

### **Designated Rental Manager Structure**

--Maximizing the flow of revenue and the value of our property depends on having consistent rates and service standards as well as marketing and promotion of the resort as a whole.

--Direct rentals have the effect of shifting costs onto the Strata and therefore other owners.

--Maximizing revenue for owners depends on reliable revenue management. With direct rentals, there can be no consistent rate strategy.

--The competitive price and cost pressures between owners in a direct rental resort increase the risk of unfair trade practices. Direct rentals frequently do not comply with the service charge ordinance meaning the staff is deprived of a very important part of their remuneration.

--Direct rentals have a negative effect on travel partner relationships. It is very difficult to control rate parity with travel partners in a direct rental environment. We risk having them do a "stop sell" on the resort when there is no rate parity and assured compliance with the Tax and Service Charge Ordinances.

--Direct rental activity can impact the overall resort reputation in a negative manner. When there is an issue with a direct rental unit, there is no alternative unit to provide. This can lead to negative TripAdvisor reviews and similar postings that are unfair to the overall property.

--The current management company/strata corporation relationship allows resources to be used in community-based initiatives which enhance the reputation of our resort.

--Our current rental program help fund a variety of charity events and fundraisers in which a number of our employees participate. This is important in developing a sense of community among our staff and management team.