

BOYNE Rental Management

What are the advantages of joining BOYNE's rental management program?

Owner Services

Offices:



**BOYNE
HIGHLANDS**

231.526.3092



231.549.7908



A RENAISSANCE GOLF RESORT

231.439.4088



231.439.4088

MARKETING with the largest family-owned resort company in the country

- Boyne.com sees over 100,000 visitors per month
- Blue Hornet eNewsletter system - targets over 120,000 subscribers
- Billboards, print, radio, television
- Promotion of packages with ski, golf, spa, etc. and on-line booking
- Sales & marketing team that attracts convention groups

SIMPLICITY of on-site property management vs. off-site

- Boyne supplies everything needed to manage your unit in a professional manner: housekeeping, linens and guest room amenities (soaps, shampoo, lotions etc.)
- Quality assurance audits and staff training insure positive guest experience
- 24-hour front desk staff for convenience
- Reservations is staffed 8:00AM-10:00PM daily, with online booking available 24 hours a day
- Boyne's yield manager maximizes occupancy and revenue for owners
- Security department handles guest and owner concerns

PEACE OF MIND

- Housekeeping supervisor does departure checks after each guest leaves, which includes: insuring windows are shut, doors are locked, heat is down and appliances are off
- This is also a security check so the guest can be charged if there is damage
- Efficient maintenance staff is able to make repairs without calling expensive trade people (when outside help is needed, Boyne is able to facilitate prompt attention)
- We keep up with national trends to be sure we offer what guests are looking for and provide advice to owners about updates that may be necessary

BOYNE VACATION CLUB

- Provides owners the opportunity to trade 2 peak season weeks and 2 shoulder season weeks to the club in exchange for points to stay at other resorts
- Points can be traded within Boyne Resorts at Big Sky in Montana, Sunday River and Sugarloaf in Maine, The Inn at Bay Harbor, Boyne Mountain and Boyne Highlands
- Points can also be used with Interval International, providing access to 2200 other resorts

FRIENDS & FAMILY DISCOUNTS

- Owners may request up to 4 *Friends & Family* lodging certificates, which entitle owner guests to a 20% discount on lodging (Owners can request these certificates through Owner Services)
- Seasonal certificates for \$20 Boyne lift tickets, \$20 Avalanche Bay admissions and \$25 golf rounds based on unit size

OWNER PARTICIPATION PROGRAM

This program lets owners market their own property, set their own rates and generate additional bookings in conjunction with BOYNE Central Reservations. In return for your efforts, BOYNE reduces its management fee on reservations you facilitate.



Boyne Mountain
Boyne Falls, Michigan

Boyne Highlands
Harbor Springs, Michigan

Crooked Tree Golf Club
Petoskey, Michigan

The Inn at Bay Harbor
Bay Harbor, Michigan

Bay Harbor Golf Club
Bay Harbor, Michigan

Big Sky of Montana
Big Sky, Montana

Brighton Ski Resort
Salt Lake City, Utah

Crystal Mountain
Crystal Mountain, Washington

Boyne South
Naples, Florida

Gatlinburg Skyline
Gatlinburg, Tennessee

Dear Homeowner:

The architectural advisory committee has met with the Developer to discuss the existing architectural restrictions in all documents relating to Moors I, II, III, Pleasantview South, Pleasantview North and Plat of Heather Highlands.

Many of the existing by-laws were written in the 1970's and 1980's. Changes in technology, product development, and architectural styles have necessitated some revision to existing rules. The following changes have been recommended to accommodate the numerous requests by homeowners and potential buyers at Boyne Highlands.

1. Satellite mini dishes will be allowed if they are 18 inches or less and placed in the least invasive location with screening subject to the approval of the Architectural Committee.
2. Out buildings will not be allowed.
3. Existing out buildings will be a non-conforming use if it meets all of the following criteria: 1. It will be allowed until home is sold and the existing building can not be altered or changed. 2. It fits within the envelope of the house. 3. The exterior is of complimentary appearance with the house. 4. It is not on a golf course lot. 5. Items can not be stored on top or attached to the sides of the out building.
4. ACC Committee will allow vinyl siding with no visible seams showing, no vinyl trim and all plans approved. Vinyl windows will be allowed.
5. Log homes will be permitted in designated areas only. The designated area will be Pleasantview South lots 8 – 13, Pleasantview North Lots 1 – 6 and 10 – 16. Future development may allow log homes. All homes will be subject to review by the Architectural Committee.

Anyone needing a copy of the restrictions, rules and procedure or would like to refer comments regarding these proposed changes, please send them to Leanne Wells in writing by July 10, 2001. Property Management, 600 Highlands Drive, Harbor Springs, MI. 49740.

Sincerely,

Leanne Wells
Property Manager

Boyne Highlands · 600 Highlands Drive · Harbor Springs, Michigan 49740

Hotel (231) 526-3000 · Hotel Fax (231) 526-3100 · Office Fax (231) 526-3095

Advertising / Public Relations (231) 549-6010 · Accounting (231) 549-6020 · Reservations (231) 549-6040 / 1-800-GO-BOYNE · Group Sales (231) 549-6030 / 1-800-TO-BOYNE

www.boyne.com

Selected Requirements for Boyne Highlands Residential Areas

(Digest only. See Master Deed or Plat , as well as Rules of Architectural Control Committee for detailed information)

CONSTRUCTION APPROVALS	
Building footprint	35% of lot max
Size	2,500 sq ft min living area (2,000 sq ft for Pleasantview North; 1,500 sq ft in Plat of HH)
Set Backs and other Limitations	Height - 35' Max Front - 40' min to street (30' in Plat of HH and Andover Club) Side - 25' min (20' in Plat of HH; 15' in Andover Club) Rear - 65' min to golf course (35' for Plat of HH; subject to Twp zoning) All within recorded bldg envelope. Variances due to topographical or site conditions may be granted by the Committee.
Sight lines	Height of improvements, as well as trees and vegetation is restricted so that the view of other property owners shall be preserved.
Exteriors	Materials indigenous to North America: Redwood, cedar, certain plywood and stucco. No aluminum siding. Vinyl only with specific approval. Textures subject to approval. Color: Natural hue stains, Stones and bricks permitted for chimneys, fireplaces and decorative panels.
Other	No A-frame, chalet or extreme contemporary designs. Log Cabin exteriors permitted only in designated areas of Pleasantview North and South.
Windows	All window frames, casings, sills and lintels of wood. Sliding door walls may be baked enamel finish on aluminum. Glass to be double strength, insulated, or equivalent
Roofs	Minimum 6/12 pitches. No shed, flat or low-pitch. Limited to cedar shake, wood shingles or asphalt seal down in approved colors.
Garages	2 car garage required plus 2 paved guest spaces
LANDSCAPING AND OTHER EXTERIOR ELEMENT APPROVALS	
Trees, shrubs and other vegetation	Preservation of the natural vegetation is desired. Approval for removal of existing or planting of any new trees and shrubs is required.
Golf Course Frontage	Park-like landscaping with lawn. Natural forest floor limited to areas around trees or groups of trees.
Underground sprinklers	Require of all home sites. Homes fronting on golf courses must be tapped into golf course system. Andover Club does not allow irrigation except soaker hose in landscape immediately next to home.
Swimming pools, tennis courts, ponds, artesian wells	Generally not permitted. Specific approval required for any exception.
Outbuildings	Detached structures (garages, sheds, et al) are not allowed. Existing outbuildings are grand fathered providing they meet specific requirements. Further, the current owner must remove them on sale of the property.
Other landscaping	Approval required for any statues or other unnatural decorative improvements.
Antennas and satellite dishes	Generally not permitted. Specific approval required for any exception. All owners must use cable TV. Service. Satellite dishes are allowed if placement is in inconspicuous position
Exterior lighting	Approval required of any lighting visible from the street or from the house.
Yard lights	Dawn to dusk electric yard light of pre approved design and location, which varies by neighborhood, is required.
Mail Receptacles	Must be of pre approved design and location.
Fuel Tanks	None permitted.
Clotheslines	None may be visible from roads, home sites or golf courses.
Fencing	None permitted.
Wells	None permitted.

Revised 9/26/05

Heather Highlands

Part of Section 28, and
part of the Northwest 1/4 of Section 33, T 36N R 5W
Pleasantview Township, Emmet County, Mich.

COUNTY TREASURER'S CERTIFICATE

The records in my office show no unpaid taxes or special assessments for the lands hereinafter described, August 1, 1972, involving the lands included in this plat.

[Signature]
John A. Emmett, County Treasurer
County of Emmet

CERTIFICATE OF COUNTY BOARD COMMISSIONER

Approved on June 5, 1972 in compliance with section 132 of Act 284, P.A. 1967 and the applicable rules and regulations published by the Board of Land Commissioners of Emmet County.

[Signature]
Arden Ramsey, Board Commissioner

CERTIFICATE OF COUNTY ROAD COMMISSIONERS

Approved on June 4, 1972 in compliance with Section 181 of Act 284, P.A. 1967 and the applicable published rules and regulations of the Board of Road Commissioners of Emmet County.

[Signature]
Anthony K. Hayes, Chairman

[Signature]
Robert H. Haggley, Member

CERTIFICATE OF MUNICIPAL APPROVAL

I certify that this plat was approved by the Board of Pleasantview Township, at a meeting held July 27, 1972 and was reviewed and found to be in compliance with Act 284, P.A. 1967, and that survey was been made in accordance with the General Provisions of Township in that State, but that such plat has also been posted to insure that all requirements and the markings as required by Act 284, P.A. 1967.

[Signature]
Jane Vurst, Clerk

COUNTY PLAT BOND CERTIFICATE

This plat has been reviewed and is approved by the Emmet County Plat Board on August 17, 1972 as being in compliance with all of the provisions of Act 284, P.A. 1967 and the plat board's applicable rules and regulations.

[Signature]
John E. Deer, Register of Deeds

[Signature]
John A. Emmett, County Treasurer

RECORDING CERTIFICATE

State of Michigan
County of Emmet

This Plat was received for the record on the 17th day of August, 1972 at 11:58 A.M. recording in Liber 10 of Plates, on Page 56487.

[Signature]
John E. Deer, Register of Deeds

CURVE DATA	RADIUS	LENGTH	BEARING
1	185.2358'	333.00'	80.43° N 64.07' W 6° E
2	177.0300'	267.00'	75.16° S 85.33' W 1° E
3	447.18' - 16'	151.00'	213.45° N 65.64' E 5° E
4	447.18' - 16'	327.00'	267.64° S 67.64' E 5° E
5	107.46' - 35'	251.00'	49.30° N 85.39' W 1° E
6	28.33' - 20'	251.00'	13.81° N 65.03' W 1° E
7	51.04' - 16'	1261.00'	4.13° N 49.17' E 5° E
8	175.04' - 00'	327.00'	85.74° E 89.33' W 1° W
9	23.73' - 44'	327.00'	146.75° E 63.05' W 1° W
10	72.18' - 44'	327.00'	41.71° S 42.25' E 7° W
11	18.12' - 15'	169.00'	131.69° N 37.31' E 1° W
12	18.12' - 15'	202.75'	37.31' E 31.17' W
13	23.73' - 44'	169.00'	162.39° S 37.31' W 1° W
14	23.73' - 44'	169.00'	162.39° S 37.31' W 1° W
15	23.73' - 44'	169.00'	162.39° S 37.31' W 1° W
16	23.73' - 44'	169.00'	162.39° S 37.31' W 1° W
17	23.73' - 44'	169.00'	162.39° S 37.31' W 1° W
18	15.5' - 30' - 35'	487.15'	133.58° N 21.23' W 1° W
19	2.5' - 57' - 40'	487.15'	34.43° N 80.34' W 15° W
20	8.5' - 41' - 40'	523.15'	88.46° E 107.03' W 15° E
21	13.5' - 45' - 45'	523.15'	133.47° S 21.19' E 3° E
22	3' - 43' - 10'	523.15'	34.71° S 30.10' W 20° E
23	14.5' - 08' - 44'	383.00'	40.74° N 0.00' W 17° E
24	14.5' - 08' - 44'	317.00'	33.45° S 0.00' W 17° E
25	10' - 11' - 24'	383.00'	13.53° N 21.50' W 18° W
26	15' - 59' - 14'	383.00'	33.33° N 1.55' E 37° E
27	15' - 59' - 14'	383.00'	33.33° N 1.55' E 37° E
28	15' - 59' - 14'	383.00'	33.33° N 1.55' E 37° E
29	15' - 59' - 14'	383.00'	33.33° N 1.55' E 37° E
30	15' - 59' - 14'	383.00'	33.33° N 1.55' E 37° E
31	4.5' - 09' - 34'	383.00'	37.60° N 35.59' E 2° E
32	17.5' - 11' - 18'	239.00'	144.73° N 79.03' E 2° E
33	17.5' - 11' - 18'	239.00'	144.73° N 79.03' E 2° E
34	17.5' - 11' - 18'	239.00'	144.73° N 79.03' E 2° E
35	17.5' - 11' - 18'	239.00'	144.73° N 79.03' E 2° E

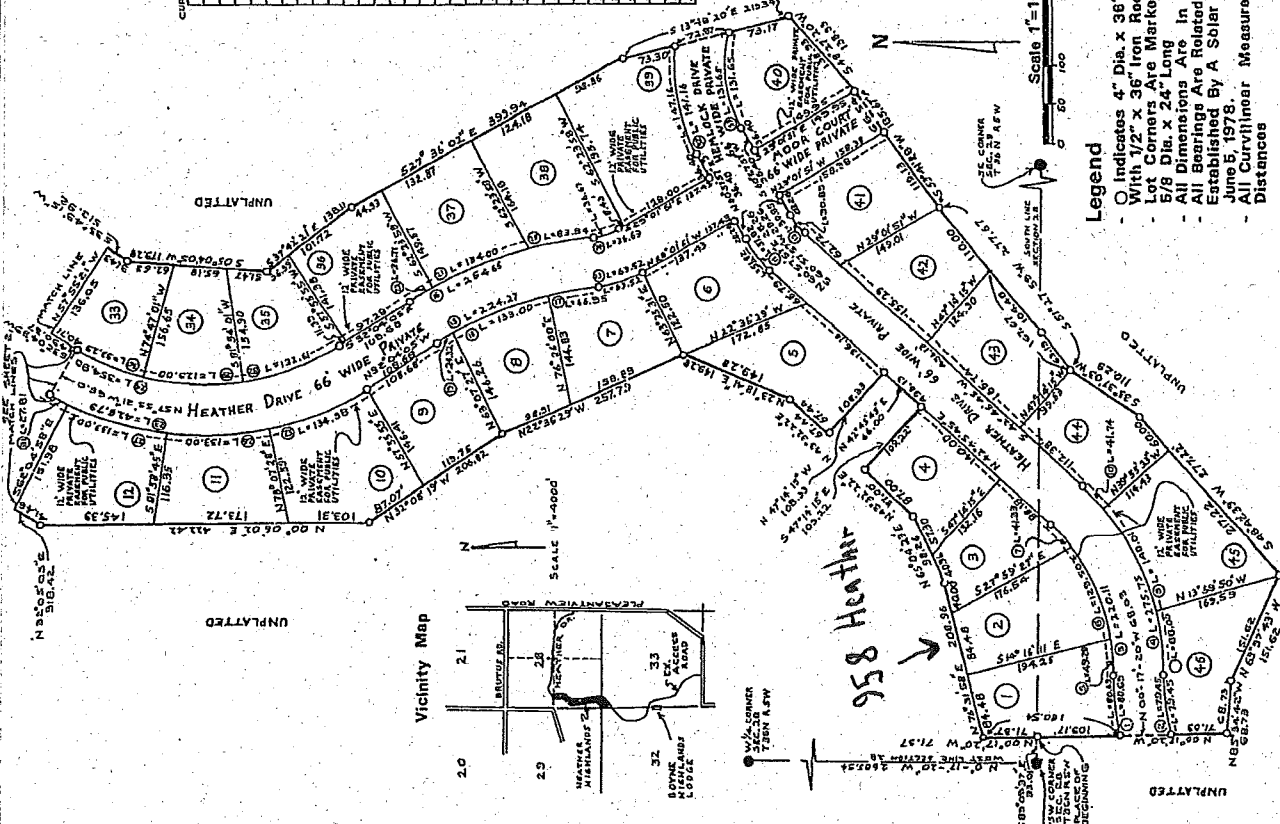
Scale 1" = 100'

John E. Deer, Register of Deeds

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- Legend**
- Indicates 4" Dia. x 36" Long Concrete Monument
 - With 1/2" x 3/8" Iron Rod
 - Laid Lines Are Marked By Iron Rods
 - 5/8" Dia. x 24" Long In Feet
 - All Bearings Are Related To The True Meridian As Established By A Solar Observation Made June 5, 1978.
 - All Curvilinear Measurements Are Arc Distances



**CERTIFICATION BY BOYNE USA, INC.
HEATHER HIGHLANDS RESIDENTIAL COMMUNITY
ARCHITECTURAL RULES AND REGULATIONS**

Certification made effective February 7, 2002, by Boyne USA, Inc., a Michigan corporation hereinafter referred to as the "Boyne."

Whereas the Declaration of Easements, Covenants, Conditions and Restrictions for the Heather Highlands Residential Community (the "Declaration") as recorded in Liber 446 at Pages 393 through 405, Emmet County Records, and as amended from time to time, allows Boyne to make reasonable rules and regulations necessary for the successful administration of aesthetic, maintenance and operational standards of The Heather Highlands Residential Community;

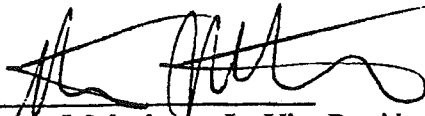
Whereas Boyne has, from time to time as allowed by the terms of the Declaration, made several amendments to said Rules and Regulations; and

Whereas Boyne desires to certify the Rules and Regulations now in effect.

Boyne USA, Inc., by Steven J. Matthews, its Vice-President, does hereby certify that the attached HEATHER HIGHLANDS RESIDENTIAL COMMUNITY ARCHITECTURAL RULES AND REGULATIONS (Version 2/7/2002) are a true and correct copy of said rules as now in effect.

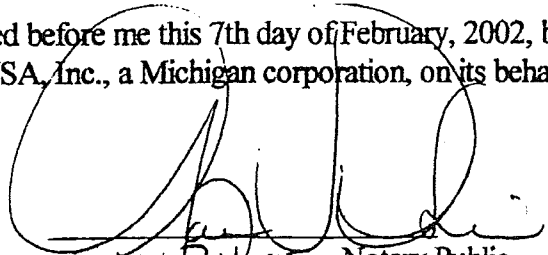
Dated Effective February 7, 2002

Boyne USA, Inc., a Michigan corporation

By: 
Steven J. Matthews, Its Vice President

State of Michigan)
County of Emmet)

The foregoing instrument was acknowledged before me this 7th day of February, 2002, by Steven J. Matthews, the Vice President of Boyne USA, Inc., a Michigan corporation, on its behalf.


GAIL RHINE Notary Public
Emmet County, Michigan
My Commission expires: 5/25/05
ACTING IN EMMET CO., MICHIGAN

HEATHER HIGHLANDS RESIDENTIAL COMMUNITY
ARCHITECTURAL RULES AND REGULATIONS

Boyne USA, Inc., a Michigan corporation, (sometimes hereinafter called "Developer"), upon the recommendation of its Architectural Control Committee, has adopted the following Rules and Regulations for architectural and landscaping control and operations pursuant to the terms, provisions and authority contained in that certain Declaration of Easements, Covenants, Conditions and Restrictions for the Heather Highlands Residential Community (the "Declaration") as recorded in Liber 446 at Pages 393 through 405, Emmet County Records, as amended from time to time.

Section 1. General

The Developer recognizes that there can be an infinite number of concepts and ideas for development of homesites consistent with its plans for the Heather Highlands Residential Community. The Developer wishes to encourage the formulation of creative concepts and ideas. Nevertheless, for the protection of the Developer and its successors and all Heather Highlands Residential Community property owners, Boyne U.S.A., Inc. wishes, through the Architectural Control Committee, to make certain that any development of a homesite will be consistent with its plan for the Heather Highlands Residential Community. The Rules and Regulations are compatible with the restrictive covenants which are applicable to the various residential subdivisions and condominium projects which have been included within the Heather Highlands Residential Community. Each owner of a residential building site shall familiarize himself with all applicable restrictions. The Architectural Control Committee has prepared and the Developer has adopted an architectural checklist, setting forth general concepts for the development of the Heather Highlands Residential Community which is available at the office of the Developer. Such checklist may be modified from time to time, provided, however, that the following restrictions shall always be applicable: All construction and development shall conform to all applicable state and local codes and ordinances. The homesites are zoned R-2 under the Pleasantview Township zoning ordinance. Owners shall use homesites solely for residential purposes, and no building, other than a single family dwelling house and appurtenant outbuildings, including garages for private use, shall be constructed on the premises. Maid or servant's quarters may be provided but must be attached to the dwelling house.

Section 2. Design Controls

The following height, area, parking and setback requirements shall be maintained for homesites in the R-2 zones, however, it is important that owners shall restrict the height of improvements and trees and vegetation on the premises to the end that the view of the other property owners shall be preserved to the greatest extent reasonably possible. Limitation as to height, location and orientation of improvements will be accomplished through the Architectural Control Committee. The locations of structures on building sites must be shown on an architect's prepared drawings at 1"=10' scale and presented to the Architectural Control Committee, before construction commences. The following standards shall apply:

Height:	2 Stories (35' maximum)
Front Yard:	40' minimum to street
Side Yard:	at least 25' minimum, total of two 50' minimum
Rear Yard:	65' minimum
Area:	2,500 square feet of living area minimum (2,000 square feet in Pleasantview North) provided, however, that Developer may, in its discretion, lower this living area minimum requirement in the case of ranch homes when .all living space is on one level.
Percent of building site coverage:	35% maximum.

NOTE: In site condominium developments utilizing envelope or wafer delineations for homesite units, compliance with the foregoing setback and building site coverage requirements will automatically be effected by construction wholly within unit boundaries. In some instances, reductions of the minimums will be necessary due to topographic and other site conditions as approved by the Architectural Control Committee.

A minimum of a two car garage and two guest parking spaces shall be provided in the form of a driveway or parking bay.

Section 3. Approval Requirements

Homesite owners will not construct, alter or maintain any improvement on the premises until the following have occurred:

(a) Submission of Preliminary Plans - Owners shall submit to the Architectural Control Committee two complete sets of preliminary sketches prepared by an architect showing a site plan, floor plans, exterior elevations, and an outline specification for materials and finishes. The site plan must show landscaping and existing trees.

(b) Submission of Complete Plans - Upon approval of the preliminary sketches, owners shall submit to the Architectural Control Committee two complete sets of plans and specifications thereof in form satisfactory to the Architectural Committee showing (I) the size and dimensions of the improvements, (II) the exterior design, (III) the exterior color scheme, (IV) the exact location of the improvements on the homesite, (V) the locations of the driveways and parking areas, (VI) the scheme for drainage and grading, and (VII) the landscaping arrangement. Architectural plans shall be completed and sealed by a registered architect. Landscape plans shall be prepared by a professional landscape architect or professional land planner.

(c) Written Approval - Such plans and specifications shall be approved in writing by the Architectural Control Committee and, a copy of such plans and specifications as finally approved deposited for permanent record with Committee. One approved copy shall be returned to the owner.

(d) Site Maintenance During Construction - During the course of construction of a home, the builder shall: (i) maintain a dumpster on the homesite; (ii) on a daily basis, pick up and deposit all trash, garbage, scraps and other disposable items therein; (iii) keep the homesite in a sightly and clean appearance throughout the course of construction; (iv) empty the dumpster and remove all trash, garbage, scraps or other debris from the homesite on a regular periodic basis during construction; (v) keep the roads within the Community reasonably free of dirt and debris from construction and installation of landscaping throughout construction; and (vi) remove the dumpster and all trash, garbage, scraps and other debris upon substantial completion of any structure under construction. The owner of the homesite shall be absolutely responsible for compliance of the builder in respect to the foregoing obligations and the Developer may, in its discretion, require the posting of a reasonable cash bond to secure such performance. The Developer may also specify the location of the dumpster on the homesite and will approve only locations which render the dumpster as unobtrusive as reasonably possible.

(e) Landscaping Approval and Maintenance - It is the desire of the Developer to establish and maintain a continuity of landscaping throughout the project. The landscaping of the homesites fronting on the golf course shall be developed in a park-like fashion with the planting of lawns. These homesites shall not be left as the natural forest floor, however, but some natural ground cover or bark chip islands may be provided around tree groupings. On all golf course homesites, the owner shall provide an underground water sprinkling system. The Developer shall provide a tap for this system at each golf course homesite property line. (Note: all homesites within The moors are deemed to be golf course homesites for purposes of the Rules). The hours of sprinkler operation shall be established by the Developer. On all homesites not fronting on the golf course, it is the desire of the Developer to preserve the natural vegetation of Heather Highlands Residential Community to the greatest extent possible and to preclude the planting of trees, shrubs, and other vegetation thereon. The use of natural ground cover, and other natural plantings that are indigenous to the wooded areas within the Heather Highlands Residential Community will be permitted. The owners shall neither remove from the premises any tree, shrub, or other vegetation, nor shall they plant any new tree, shrub or other vegetation, without first having obtained the permission in writing of the Architectural Committee.

Section 4. Restrictions

It is the purpose of the Developer that all homes constructed within the Heather Highlands Residential Community be consistent and harmonious with the architectural themes and styles now presented within the Boyne Highlands Resort Community. It is not intended, however, that the Architectural Control Committee will dictate a particular style but that it will have absolute discretion in its determinations in order to achieve an overall harmonious flavor for the development. To the foregoing ends, it is provided as follows:

(a) Roofs; Building Materials; Colors and Stains - No A-Frame or chalet types will be permitted within the development. No shed roof, flat roof or low pitch roof shall be the dominant roof form of a structure. All roofs will be a minimum of 6/12 pitch and be of cedar shakes, wood shingles, or asphalt sealdown shingles, in colors approved by the Architectural Control Committee. All exteriors will be of materials indigenous to the North American continent, redwood, cedar, certain plywoods and stucco are acceptable. The exterior siding may be vertical, horizontal, board and bat, rough sawed, reversed board and bat, or other such textures that may be approved by the Architectural Control Committee. Log homes or homes with partial or full log exteriors will only be allowed, subject to Architectural Control Committee approval, in certain areas, to wit: Pleasantview South Units 8-13, Pleasantview North Units 1-6 and 10-16. Colors will be natural hue wood stains, certain stones and bricks will be permitted for outside chimneys, fireplaces, and decorative panels. No aluminum siding will be allowed. Vinyl siding may be allowed, provided that it has no visible seams, but only with the specific approval of the Architectural Control Committee. Vinyl trim is not allowed.

(b) Windows - Windows, all window frames, casings, sills and lintels will be of wood, except where sliding door walls are required. Then anodized or baked enamel finish on aluminum will be allowed. All glass will be of double strength, insulated or the equivalent.

(c) Fencing - No fencing of any type will be permitted to be installed on any homesite without the approval of the Architectural Control Committee.

(d) Rubbish - No garbage, refuse, rubbish or cuttings shall be deposited upon or left on the premises unless placed in an attractive container suitably located and screened from the public view.

(e) Clotheslines - No clothesline shall be located on the premises so as to be visible from a private way, dwelling house or another homesite, or from public areas in the Heather Highlands Residential Community.

(f) Signs - Owners of homesites shall at no time maintain any sign or other advertising device of any character upon the premises including "For Sale" signs; provided, however, that Developer or its assignees shall not be precluded from maintaining "For Sale" signs or any other signs on its property or the property of its assignees.

(g) Fuel Tanks - Except with the approval of the Developer, no fuel tank shall be maintained above ground on the premises.

(h) Excavations/Removals of Soil - Except with the permission of the Architectural Control Committee or except as may be necessary in connection with the construction of an improvement, no excavation shall be made on the premises nor shall any dirt be removed therefrom.

(i) Drainage - Except with the approval of the Architectural Control Committee, the natural drainage on the premises shall not be changed.

(j) Earth Moving - All land cuts caused by driveway installation or home construction must be stabilized. The manner and material used for stabilization must be approved by the Architectural Control Committee.

(k) Vegetation - No trees can be cut on any homesite without first having approval from the Architectural Control Committee and then only those approved for cutting may be cut. All stumps, trees and brush, cut or cleared to provide for home and driveway construction must be hauled away from the lot to designated areas, except that timber saved and cut for fireplace firewood.

(l) Occupancy - Except with the approval of the Developer, no person shall reside upon any homesite until such time as the improvements to be erected thereon in accordance with the plans and specifications approved by the Architectural Control Committee have been completed.

(m) Completion - Owners shall not permit the exterior of any improvement to be constructed on any homesites to remain incomplete for a period longer than one year from the date upon which construction of the improvement was commenced unless they have first obtained the permission in writing of the Developer.

(n) Exterior Lighting:

(i) Owners shall neither install nor maintain exterior lighting of any sort which is visible from a street or from the dwelling house of any owner without first obtaining the permission of the Architectural Control Committee.

(ii) A dawn to dusk electric yard light will be installed at each homeowner's expense, when each home is built, the design and location of the yard light to be determined by the Architectural Control Committee.

(o) Above Ground Utility Conduits - Owners shall not maintain any power, telephone or other utility wires or conduit serving the premises above ground without first obtaining the approval of the Architectural Control Committee.

(p) Antennas - Owners shall not maintain any radio, television antenna, satellite dish or any type of electronic receiver or transmitter any place outside the house erected on each homesite, without first obtaining the written approval of the Developer.

Satellite mini-dishes will be allowed by the Architectural Control Committee provided that they are 18" or less in diameter and provided that they are placed in an inconspicuous location with adequate screening. All owners must use cable T.V. service.

(q) Decorative Improvements - No statue or other unnatural improvement shall be permitted on any homesite without the approval of the Architectural Control Committee.

(r) Mail Receptacles, Address Signs and Post Lights All mail receptacles shall be approved by the Architectural Control Committee and the Developer shall specify the nature, extent and location of all mail receptacles and may require centralized mail receptacles or a specified process for centralized receipt of mail in which event Developer shall have the right to prohibit any individual mail receptacles whatsoever. Homesite numbers and family wood carved signs shall be mounted on light posts. Post lights are to be approved by the Architectural Control Committee.

(s) Temporary Structures - Temporary structures shall be permitted on the premises during the period of construction of a dwelling house if approved by the Architectural Control Committee, but such temporary structure shall be removed within 30 days after completion of said dwelling house or within six months after the date said temporary structure was erected, whichever period expires first.

(t) Wells - Owners shall not be permitted to provide separate wells for water on their homesites, but are required to use the private water system provided by the Developer.

(u) Swimming Pools - Owners shall not be permitted to construct individual swimming pools, tennis courts, ponds, artesian wells or to provide any place for standing water on their homesites without the approval of the Architectural Control Committee and the Developer.

(v) Out-Buildings - Out-buildings, accessory buildings or similar detached structures are not allowed. An existing out-building may continue in existence as a non-conforming structure provided that it complies with all of the following requirements: 1) it is located within the Unit building envelope, 2) its exterior appearance, including color, architecture and building material, is compatible to that of the dwelling, 3) It is not located on a golf course lot or Unit, and 4) Items are not stored on to of or attached to its sides. An existing out-building must be removed upon the sale of the lot or Unit by the current owners.

Section 5. Assessment of Fines.

The violation of any of the provisions of these Rules and Regulations by any owner shall be grounds for assessment of monetary fines for such violations in accordance with Article VI of the Declaration and the following procedures.

(a) General - The violation by any owner, occupant or guest of any of the provisions of the Declaration or of these Rules and Regulations or any subsequently adopted Rules and Regulations shall be grounds for assessment of monetary fines against the involved owner. Such owner shall be deemed responsible for such violations whether they occur as a result of his personal actions or the actions of his family, guests, tenants or any other person admitted through such owner to the Heather Highlands Residential Community.

(b) Procedures - Upon any such violation being alleged by the Developer, the following procedures will be followed:

(i) No Notice - Notice of the violation, including the provisions violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said owner at the address as shown in the notice required to be filed with the Developer pursuant to the Declaration.

(ii) Opportunity to Defend - The offending owner shall have an opportunity to appear before the Architectural Control Committee and offer evidence in defense of the alleged violation. The appearance before the Committee shall be at its next scheduled meeting, but in no event shall the owner be required to appear less than ten days from the date of the notice.

(iii) Default - Failure to respond to the notice of violation constitutes a default.

(iv) Hearing and Decision - Upon appearance by the owner before the Committee and presentation of evidence of defense, or, in the event of the owner's default, the Committee shall, by majority vote, decide whether a violation has occurred. The Committee's decision is final.

(c) Amounts - Upon violation of any of the provisions of the Declaration and after default of the offending Co-owner or upon the decision of the Committee as recited above, the following fines shall be levied:

(i) First Violation. Not to exceed Twenty-Five Dollar (\$25.00) fine;

(ii) Second Violation. Not to exceed Fifty Dollar (\$50.00) fine;

(iii) Third Violation and Subsequent Violations. Not to exceed One Hundred Dollar (\$100.00) fine.

(d) Collection - The fines levied pursuant to these shall be assessed against the owner and shall be due and payable on the first of the next following month. Failure to pay the fine will subject the owner to all liabilities set forth in the Declaration including, without limitation, those described in Article V and Article VI thereof.

Section 6. Waiver

The Architectural Control Committee shall have the right to waive any of the foregoing Rules and Regulations in such cases as they, in their sole judgment, shall deem to be in the best interest of the Heather Highlands Residential Community.

**HEATHER HIGHLANDS TOWNHOUSES
And Private Homes
RENTAL MANAGEMENT AGREEMENT**

Agreement (the "Agreement") made this _____ day of _____, _____, between Boyne Properties, Inc., a Michigan corporation d/b/a Boyne Realty, whose address is P.O. Box 19, Boyne Falls, Michigan, 49713 (referred to herein as "Agent") and "Owner" whose name and address are set forth at the end of this Agreement.

Whereas Owner wishes to employ Agent for the purpose of renting, managing and operating Owner's Heather Highlands Townhouse Unit or private residence (the "Unit") commonly known as _____ situated in Pleasantview Township, Emmet County, Michigan; and,

Whereas the parties desire that the Unit be managed as a first class rental program unit within this residential resort community.

In consideration of the benefits flowing to both parties, it is hereby agreed as follows:

1. **Management Services.** Owner employs Agent as its Agent for the purpose of renting, managing and operating the Unit. Agent accepts this agency and agrees to use its best efforts in the rental, management and operation of the Unit. This is an exclusive rental agreement. Owner may not lease the Unit, directly or indirectly, except in accordance with the provisions of this Agreement, and except in accordance with the provisions of the Master Deed and Bylaws of the Condominium.

2. **Term.** This Agreement shall become effective on the date set forth above and shall remain in effect until terminated as provided for herein. Owner agrees to honor any reservations made prior to the effective date of this Agreement. Either party may terminate this Agreement at any time upon giving thirty (30) days notice in writing to the other party. In the event of termination by the Owner, Owner agrees to honor any reservations made prior to the date of termination.

3. **Use by Owner.** Owner has the right to make advance reservations for the use of the Unit by Owner or Owner's family members and friends, provided that these reservations have been accepted and confirmed by Agent. Agent shall have the right to book the Unit on any other date. Agent is not obligated to make Owner's Unit available to the Owner when the Unit has already been reserved for a guest. Owner agrees to honor any reservations made for the Unit prior to Owner's purchase of the Unit.

Owner agrees not to enter the Unit and not to permit any other persons, including family members, friends, repairman, or guests, to enter the Unit without prior notification to, approval of, and coordination through Agent's office. Owner agrees to register at Agent's front desk before entering the Unit and upon check-out and agrees to have family members, friends and all other persons register prior to entering, and upon leaving, the Unit.

4. **Maid Service.** Daily maid service similar to that provided to guests at other Boyne USA resorts will be provided to guests who occupy the Unit. A comparable daily maid service will be available to Owner upon request, depending on staff availability. When the Unit is Owner occupied, a cleanup service will be provided at the end of Owner's use. An appropriate charge will be made for any daily maid service requested by Owner and for the end cleanup, which charges shall be paid by the Owner at check out or charged to the Owner's account.

5. **Allocation of Guests.** Rental of the Owner's Unit shall be based upon the requirements of specific guests requesting rental space from Agent. Owner acknowledges and recognizes that Agent manages a number of Units in this and other communities and hotels on a basis similar to that contemplated by this Agreement. Agent agrees that it shall attempt to allocate potential guests among all of the Units it is managing in the following manner:

- (a) Based on a potential guest's expressed preference as to a particular Unit.
- (b) Based on a potential guest's expressed preference as to general location or type of Unit.
- (c) Based upon a reasonably fair rotational system taking into account the frequencies of rental of a particular Unit and its availability for use from time to time.
- (d) Such other factors as Agent shall reasonably determine from time to time. While Agent shall not discriminate against any particular Unit or Owner in allocating rentals, Agent shall nevertheless be afforded reasonable discretion in making such allocations and Agent shall not be subjected to the application of any strict mechanical tests in administering this section of the Agreement.

6. **Rental Rates.** Agent, in its sole discretion, shall charge a fair, reasonable and competitive rent for the Unit. The Agent shall be entitled, without notice to or approval from the Owner, to set rents for the Unit and for all of the other participating Units and to revise and deviate from such rental schedule at any time and from time to time as Agent may in its discretion determine, including rents which are a portion of a guest package. Owner agrees to participate in any guest incentive programs adopted by Agent, including the BoyneRewards Program.

7. **Condition of Units and FF&E.** In order to participate in Agent's rental management program, Owner's Unit and all furniture, fixtures and equipment ("FF&E") in the Unit (including furniture, beds, headboards, TV sets, mirrors, pictures and wall decorations (Case Goods FF&E) and all wall and floor coverings, window treatments, carpeting, bedspreads, lamp shades and upholstery (Soft Goods FF&E) and all other unspecified items of a similar nature) must be in a suitable condition for occupancy, in compliance with the high-quality standards of a first class residential resort community, and in compliance with the specifications adopted by Agent from time to time. Case Goods FF&E shall be replaced at least every 10 to 12 years. Soft Goods FF&E shall be replaced at least every 5 to 6 years. However, earlier or more frequent renovations or replacements may be required to maintain the high quality standards of the community. Agent shall inspect the Unit from time to time in order to determine the condition of the Unit and whether any repairs, replacements, or other actions may be required with respect to the interior of the Unit and its FF&E and shall perform such maintenance, repair and replacement work as shall be necessary, in the sole discretion of the Agent, to keep the Unit and its FF&E suitable for occupancy. When a Unit enters the Agent's rental management program after having not been in the program, Owner shall be responsible for the cost of bringing the Unit and its FF&E to a suitable condition for occupancy. Subject to Agent's approval, Owner may also request the repair and/or replacement of the FF&E and to the condition of the Unit.

8. **Individual Reserve Fund for Unit Maintenance.** In order to participate in the Agent's rental management program, the Owner shall be required to pay into a reserve fund from which the costs of maintenance of this Unit and the repair and/or replacement of the FF&E in this Unit will be paid. When a Unit enters the Agent's rental management program after having not been in the program, the Agent may require that the Owner pay such amount into the fund as necessary to insure that adequate funds will be available to make the Unit and its FF&E suitable in a timely manner. The reserve fund shall be funded by a percentage of the gross rental receipts of all Units, which percentage may be adjusted at the discretion of the Agent from time to time at the level necessary to meet the required condition of Units and FF&E described in Section 7 above. The initial contribution shall be 5% of gross rental receipts.

Agent shall, at all times, be authorized to pay from the reserve fund any amounts necessary to maintain the Unit and the FF&E in the condition described in Section 7 above. To the extent that any funds in the reserve are insufficient to pay such expenses, Agent shall be entitled to increase the percentage and deduct such funds from gross rental receipts as may be necessary to maintain the minimum reserve level established by Agent from time to time.

All contributions to the reserve fund made by the various Owners in the Agent's rental management program of this community shall be pooled in a single account which shall be accounted for separately from the reserve funds for the other communities. The account shall be interest-bearing, and accrued interest shall be allocated to each Owner's individual reserve fund based on each Owner's account balance as of the end of each calendar year. The Agent may commingle the reserve funds from the various communities into a single checking account (the "Boyne Rental Reserve Account") registered in Agent's name and held solely for the reserve fund purposes described herein. Agent shall account to Owner for all credits and charges to, and the balance in, the Unit's reserve fund. At such time as Owner shall dispose of the Unit by sale or any

other method of transfer, the balance in the reserve fund shall remain with the Unit. Should Owner withdraw from Agent's rental management program, the balance in the reserve fund may be used to make necessary maintenance, repair and updates to the Unit.

9. **Damage to Unit.** The Owner is ultimately responsible for any damage to the Unit and its contents, including damage, theft, or other action by any person occupying the Unit. Owner shall be responsible for the cost of repair or replacement resulting from any damage above any funds which are paid on any policy of insurance maintained by the Association or the Owner, including any deductible amount, and above any funds paid out of the reserve fund for normal maintenance. Owner may, at Owner's expense, maintain additional casualty insurance coverage necessary to meet this responsibility.

Agent is authorized to cause any emergency repairs to be made as Agent, in its sole discretion, deems necessary to preserve and protect the Owner's Unit and its contents from damage. Agent shall investigate with reasonable promptness and make a full written report as to all accidents or claims for damage or destruction to the Unit or its contents, and cooperate with and make any and all loss or incident reports required by any insurance company. Agent shall use reasonable efforts to collect from renters causing damage or theft, but Agent can give no guarantee thereof and shall not be obligated to pay any sums whatsoever for such losses. Agent makes no representations that it is capable of providing major repairs in all circumstances. Agent is not responsible for any loss of rental income resulting from damage or repairs.

Owner and Agent release each other from liability for damages or claims resulting from the negligence of either of their respective Agents or employees or licensees resulting from the breach of this Agreement. In so far as such losses or claims are paid by insurance carriers, no right of subrogation shall rise in favor of such carriers against the Owner or Agent, or their manager, or their Agent, employees or licensees. Owner agrees that Agent shall not be held liable for any losses or damage resulting to Owner's Unit or Owners personal property by the negligent, intentional, or wanton acts of guests or of third persons.

10. **Liability Coverage.** During the term of this Agreement Owner agrees to maintain general liability insurance coverage against all losses or damages arising out of Owner's ownership and use of the Unit and naming Agent, its agents and employees as additional insureds. Any liability coverage maintained by the Association or by the Agent shall not relieve the Owner of its primary responsibility to maintain this insurance coverage.

Owner agrees to indemnify and hold Agent harmless from all losses, expenses or damages of any nature whatsoever in connection with the management of the Unit and from liability for injury to any person or property on, about or in connection with the premises from any cause whatever, unless such costs, expenses, damages or liabilities be caused by Agent's own gross negligence or willful misconduct. Agent shall not be liable to the Owner or to any other person for any error in judgment or for doing or omitting to do any matter or thing pursuant to the terms of this Agreement, except in cases of willful misconduct or gross negligence.

11. **Collection of Rental Receipts.** Agent is expressly authorized to deposit rental receipts from Owner's Unit with receipts collected from other Units managed by Agent in Agent's general corporate account. Agent agrees to keep full accounting records on all transactions affecting Owner's Unit. Owner, at any reasonable time upon reasonable notice and during regular business hours, may examine the accounting records relating to the Unit.

12. **Management Fee.** In consideration for Agent's rental management services on behalf of Owner, Owner agrees to pay to Agent a management fee equal to 50% of gross rental receipts (after the payment of hotel or resort taxes, resort fees, group tour and convention facility fees, incentive program costs, franchise-related fees and costs or any other such costs).

13. **Statements to Owner.** Agent will provide Owner with quarterly statements showing total receipts less fees and expenses provided for by this Agreement including payments into the reserve fund, together with a check for the net revenue. Such statement and/or check will be mailed from Agent's office on or about the 15th of the month for the period ended the last day of the preceding month. In the event

expenses for such periods exceed the revenues, Owner agrees to pay promptly such expenses upon billing by Agent.

14. **Telephone.** Basic telephone service must be provided in each room or set of rooms that is capable of being rented separately throughout the term of this Agreement. In those communities where deluxe phone service is available, deluxe phone service must be provided instead. All such telephones will be on the Boyne USA PBX Exchange (except for those communities which have a third party service provider), and monthly service fees will be charged to the Owner as part of the Association assessment. Any charges for local, credit card and toll free calls (all currently free to Owners), direct long distance calls, information, operated assisted and other types of calls will, in the case of Owners, be set forth on the periodic statements to the Owner, and, in the case of other guests, will be collected at the time of check out on the same basis as such charges are made at other Boyne USA resorts.

15. **Furnishings.** Although all FF&E in the Unit is the property of Owner, Owner agrees that Owner will not remove or modify any of the FF&E in the Unit. Owner also agrees not to introduce any other, non-standard furnishings, interior décor items or contents into the Unit without the prior written authorization of Agent. Even with authorization, Owner shall be responsible for loss of, or damage to, any such non-standard items. Owner may, at Owner's expense, obtain insurance coverage against damage to, or loss of, any such non-standard items.

16. **Owner to Pay Other Expenses.** Owner agrees to pay all other pertinent expenses on the Unit including, without limitation, all property taxes and all regular and special assessments levied by the Association. Owner shall also provide at least basic and expanded basic cable TV service (currently charged to the Owner as part of the Association assessment). Owner may, at Owner's option and expense, also maintain rental interruption or loss of rent insurance coverage.

17. **Hiring of Agents and Employees.** Agent shall hire, supervise, and discharge all labor and employees required to perform its services under this Agreement. All such labor and employees shall be those of Agent and not Owner. Agent may perform any of its services hereunder directly or by assignment through such agents, contractors, and subcontractors as it may deem proper.

18. **Rules and Regulations.** Agent is authorized to impose reasonable rules and regulations governing the use of Owner's Unit, including rules regarding pets and smoking (although Owner has the right to prohibit pets and smoking in Owner's Unit). The purpose of such rules and regulations is to enable Agent to effectively manage Owner's Unit and other Units located in the Condominium for transient guests. Owner agrees to abide by the same and shall instruct any family member, friend or other person using the Unit through the Owner that such rules are in full force and effect and must be obeyed by all persons. Agent also reserves the right to limit the number of people using a Unit to the maximum number intended for that type and size of Unit.

19. **Marketing and Complimentary Use.** Agent may place promotional materials in the Units, maintain a house channel within the cable TV programming and perform such other marketing as Agent deems necessary to promote the rental of the Units and to promote the Boyne USA Resorts as a whole. In order to enable the Agent to effectively market the Unit for rental purposes, it is necessary, from time to time, that the Agent grant complimentary use thereof to a person or persons who will not pay any usage charge therefore. Agent shall be entitled to utilize the Unit up to two nights annually for such purpose, in its sole discretion, but Agent shall make every effort to equalize such complimentary use among all of the Units in Agent's rental management program. Agent shall maintain precise records of any such usage of all Units in Agent's rental management program and shall pay any cleaning or other similar expenses associated therewith.

20. **Assignment and Effect.** This Agreement may not be assigned by Owner unless such assignment has first been approved in writing by Agent. This Agreement shall be binding upon the successors and assigns of the parties. This Agreement may not be modified except by a written document signed by an authorized representative of each party. No independent party or realtor has any authority to modify the terms of this Agreement or make representations on behalf of Agent. Any notices or statements required by this Agreement shall be sent to one of the addresses set forth herein, or to such address as the parties later direct.

Executed on the dates set forth below.

AGENT: Boyne Properties, Inc., a
Michigan corporation

OWNER:

By: _____
Its:

Dated:

Name(s) printed

Street

City

State

Zip

Home Phone

Business Phone

e-mail address

Dated:

Au15, 2014

o Who It May Concern:

Since we (John and Terry) were members of the Boyne Highlands Ski Patrol and Host program, we did not put our house (958 Heather Dr.) in the Boyne Rental program during winter seasons, which is December 1 – April 1.

Terry and John Brancheau

Schedule E - Two-Year Comparison Worksheet

2013

Property Name:

SFR - 958 HEATHER - HARBOR SPRINGS, MI

Description	Tax Year 2012	Tax Year 2013	Increase (Decrease)
INCOME			
Rents received	18,109.	17,505.	-604.
EXPENSES			
Auto and travel	1,571.	1,666.	95.
Cleaning and maintenance	3,258.	5,810.	2,552.
Insurance	836.	936.	100.
Mortgage interest	5,360.	4,634.	-726.
Repairs	14.	374.	360.
Supplies	98.	75.	-23.
Taxes	3,575.	3,546.	-29.
Utilities	3,038.	3,779.	741.
Other	2,450.	2,533.	83.
Subtotal	20,200.	23,353.	3,153.
Depreciation expense or depletion	7,254.	7,210.	-44.
Total expenses	27,454.	30,563.	3,109.
Income or (loss)	-9,345.	-13,058.	-3,713.
Deductible rental loss *	-9,345.	-13,058.	-3,713.
* Includes passive activity loss			