

June 25, 2015

Whaleshead Beach RV Resort
19921 Whaleshead Rd
Brookings, OR 97415

RE: Rental Pool Fee Increases

Dear Resident:

We hope you have enjoyed and taken advantage of some of the improvements we have made at the park. Our new amenities, more efficient management, and better overall reputation have led to a tremendous increase in our rental program! Shortly, we will be rolling out a new software system that will feature seamless integration with our website, online reservations, and advertising presence via search engines. Our average tenant in the rental pool program is receiving in excess of \$1,500 per month in net income, and we expect that number to continue to increase! Furthermore, our staff is diligently cleaning your units, inspecting them regularly, and immediately addressing and maintenance and repair issues that are discovered.

We have incurred substantial cost increases as a result of superior management and operation. Additionally, we have identified several areas in which the fees currently being assessed are inadequate to cover the costs for services. **To that end, we will be increasing the following fees as of September 1st, 2015:**

1. **Hot Tub Maintenance Fee:** \$100 (this will cover the costs of all maintenance and chemicals)
2. **Cleaning Fees:** Effective on the above date, the cleaning fees will no longer be assessed on an hourly basis, and will instead be fixed rates as follows; these fees include not only the labor to clean the units, but also all cleaning supplies and disposables for the units:
 - a. **2 Person Rental: \$50**
 - b. **4 Person Rental: \$75**
 - c. **6+ Person Rental: \$100**
3. **Management Fee:** 40% of Net Monthly Occupancy Revenue

Again, we are confident you will continue to see an increase in your monthly income you're your home at Whaleshead, and these fee increases will be instrumental in maintaining the highest quality rental program. Please do not hesitate to contact the park manager if you have any questions, and thank you in advance for your continued support!

Sincerely,

Andrew Cramer, General Manager

June 25th, 2015

Whaleshead Beach RV Resort
19921 Whaleshead Rd
Brookings, OR 97415

RE: Non-Permanent Residents Update

Dear Resident:

We hope you have enjoyed and taken advantage of some of the improvements we have made at the park; we also wanted to take a moment to tell you about the numerous improvements we have made to the rental pool program! Our new amenities, more efficient management, and better overall reputation have led to a tremendous increase in our rental program! Shortly, we will be rolling out a new software system that will feature seamless integration with our website, online reservations, and advertising presence via search engines. Our average tenant in the rental pool program is receiving in excess of \$1,500 per month in net income, and we expect that number to continue to increase! Furthermore, our staff is diligently cleaning these units, inspecting them regularly, and immediately addressing and maintenance and repair issues that are discovered. We highly recommend that you join the rental pool program so that we can help you generate income with your Whaleshead unit.

Additionally, we are attempting to be fair and equitable with our substantial cost increases that we have incurred as a result of superior management and operation. **To that end, we will be assessing a \$150/mo non-resident occupant fee as of September 1st, 2015.** This fee will cover our time and expense in regards to maintaining the property as a whole, providing 24 hour security and maintenance services for your home, but more importantly, to help share the costs that the rental pool members are already assisting with.

IF YOU ELECT TO ENTER THE RENTAL PROGRAM, THIS FEE IS WAIVED

Please do not hesitate to contact the park manager if you would like to register for the rental pool program, and thank you in advance for your continued support!

Sincerely,

A handwritten signature in black ink, appearing to read 'Andrew Cramer', written over a horizontal line.

Andrew Cramer, General Manager

July 22nd, 2015

Whaleshead Beach RV Resort
19921 Whaleshead Rd
Brookings, OR 97415

RE: Non-Permanent Residents Update

Dear Resident:

I wanted to provide some additional clarity in regards to the initial notice we sent out last month, specifically:

- 1) Our goal is to encourage you, if possible, to join the rental pool! Our increased visibility and positive reputation has led to our rental pool homes being sold out during the summer as well as a huge amount of reservations into the fall and winter.
- 2) We are investing heavily in the rental pool program; this includes a more comprehensive maintenance and cleaning regimen, a completely updated online reservation system and new website, as well as integrating branded products (soaps, toiletries, coffee) into the rental program. Our goal is to transform Whaleshead into a comprehensive 5 star resort!
- 3) If you occupy your home more than 49% of the year; YOU ARE A PERMANENT RESIDENT, please inform Daniell if this is the case for you.
- 4) I have learned that many of you were formerly in the rental pool under the former management, and removed your home due to difficulties with the operation of the rental pool. Please give us the opportunity to prove to you that our new management and operation is superior and will yield long term, beneficial results for you

Sincerely,

A handwritten signature in black ink, appearing to read 'Andrew Cramer', written over a horizontal line.

Andrew Cramer, General Manager

**WHALESHEAD BEACH RV RESORT
A LIMITED PARTNERSHIP COMPANY**

RENTAL POOL AGREEMENT

THIS RESIDENTIAL UNIT LEASE MANAGEMENT AGREEMENT is entered into this day of , 2015 by and between **WHALESHEAD BEACH RESORT RV RESORT** located at 19921 WHALESHEAD ROAD, BROOKINGS, OR 97415, hereinafter referred to as (“**AGENT**”), and hereinafter referred to as (“**UNIT OWNERS**”) of park model RV located on space

Unit Owners are the legal and registered owners of the park model RV located on space within the premises of Whaleshead Beach RV Resort located at 19921 Whaleshead Road, Curry County, Brookings, Oregon 97415. Pursuant to the terms of the parties “Lease Agreement” dated this same date. During those times that the Owners unit will not be occupied by the Owners or Owners Guest, that they desire Agent to make the Unit available for overnight rental on the Owners behalf in accordance with the terms of this Rental Pool Agreement.

In consideration of the rights and duties stated below, the parties agree as follows:

1. **Designation of Agent.** Owners hereby designate Agent as the **exclusive Agent** and Representative of Owners for the purpose of managing the **UNIT** for the Account of the Owners. Owners authorize Agent to manage the Unit in full compliance with the requirements of all applicable laws, including but not limited to state and federal fair housing laws, and in that regard Agent is authorized to take such action as Agent deems appropriate to comply with such laws.
2. **Duties of Agent.** The duties and responsibilities of Agent in connection with the Management of the Unit are as follows:
 - (A) Collection of Revenue. Agent shall take all reasonable steps to collect and enforce the collection of all rents and other charges due Owners from occupants of the Unit in accordance with the terms of their occupancies.
 - (B) Expenses. Agent shall pay from gross revenues collected from Unit all operating expenses directly associated with the rental of the Unit and such other expenses as may be authorized by Owners, including, but not limited to a housekeeping and hospitality package, or cost of stay fee.
 - (C) Inspection and Repairs. Agent shall do everything reasonably necessary for the proper management of the Unit, including periodic inspections, supervision of housekeeping, maintenance and arranging for such improvements, alterations and repairs as may be required of Owners in order to maintain the Unit in a condition reasonably suitable for rental as in this Agreement. Without the prior authorization of Owners, no improvements, alterations or repair work costing more than Whaleshead Beach RV Resort, *Cont.*

One Hundred Fifty Dollars (\$150.00) shall be made. In case of an emergency, that requires immediate repairs or alterations, and Owners are not readily available for consultation, Agent shall have the authority, but not the obligation, to remedy such condition in a manner reasonably consistent with the intent of the parties hereunder.

- (D) Establishing Rates & Policies. Unless Unit Owners have indicated above a minimum nightly rental rate above, Agent shall have the **authority and exclusive right to establish occupancy rates and/or fees as Owners Agent and change rates** as deemed necessary for various marketing plans to increase occupancy during non-peak rental periods.
- (E) Negotiation of Leases. Agent shall have the authority and exclusive right to negotiate and execute, as Owners Agent, leases and month to month occupancies with existing and prospective tenants on behalf of Owners, upon such terms and using such documents as deemed reasonably appropriate by Agent.
- (F) Other Agents. Agent shall have authority to hire, supervise and terminate on the behalf of Owners such contractors and other Agents reasonably required for the management of the Unit as contemplated by this agreement. Owners shall be solely responsible for payment of all fees and costs associated with the engagement of any such contractors and agents, and shall immediately reimburse Agent for any fees or costs incurred by Agent on Owners behalf with respect thereto.
- (G) Tenants. Agent shall handle all occupant requests, disputes and negotiations that may arise from time to time in the ordinary course of the rental of the Unit as contemplated hereunder, but Agent shall not be required to institute any legal proceedings on behalf of Owners, or defend Owners in any legal proceedings, with respect to any tenant or other persons.
- (H) Legal Assistance. Inasmuch as Agent is not authorized to practice law, where legal assistance is needed for such matters as enforcing the collection of rent or eviction of occupant(s), such action shall be through counsel approved by Owners. The expenses for such counsel shall be borne solely by Owners.
- (I) Records. Agent shall maintain accurate records of all monies received and disbursed in connection with its management of the Unit, and such records shall be available for Owner inspection during all office hours. Agent shall also render to Owners, a monthly statement indicating all receipts and disbursements of their Unit activities.
- (J) Payment to Owners. Agent shall pay over to Owners the net amount of revenue collected monthly. Deducted from this payment will be the management fee as well as all expense and reserves associated to the operation and management of Owners Unit.

Whaleshead Beach RV Resort, *Cont.*

- (K) Fees. Agent reserves the right to amend its management, housekeeping and any other applicable fee in the operation and rental of Owners Unit with a Sixty (60) day prior notice. The Management fee as of September 15, 2015 is Forty (40%) percent of the **net monthly occupancy revenue**.
- (L) General Authority. Agent shall have such other general authority and power as may be necessary or advisable to carry out the purpose of this agreement.
3. **Owner Responsibilities**. In consideration of the services to be rendered by Agent under this agreement, **Owners shall:**
- (A) Equip cabin, at a minimum, with **All Items** on the attached "List of Rental Unit Items". Remember the more comfortable your Unit is, the more it rents.
- (B) Furnish Documents. Promptly furnish Agent all documents and records required to properly manage the Owners Unit, including but not limited to existing leases (including amendments and pertinent correspondence relating thereto) and copies of existing service contracts.
- (C) Insurance Policies. Furnish Agent copies of all insurance policies that are from time to time required to be carried by Owners during the term of this agreement.
- (D) Mortgages. Pay all sums that become due on financing affecting the Unit.
- (E) Taxes. Pay all sums when due affecting the Unit.
- (F) Agent Reimbursement. Owners shall reimburse Agent immediately on demand to the full extent of all monies advanced by Agent for the account of Owners in carrying out the purpose of this agreement: It being understood that it is not the position of the Agent, nor the obligation of the Agent to make advances.
- (G) Compensation. It is understood, that the Owners will receive Sixty (60%) percent and the Agent will receive Forty (40%) percent of the **net monthly revenue** of the unit.
- (H) Scheduling. Owners are required to advise Agent of their anticipated date of occupancy by Owners or Guest of Owners. At a minimum, Owners need to advise Agent not less than thirty (30) days prior to owners use or maintenance. **This provision of the Rental Pool Agreement must be strictly enforced to prevent the potential for occupancy scheduling conflicts.**
4. **Insurance**. Responsibility for insurance pertaining to the Unit shall be entirely borne by the Owners, unless otherwise agreed separately in writing between the Owners and Agent. Owners shall provide Agent with written evidence that the Unit is insured against casualty loss and liability claims, naming Agent as an additionally

Whaleshead Beach RV Resort, *Cont.*

5. **Indemnification of Agent.** Except for the willful misconduct or gross negligence of Agent, Owners shall indemnify, hold harmless and defend Agent, its officers, directors, employees and agents against all costs, expenses, attorney fees, suits, liabilities and damages from or connected with the management for the Unit by Agent or their performance or exercise of any of the duties, obligations or powers herein or hereafter granted to Agent. In that regard, Owners shall promptly defend at Owners expense, any claim, action or proceeding brought against Agent or Agent and Owners jointly or severally arising out of or connected with the Unit, and Owners shall indemnify Agent from any judgment, loss or settlement on account thereof. This provision shall survive the termination of this agreement, but shall not be construed to mean that Owners liability hereunder does not survive as to other provisions of this agreement.
6. **Termination by Agent.** Agent may terminate this agreement by providing Owners with notification Thirty (30) days prior to cancellation.
7. **Notification Address.** For purposes of this agreement, and until changed by written notice, the mailing address of Owners shall be:

For Agent shall be:

**Whaleshead Beach RV Resort,
19921 Whaleshead Road
Brookings, OR 97415**

AGREED TO AND ACCEPTED this day of 2015.

OWNERS: _____

AGENT:

BY _____

Whaleshead Beach RV Resort, *Cont.*