

September 9th 2015

Whaleshead Beach Resort
19921 Whaleshead Rd
Brookings, OR 97415

RE: Rental Pool Rate Changes

Dear Residents:

We would like to try making a few changes to the rental pool program in order to make it function better for all our residents; we believe these changes will help make the rental pool program more financially successful for residents involved in the program, and will also prevent some of the problems that have been brought to our attention about the rental program:

- 1) **Rates:** We will be making adjustments to the rates for the individual units; we believe that we are currently tremendously under-valued for the services and location we provide. Furthermore, we think the higher rates will help to draw in a higher quality customer. We will be making these changes in the next few weeks, and if you would like details please contact Daniell.
- 2) **Management Fees:** We will NOT be undertaking the proposed rent increase at this time; the fee split will remain 70% to the cabin owner, 30% to the management.
- 3) **Breakfast:** As part of this rate increase, we will be offering a complimentary breakfast at the Whaleshead Restaurant! We believe that our competition in town offers this service, and we think that the restaurant is a great part of our resort and we need to incorporate it more effectively in the rental pool program.
- 4) **Incidental Credit Protection:** As part of our new software system we will be holding a credit card for incidental charges and missing items; this will take the form of a deposit that is released upon satisfactory inspection of the unit on check out, or as holding a credit card number for incidental expenses.
- 5) **Inventory Lists:** As soon as possible, please provide Daniell with a list of valuable items that are in your cabins; please also provide photos of these items so that we can easily identify them. Our intent is to check the units during cleaning to make sure that none of these items are missing. *In order to make this effective initially, please limit the list to items that are \$50 in value or greater.*

Thank you, please let us know if you have any questions!

Sincerely,

Whaleshead Management

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Brookings, OR 97415

RE: Utilites and Water System

Dear Residents:

It has come to my attention that there is some concern regarding the water and utility systems at the property. Moreover, there has been some misinformation about recent well drilling activity that took place at the park. I would like to address these issues:

- 1) **Well Drilling:** We undertook some exploratory drilling recently, this was to more effectively capitalize on the water rights that we have access to per state regulations. We only drilled to shallow depths in order to better ascertain where we could best locate a well. This action was not taken due to a water shortage at the park! There is adequate water to service the park.
- 2) **Water Capacity:** We are adding another 2,500-5,000 gallons of water capacity at the top of the park in order to better provide services to the park during the dry summer months, while effective water usage is always a priority for us, we want to make sure that our residents are not left with less than adequate water usage during the year.
- 3) **Car Washing:** Our policy on washing cars in the park is partially due to our desire to conserve water, but our greater priority is to limit and control the discharge and effluents that are reaching our on-site waste water management systems. Allowing car washing introduces a number of potentially hazardous elements into our onsite system, and preventing introduction will ensure the long term operation of our system.

Thank you, and please let us know if you have any further questions!

Sincerely,

Whaleshead Management