

## **Home Owner FAQ**

RRP makes renting your Grand Pines Resort cabin easy - but we understand that home owners have lots of questions. We try to be as clear and informative as possible so we've put together a list of the most asked questions we get!

- **What does RRP do for Grand Pines Resort Cabin Owners?**  
We manage every aspect of keeping your Grand Pines Resort cabin booked and ready for guests and owners to enjoy. That means we do everything from taking photos, writing descriptions, and marketing it to potential guests as well as managing logistics like reservations, payments, check-in and check-out, housekeeping, light upkeep, and dispatching emergency maintenance.
- **What is the fee for this service?**  
RRP, Inc's management fee is 40% of the gross rent. Our management fee includes the following services: reservation professionals to handle check in and check out of guests; marketing and advertising of properties via our web site (grandpines.com and grandpinesmotel.com), listings on additional travel-related web sites such as Trip Advisor and Lake Link, Email and text blasts utilizing Trumpia; print marketing (brochures, visitor guides, magazine ads, snowmobile and ski trail maps), chamber of commerce and visitor bureau memberships; servicing of all reservation inquires (email, web site and phone); collection of all fees and rents; serving as point of contact for renter questions or complaints; collection and submission of state sales tax and town room taxes; credit card fees; housekeeping services; maintenance or repair of properties (actual repair costs not included); and providing monthly activity reports to homeowners.
- **Do I have to sign a contract with RRP?**  
Yes. RRP, Inc. signs an annual contract with each property owner. The contract is automatically renewed each year. Please see attached contract for details.
- **Do I have to commit to a certain amount of availability?**  
Yes. During the Core Season (Memorial Day to Labor Day) the property shall be available for rental at least nine full weeks. There shall be no time limit on the amount of time the owners occupies the premises outside the core season. We do need adequate notice of owner occupancy.
- **Is there anything I am required to have at my cabin?**  
Guests expect a fully-functioning home when they arrive complete with furniture, appliances, cookware, glasses, silverware, internet, TV, etc. Internet connections are required at every cabin. A pontoon boat must be provided with each cabin. A good test of whether or not you need to have something in your rental is to put yourself in a guest's shoes... If you were staying somewhere for a week long period of time, what would you expect to have in that rental home... that is what we aim to provide to guests for their stay.
- **How do you set pricing for cabin rental?**  
RRP looks at nearby comparable rentals to gauge pricing in the market. We also look at availability calendars to see how well others are booked at the pricing they have posted. The key is to monitor and adjust pricing up or down based on actual market demand. It is an ongoing process that is always a top priority. The more money our owners make, the more we make - so we try and do everything we can to maximize the revenue.

- How do you advertise Grand Pines Resort cabins and who pays for this?**  
RRP pays for advertising. We promote the resort through travel related web site such as Trip Advisor, Lake link, Travel Wisconsin; email and text blasts using Trumpia; print marketing (brochures, visitor guides, snowmobile and ski trail maps); Chamber of Commerce and Visitor Bureau membership; Social Media marketing, Google +, You tube videos.
- When do I get paid for reservations?**  
On the 15th of each month all owners will receive a detailed statement covering the previous month's activity. The statement will show how much rental revenue you earned, as well as any charges that you have incurred during the month (for example if you want it cleaned for your own stay, or if you had us install a new TV, etc.)
- How much do you charge for cleaning after an owner stay?**  
If you wish to have your home cleaned after you, a family member, or friend used the cabin, just let us know and we will clean it and bill you for it as part of your monthly statement. The cost for the service depends on the use of the cabin. If you used all bedrooms the normal fee is \$150.
- Do I need to provide all the amenities every time a guest stays like soap, paper towels, toilet paper?**  
No, you don't need to worry about it. Any standardized housekeeping supplies furnished to a unit in conjunction with a rental shall be approved by GPR management and paid for by RRP. We provide an initial set of amenities so when guests arrive, they don't need to head straight to a market. That set includes 3 rolls of toilet paper per bathroom, a roll of paper towels, small sizes of soap, shampoo, and conditioner, garbage bags, coffee filters, coffee packs, creamer, salt & pepper and dish soap in the kitchen.
- What happens if there is an emergency? Who does the guest call?**  
RRP provides a 24 hour pager service for the guests in case of an emergency situation in the cabin. We respond to the guests within twenty minutes of the page.
- What if I want to stay there, how do I book for myself, friends or family?**  
You can just call us and we will book the unit for you, or you can view your availability and book online. If you are going to use the cabin during the Core Season please let us know at least a year in advance so that we do not re-book a guest during the timeframe you want to use.

9993N GRANDPINES LANE  
HAYWARD, WI 543843

OWNER'S STATEMENT  
FOR PERIOD BEGINNING: 7/01/14 THRU: 7/31/14

PAGE: 1

TO: Cabin Owner

UNIT: Unit #

INCOME:

ACCOUNT	AMOUNT	COMMENT
RENTED:7/5-7/12/14	2,730.00	7/05/14
RENTED:7/12-7/19/14	2,730.00	7/12/14
RENTED:7/19-7/26/14	2,730.00	7/14/14
RENTED:7/26-8/2/14	2,730.00	7/21/14
TOTAL RENT	10,920.00	
INCOME - OWNER'S SHARE:	10,920.00	

EXPENSES:

ACCOUNT	AMOUNT	COMMENT
MAINTENANCE	15.83	RODENT CK
MAINTENANCE	18.35	SALT
MAINTENANCE	165.64	INVOICE 967
TOTAL EXPENSES:	199.82	
NET INCOME THIS PERIOD:	10,720.18	
PREVIOUS BALANCE	5,456.66	
PAYMENTS BY (TO) OWNER	5,456.66	
NET DUE OWNER:	10,720.18	

**SAMPLE  
STATEMENT**

# PROPERTY MANAGEMENT AND RENTAL AGREEMENT

THIS Property Management and Rental Agreement (“Agreement”) is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between Recreational Rental Properties, Inc. (“RRP”) and \_\_\_\_\_, the owner (“Owner”) of a cabin within the Grand Pines Resort, Inc. (“GPR”) complex, wherein the parties agree as follows:

1. **Property.** Owner grants RRP the exclusive right to rent, lease, operate and manage the “Property” identified as follows:

\_\_\_\_\_  
\_\_\_\_\_

2. **Preferred Property Management Contractor.** Grand Pines Resort, Inc., has designated RRP as the Preferred Property Management Contractor, and any Owner who is a stockholder of Grand Pines Resort, Inc. shall be required to utilize RRP as its Property Management Contractor pertaining to the property referenced above. Both RRP and Owner agree that they cannot negotiate different rental terms from other Owners without express written consent of Grand Pines Resort, Inc.

If, at any time during the term of this Agreement, RRP is no longer the Preferred Property Management Contractor for GPR, this contract shall immediately terminate.

3. **Term of Agreement.** The initial term of this Agreement shall be from the date set forth above until January 5, 2014. Thereafter, the contract shall be automatically renewed for additional one (1) year periods unless thirty (30) days before the expiration date Owner or RRP delivers a written termination notice to the other party. In the event of a material breach by either party which is intentional, fraudulent or criminal in nature, the Agreement can be terminated immediately with no advance notice.

4. **Duties of RRP.** In order to properly manage and rent out the Property, RRP shall have the following duties and responsibilities:

A. **Reservations.** RRP shall manage reservations and check-in and check-out guests. RRP shall handle all inquiries and requests of all tenants, their guests and all other authorizer users of the Property.

B. **Employees and Independent Contractors.** RRP may employ, supervise, discharge and pay all employees or independent contractors who are reasonably required to be utilized by RRP in the management and operation of the Property. If independent contractors are used, RRP shall obtain a certificate of insurance from each independent contractor which names GPR, Grand Pines North Condominium Association, Grand Pines South Condominium Association and Owner as additional named insureds.

- C. Payment of Invoices and Bills. RRP shall pay all vendors' invoices that are incurred as a result of any rentals, including but not limited to, maintenance, laundry, garbage disposal, which shall include the daily pickup of garbage, and the payment of any fees to any garbage service serving Grand Pines Resort (excluding the restaurant), daily cleaning of pontoon boats, barbeque grills and costs incurred pertaining to staff or employees and housekeeping contractors. Further, even though deemed common elements on the condominium property, RRP shall be responsible for keeping fire pits and beaches in a clean and professional state.

The nonpayment by RRP to any vendor by the due date of said invoice shall be deemed a breach of this Agreement by RRP.

- D. Marketing. On an annual basis, RRP will develop a marketing plan and rental rate structure, which rental rate structure shall be subject to approval by GPR. In developing the marketing plan and establishing a rental rate structure, RRP shall obtain input from GPR. By November 1<sup>st</sup> of each year, commencing 2012, RRP and GPR shall meet to review and approve RRP's marketing plan for the subsequent year.

If RRP can do so at a cost not to exceed \$1500.00 per year, RRP shall place signage on the corner of "NN and County Road "B". Further, with the permission of the Original Famous Dave's Restaurant, RRP will advertise Grand Pines Resort using a flat panel monitor and Microsoft Power Point presentation in the Original Famous Dave's Restaurant location.

- E. Housekeeping Services. RRP shall provide all housekeeping services, including housekeeping and laundry service, which shall include a total cleaning before the next renting party arrives. The standard required for performing said housekeeping services shall be determined by the Board of Directors of GPR, with input from the cabin Owners. Any standardized housekeeping supplies furnished to a unit in conjunction with a rental (including, but not limited to, soap, paper supplies, garbage can liners, and the like) shall be approved by GPR management and paid for by RRP.

RRP shall develop and utilize a checklist which will be used during each rental check-out and turnover. Each Owner will review and provide input into the checklist for areas of concern specific to their cabin. The checklist shall cover all areas of any cabin or unit which are accessible to renters during any rental period. In the event RRP (including its cleaning crew and inspector) has not exercised due care in utilizing the checklists, cannot identify the responsible party for damage, or is not successful in collecting from the responsible party, RRP shall be responsible for said damage. In the event damage occurs pertaining to matters which are not included in the checklist, Owner and RRP shall utilize "common sense" in an attempt to determine who, in that event, is responsible for any damage which may have occurred.

For any housekeeping services provided to the Owner by RRP, RRP will establish rates for Owner cleaning, and such rates shall be subject to approval by GPR.

- F. Sales Tax/Credit Card Fees. RRP shall be responsible to pay all sales and room taxes attributable to any rental, including credit card fees. RRP shall be entitled to charge renters a weekly booking fee not to exceed \$50.00 and a booking fee for rentals of less than one week, but for at least three (3) days, in an amount not to exceed \$25.00, said booking fee shall belong to RRP.
- G. Maintenance of Financial Records. RRP shall keep accurate records and accounts of all finances pertaining to cabin rentals, including expenses, payables, receivables and a statement of the account and a distribution of funds due to the Owner. A statement will be mailed to the Owner on the 15<sup>th</sup> of each month which shall include the previous month's records. RRP shall permit the Owner, and GPR, at all times, to inspect said books, records, ledgers, invoices, and bills, and to make extracts therefrom or copies thereof. In maintaining financial records, RRP shall adhere to all applicable requirements required by the Department of Regulation and Licensing contained in Chapter RL 18 of the Wisconsin Administrative Code. If an Owner is 30 days or more past due pertaining to any outstanding invoice, RRP is authorized to deduct the amount of late dues and maintenance assessments from monies due Owner. Continued failure to pay fees due and owing will result in legal action for collection, which shall be venued in Sawyer County.
- H. Insurance. RRP shall maintain a liability insurance policy providing coverage for services to be provided by RRP. The liability policy shall be in an amount not less than \$2,000,000.00 per occurrence / \$5,000,000.00 aggregate. RRP, on an annual basis, shall provide a certificate of insurance to GPR, Owner, Grand Pines North Condominium Association and Grand Pines South Condominium Association, who shall be named as additional insureds. RRP shall be required to obtain and provide liability coverage which specifically provides coverage to both RRP and the Owners for RRP renting out pontoon boats to guests on behalf of Owners.
- I. Maintenance. RRP shall make all necessary repairs, improvements and alterations required to maintain the Property in a good state of repair and appearance, and to hire outside contractors as necessary. If a repair is needed and estimated to be less than \$200.00, RRP is deemed authorized to make said repair, but should make an effort to contact the Owner regarding said matter before making said repair. If the estimated repair exceeds \$200.00, RRP shall notify the Owner and obtain authorization from the Owner for the repair. If the Owner cannot be contacted for authorization and the repair can result in the loss of rental income, or failure to do the repair can result in greater damage to the Property, RRP is authorized to arrange for the repair. Owner shall reimburse RRP for the cost of all repairs made pursuant to this paragraph. RRP is authorized to be reimbursed for said repairs from the gross rentals collected by RRP on behalf of Owner.

- J. Inspection and Licensing Requirements. RRP shall make arrangements for all state inspections and licensing requirements to meet applicable codes for rental property. The costs will be the Owner's expense.
- K. Pets and Use of Tobacco. No pets or the use of tobacco shall be allowed on the Property by any tenant to whom RRP rents the Property.
- L. Annual Water Test. On an annual basis, RRP shall perform a safe water test pertaining to the Property, and send a sample to an appropriate lab for analysis. Owner shall be responsible for paying for the cost of the test imposed by the lab or agency who conducts the analysis of the water sample.

**5. Duties and Responsibilities of Owner.**

- A. Insurance. Owner shall maintain premises and public liability insurance, including renter's liability insurance. Liability coverage shall be in an amount of not less than \$2,000,000.00 aggregate. Owner shall direct the insurance company insuring the Property to name RRP, GPR and, if appropriate, the Condominium Association, as an additional insured under the policy's liability coverage. Certificates of insurance shall be provided to RRP by Owner on an annual basis.
- B. Payment of Fees and Charges. Owner shall pay to RRP, all fees, charges and compensation required pursuant to the terms of this Agreement.
- C. Maintenance of Premises. Subject to RRP's obligations set forth in section 4.I. above, Owner shall maintain the premises in a safe tenable condition.
- D. Taxes, Insurance and Utilities. Owner shall pay, when due, all current real estate taxes, insurance, utilities, heat, air conditioning, condominium dues (if appropriate) and maintenance of the premises including ongoing scheduled maintenance and capital improvements to keep the Property in tenable condition, including any requirements imposed by the Condominium Association (if applicable to the Property) and the Board of Directors of GPR.
- E. Indemnification. Except as provided in section 4.E., Owner shall indemnify and hold RRP harmless with respect to liability and damages, costs and expenses in connection with any damage or injury whatsoever to persons or property arising out of or in any manner connected to the operation, ownership, maintenance or control of the Property, unless proven to be caused by acts of fraud, intentional misconduct or reckless misconduct of RRP or its agents. This indemnification provision, however, shall not apply to any losses which are covered by RRP's insurance policies.
- F. Miscellaneous Supplies. Owner is responsible for the following supplies. Owner will be billed by RRP on the Owner's monthly statement pertaining to said matters:

- a. Light bulbs ;
- b. Batteries for smoke detectors and remote controls;
- c. Outside flood lights; and
- d. Furnace filters.

RRP is responsible for making sure that all of the above supplies are replenished on an as-needed basis.

G. Annual Cleaning and Inspection. On an annual basis, in the spring of each year, Owner shall require his/her Property to undergo an annual homeowner cleaning and inspection, as set forth on Addendum "A". This service can be performed by either the Owner or RRP, and if by RRP, at RRP's actual costs, which costs shall be passed on to the Owner. Addendum "A" and any charges imposed by RRP in performing the annual cleaning and inspection shall be reviewed by, and approved by, GPR. GPR, with input from RRP, shall establish minimal standards for each Property which shall be maintained by the Owner to assure rentals which meet the standards and expectations of GPR.

H. RRP's Compensation. Except as hereinafter provided, Owner agrees to pay RRP a management fee equal to 40% of the gross rents, less the sales tax, local room tax and credit card fees incurred. Payment of the management fee and Owner's expenses paid by RRP shall be deducted monthly by RRP from the rents collected by RRP on behalf of the Owner. RRP is authorized to pay itself on a monthly basis without approval of Owner.

6. Exclusive Agency. RRP shall be the exclusive agent of the Owner for the rental of the Property. If the Property is rented by any person, whether or not as the result, direct or otherwise, of RRP's efforts, RRP shall be entitled to the compensation provided hereunder. The amount of rental to be charged shall be determined between GPR, the unit Owner and RRP.

7. Owner Occupancy. Owner has the right to occupy the Property at any time that the Property has not been previously reserved for rental. There shall be no time limit on the amount of time that the Owner occupies the premises outside of the Core Season. The Core Season shall be defined from Memorial Day to Labor Day and the Property shall be available for rental during the Core Season for at least nine (9) full weeks. Owner shall give adequate notice of intention to occupy the Property. Notice is deemed adequate if the Property is not previously reserved for rental. RRP shall be entitled to no compensation for owner occupancy, or for occupancy by guests of Owner who are paying no rent or consideration to Owner for the use of the Property.

9. Obligation of Owner to Honor Reservations. Owner agrees that if Owner removes the Property from the rental pool that Owner shall honor all reservations made by RRP for up to one (1) year from date of removal, so long as RRP is the current Preferred Property Management Contactor of GPR Property. In the event RRP is not the Preferred Property Management Contractor, Owner shall have no obligation to RRP for compensation of any future reservation beyond the term of this Agreement.

**10. Default Period.** In the event of a material breach by either party to this Agreement, this Agreement may be terminated by the non-defaulting party if such default is not cured within ten (10) days after the delivery of written notice of such default to the defaulting party. The ten (10) day notice, however, shall not apply to any breach by a party resulting from fraud, criminal, intentional or reckless misconduct. Any breach resulting from fraud, criminal, intentional or reckless misconduct shall result in the contract being terminated upon written notice being provided to the defaulting party.

**11. Notices.** Any notice required under this Agreement shall be adequately served if mailed to the other party by first class mail, with the envelope addressed to the addresses listed below:

Recreational Rental Properties, Inc.  
\_\_\_\_\_  
\_\_\_\_\_

Owner:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**12. Miscellaneous Provisions.**

- A. Choice of Laws. This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin.
- B. Entire Agreement. This Agreement represents the entire Agreement of the parties. All prior negotiations and discussions have been merged into this Agreement. No modification or waiver of this Agreement or any part hereof shall be valid unless in writing and signed by the parties.
- C. Waiver. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other subsequent breach or condition, whether of like or different nature.
- D. Assignment. RRP may not assign its rights and obligations contained in this Agreement to a third party without the express written consent of GPR.
- E. Sale of Property. During the term of this contract, Owner may terminate the contract upon the sale of the Unit provided a thirty (30) day written notice is given to Manager. In such an event, however, Owner, and Owner's heirs, successors and assigns must abide by all then existing reservations for said Property for the current term.
- F. Unenforceability of Provision. The validity or unenforceability of any provision of this Agreement shall not affect the validity or unenforceability of any other provision of this Agreement.



## Addendum "A"

### Annual Homeowner Cleaning & Inspection Responsibilities

#### Kitchen Inspection

These items need to be available for guest use and replaced if worn from normal wear and tear. If items are missing due to rental theft RRP will cover the cost of the items missing:

- 3 sauce pots
- 2 good fry pans
- 1 large boiling pot
- 1 can opener
- 1 corkscrew
- 1 cookie sheet
- 1 strainer
- 1 juice/water pitcher
- 1 pizza cutter
- 2 large wooden / plastic spoons
- 1 spatula
- 4 serving plates
- At least a service for 12 (or based on occupancy of property) (plates, bowls, silverware) – *May need more or less depending on your Rentals Occupancy Rating*
- At least 8 (or based on occupancy of property) Coffee Cups
- At least 8 (or based on occupancy of property) Drinking Glasses
- Cutting board
- Coffee pot
- Inspect all dinnerware and glasses for chips, cracks and peeling
- All items must be washed and sanitized
- Test all appliances and make sure they are in good working order
- Remove all other items from cupboards and drawers, perform deep clean
- Wash refrigerator and freezer – inside and out and under
- Remove all food from property
- Wash all walls and corners
- Take down and clean all light fixtures
- Clean and bleach all garbage can liners
- Inspect kitchen chairs – insure they are stable and repair if necessary

#### Window Inspections

- Remove winter windows and put in summer screens
- Wash all windows inside and out
- Wash all curtains
- Clean screens – inside and out
- Check window cranks and locks work properly
- Inspect all windows for cracks or broken glass – replace if necessary

### **Bedroom Inspection**

- Wash all bed sheets/linens including all comforters and blankets
- Clean under beds
- Make sure all pet hair is removed from property
- Wash all walls and corners if needed
- Clean carpet if needed, steam clean only
- Remove all light fixtures and clean
- Clean all lamp shades

### **Living Room Inspection**

- Take apart all furniture and vacuum. Also vacuum under all furniture
- Clean carpet if needed, steam clean only
- Wash all walls and corners if needed
- Make sure all pet hair is removed from property if owner has a pet

### **Bathroom Inspection**

- Deep clean all bathrooms. Remove any water rust.
- Check for leaky faucets
- Wash all walls and corners if needed
- Wash or replace shower curtains
- Wash all rugs

### **General Items**

- Inspect all fire extinguishers and make sure they are operable and up to date
- Check all smoke detectors – replace batteries
- Check carbon monoxide detectors based on Wisconsin Department of Health regulations
- Verify hot water heater is on and working
- Verify all water is flowing correctly to all faucets and drains. Fix any leaks
- Pump septic tank. All septic tanks should be pumped at least once every two years based on the County regulations.
- If you have a holding tank verify that all alarms and sensors are working correctly
- Check to make sure TV is working properly
- Remove all personal items from property or move to designated area of house that is labeled off limits to the guest.
- Check for burnt out light bulbs inside and out.
- Clean furnace filters
- Verify air conditioning is working
- Clean all fans on property
- Wipe telephone with disinfectant

### **Outside Inspection**

- Install outside hoses and verify they are working properly
- Inspect barbeque grill
- Power wash outside of property. Make sure it is clean of all spiders, webs and bugs.

- Check attic or crawl spaces for any pests or rodent problem and contact RRP if needed (double check for bats)
- Clean lawn furniture
- If boat on property make sure it is cleaned out and that it has enough floatation devices.
- Walk around foundation and spray foam in any new cracks that formed over the winter to prevent rodents from entering the property.
- Clean and bleach all garbage can liners
- Sweep all decks and sidewalks
- Double check for any roof leaks / damages
- Clean all gutters
- Inspect fireplace ventilation

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