecare Agreement offered by agent.

14. Under no circumstances is any SMRIG representative permitted to provide any statistic or financial information to any person who is neither a Shadow Mountain condominium owner nor a party to a written contract for the purchase of a Shadow Mountain condominium.

15. Rental Program participants receive the following added values:

COMPLIMENTARY – Tennis court reservations seven days prior, guest fees when owner present, guest fees on charitable stays, use of club poolside barbeque, Living Desert passes.

DISCOUNTS - Discounts at Pro Shop, discounts on tennis clinics & lessons.

RENTAL PROGRAM SAMPLE CALCULATIONS as of 01/01/20

	<u>STUDIO</u>	<u>ONE-BDRM</u>	<u>TWO-BDRM</u>	<u>THREE-BDRM</u>
High Season (3 Night Rental)	\$807.00	\$1,107.00	\$1,407.00	\$2,007.00
40% Management Fee	(322.80)	(442.80)	(562.80)	(802.80)
Housekeeping Fee (3 night stay)	<u>(48.00)</u>	<u>(80.00)</u>	<u>(102.00)</u>	<u>(113.00)</u>
Subtotal	\$436.20	\$584.20	\$742.20	\$1,091.20
Travel Agent/Credit Card*	<u>(47.61)</u>	<u>(65.31)</u>	<u>(83.01)</u>	<u>(118.41)</u>
NET to Owner	\$388.59	\$518.89	\$659.19	\$972.79

The above calculations are based on published rates for the average length of stay (currently 3 nights).

The above calculations do not include Group Service Fee (5%) on group gross revenue for the month.

* Credit Card/Travel Agent fees based on 5.9% of total gross revenue for the month (fees reviewed annually by SMRIG).

NOTE: This “Summary” is not a part of the Rental Agreement and may or may not include all items relating to said Rental Agreement, it is provided simply for information and discussion purposes only and is subject to change at Rental Agents discretion. Please refer to Rental Agreement for contractual terms.