

HARBOR COVE TIMESHARE OWNERS' ASSOCIATION

Harbor Springs, MI 49740

Phone 231-242-8093

www.harborcovetimeshare.com

email: info@nmescapes.com

October 2020

Dear Harbor Cove Timeshare Owner:

I hope that you have made it safely through this crazy year of 2020. To begin our update for 2020, I'd like to first thank all of you, as owners, who worked with us as we navigated our way through all the various Federal, State and local restrictions and associated challenges those have created. The Board would also like to thank our property manager, Northern Michigan Escapes (NME), for their professionalism in addressing the issues that were necessary to get the units open and operational for everyone this Spring, even though we were not able to have our traditional spring maintenance week. I also want to thank them for implementing the necessary safety protocols to keep each unit clean and safe for all our owners and guests.

While I'm thanking people, I'd like to thank those of you that took time to return our Owners Survey. We greatly appreciate you taking time to share your thoughts on what improvements are important to you. We'll take these comments under consideration as we look forward to 2021 and beyond.

Looking at 2020, it is my pleasure to provide you with an update on the status of the Association including the following topics:

- Website
- 2020 Annual Financial Report
- 2021 Budget, 2021 Maintenance Fee and Property Taxes
- Credit Card Payments
- Improvements in 2020 and Planned for 2021
- Friends and Family Rental Program
- For Sale Weeks
- Election of Board Members
- Owner Feedback
- Annual Meeting and Proxy
- Late Fees and Delinquency Procedures

Website & Brochure

We encourage you to check-out the website for the Association. With the impacts from COVID, we are using the website even more than before as we are posting updates that we receive from Phase I and Community Properties to keep you abreast of what is happening within the broader Harbor Cove Community. Please be sure to check out the website and keep informed through that venue. Please visit www.harborcovetimeshare.com. To enter the Owner Resources tab, you will need to use the password HarborCove2018.

We've also updated our brochure and included a copy with this mailing. Please consider sharing with your friends and family who may be interested in purchasing or renting some of units.

2020 Annual Financial Report

Enclosed for your review is a copy of the 2020 Annual Financial Report from Board Treasurer, Mark Ward. As you will see, we've been able to work within our projected budget for 2020.

2021 Budget, 2021 Maintenance Fee and 2020 Property Taxes

We've enclosed a copy of the 2021 Projected Budget for your information. Based upon the 2021 Projected Budget, the **2021 Maintenance Fee has been set at \$625 per week owned and is due on or before December 31, 2020.** This is an increase over 2020. This is due largely to the fact that we had over 20 weeks go unpaid in 2020. To account for that in planning for 2021, we assume the previous number of paid weeks from the year before is our baseline, in this case 222 paid weeks which is down from 243 paid weeks in the 2020 budget. **The amount of property tax paid in 2020 for each owned week was \$60.28**

Credit Card Payments

Just a reminder that we can take payment of maintenance fees and rental fees via credit card. If you would like to make a payment using your credit card, please contact our property manager at Cindy@nmescares.com. Please note – we will be assessing a processing fee for the use of the credit card in addition to the amount of the actual maintenance or rental fee. **The cost to process the \$625 maintenance fee per week is \$19 for a total of \$644.**

Improvements in 2020 and Planned for 2021

Community Properties

The outdoor pool has seen significant upgrades in 2020 and the indoor pool has finally opened, under the State imposed restrictions on occupancy. The sauna and hot tub remain closed. Be sure to check the website, as noted above, as we'll be posting information, as we get it from Phase I and Community Properties. As a reminder, there are new parking passes that are being used and need to remain with each unit, which is a requirement of Phase I. The passes are not disposable paper passes like we've had in the past so please be sure to keep them in the units or you will be assessed a fine for the replacement cost. Phase I is also strongly enforcing the requirement to keep materials off outdoor railings. Phase I will be assessing a fine to those ignoring this requirement.

Individual Units

At the individual unit level, we were able to upgrade the flooring in Units #14 & #19. We had planned to have the flooring completed in several other units by now as well, however with the impacts of COVID-19, we are running behind on those installations. We hope to accomplish at least two more yet in 2020, assuming we can get the materials and installation lined up around our occupied weeks. We are continuing to use our phased approach to the flooring projects to ensure we have adequate reserves in case we experience any unexpected expenses due to unforeseen maintenance or replacement issues. We also had miscellaneous replacements including a new refrigerator in Unit #14, which we were able to cover within the 2020 budget, using the funds in our replacements line item.

Friends and Family Rental Program

We owe a huge thank you to Board Member Fred Humig who works tirelessly to keep our rental program active. As you may recall, there are over fifty (50) weeks that are available for rent from the Association. These are a combination of Association owned weeks or weeks that are delinquent in their maintenance fees. By renting them, we can recoup lost maintenance fees and strive to keep our annual costs in check for our owners.

Fred has done a great job of working with owners to encourage rentals of these available weeks. The price to rent these weeks may vary so please contact Fred to get current pricing for any week(s) you may be interested in renting. Last year, the Board instituted an incentive program to increase the number of rentals. To date, no one has taken advantage of this program. As a reminder, the Board is offering a \$50 Amazon credit to any owner, in good standing, who provides a referral that results in a week rental of a unit. Please see the attached summary of the Friends and Family program that summarizes the available weeks for the remainder of 2020 and 2021. You can also see the availability on the Association website on the For Sale and Rent tab (www.harborcovetimeshare.com). **Please note that in 2021, we'll have a 53rd week to rent and we'll have all six units available. Wouldn't you like to ring in 2022 at Harbor Cove? Make your plans early and contact Fred to reserve your rental at hcts2019@gmail.com or call 586-232-4966.**

Weeks for Sale

Our newest Board Member, Penny Cash, has taken over as our point of contact for weeks that the Association has for sale. We have numerous weeks that are for sale, either those owned by the Association or privately owned. Maybe you would like to add an extra week to your ownership? How about purchasing a week that you can trade within the RCI network? Maybe see Harbor Cove during a different season? How about getting a family member involved in Harbor Cove? Please see the enclosed listing and pass along to others who may be interested in joining our Harbor Cove Timeshare Owners family. Please contact Penny at pennycash@gmail.com or call 231-838-6072.

Election of Board Members

As a reminder, our Association is governed by a board of seven (7) owners who make up our Board of Directors. Those seven members elect the officers of the Board. This year, we find ourselves with four seats open for election and five owners interested in those seats. Current Board members Stephanie Ward and Eric Arntson are both stepping off the Board. Mark Ward, current Treasurer and Ken Newbury, current Vice President, are seeking reelection to the Board. Domenico Gabrielli, Cheryl Schmelzle and Norm Schmelzle are owners who are interested in serving the Association as Directors. Please see the attached Annual Meeting Proxy for a brief bio of each candidate. Remember, you will be voting for four candidates from our pool of five.

Owner Feedback

Please be sure to share feedback with the Board of Directors as we welcome hearing from our owners. Please pass along your ideas or concerns, either in person at the Annual meeting or any time, via email to our property manager at cindy@nmescapes.com or contact any of the board members directly.

Annual Meeting and Proxy

You are invited to join the Harbor Cove Timeshare Board of Directors and other Owners for our annual meeting via a Zoom Meeting on **Saturday, November 7, 2020. We'll begin at 9:00 AM. To join:**

- **Use this link:** <https://zoom.us/j/98158974608?pwd=cnp4VWN3VmRqcnJhZ3hRSFZqROV4QT09> -or- dial 312-626-6799
- **Meeting ID:** 981 5897 4608
- **Passcode:** HCTS2020

It is very important that we receive your proxy vote by Saturday, October 31, 2020. Please see the attached proxy card in this mailing. According to our bylaws, we must have 35% of owners return the proxy card prior to holding our annual meeting. Thank you for your prompt attention to this important owner obligation. **You may mail the proxy back to the address noted on the proxy or you may scan and email the proxy to cindy@nmescapes.com or fax at 231-344-5924 by Saturday, October 31, 2020.**

Late Fees and Delinquency Procedures

While most owners pay their maintenance fees on time, we do have some owners who have become delinquent in their payments. To maintain a viable association, where all owners are held accountable to pay their fair share, we contracted with a collection agency in 2019 to assist us with the collection of these outstanding maintenance fees. This has resulted in the Association collecting unpaid fees from numerous owners. We continued to use this agency in 2020 and will do so yet again in 2021 since we had additional weeks become delinquent in 2020.

The Board would like to remind all owners of the potential consequences if you should become delinquent. Pursuant to Articles V(D) and XII of the Declaration of Covenants for Use of Condominium Interest, If your maintenance fee is unpaid by the annual due date, you will not be entitled to occupy the unit during your period of use or at any other time, or authorize any other person to do so while any amounts remain unpaid. The only exception is if you have made special arrangements with our property managers for delayed payments. In all cases, your fees must be paid in full before using the Harbor Cove facilities.

The following additional actions will also occur if your maintenance fees remain unpaid:

- RCI will be notified of the delinquent status of the owner's timeshare fees and the RCI exchange privileges will be suspended until all delinquent amounts are paid in full.
- For maintenance fees more than 30 days overdue, a \$100 late fee for each week owned will be assessed to your account in addition to any amounts you owe the Association. This amount is not refundable and is applied each year that an account is delinquent.
- The Association has the right to and will attempt to rent the unit during your use period.
- A lien will be placed on the property for the amount due the Association. This will prevent you from selling the property or changing ownership until the lien has been removed when full payment is made.
- When maintenance fees have not been paid for an extended period, the Association will seek a judgement through small claims court for the delinquent dues and associated fees.
- The Association also has the right to foreclose on the property which can affect your credit rating.

The Board of Directors has an obligation to assure the continued financial health of the Harbor Cove Timeshare Owners Association and will take the necessary steps to do so. Our collection policy is attached for your information. If you have questions on the maintenance fees, or need to work out alternate payment plans, please contact our property manager.

Summary

The Board of Directors appreciates your continued ownership and support of the Harbor Cove Timeshare Owners Association. We hope that you can enjoy the up-north experience at Harbor Cove in 2021. Please feel free to contact any of the Board of Directors if you have any questions or comments.

Sincerely,

Stephanie Ward

Stephanie Ward, President
On Behalf of the Harbor Cove Timeshare Owners Association Board of Directors

**Harbor Cove Timeshare Owners' Association
2020 Annual Financial Report**

10/10/20

Ward, M

	2020 YTD	2020 Year End	2020 Budget	% Budget	LN	2021 Budget
Revenue						
Maintenance Fees (222 Weeks)*	\$ 146,441.00	\$ 146,441.00	\$ 139,725.00	105%	1	\$ 140,766.00
Estimated 2020 Available Funds Carryover (a portion to be used for 2021 improvements)*					2	\$ 22,000.00
Total Revenue less carryover	\$ 146,441.00		\$ 26,568.00	0%	3	\$ 140,766.00
Operating Expenses						
Fees (Phase 1 / Comm. Prop)	\$ 14,926.00	\$ 29,852.00	\$ 29,862.00	100%	4	\$ 29,853.00
Board Expenses	\$ -	\$ 300.00	\$ 1,100.00	27%	5	
Cable (WiFi-TV-Phone)	\$ 8,674.00	\$ 13,234.00	\$ 12,600.00	105%	6	\$ 13,800.00
Carpet Cleaning	\$ 613.00	\$ 2,300.00	\$ 2,300.00	100%	7	\$ 2,520.00
Cleaning (weekly units)	\$ 8,400.00	\$ 13,213.00	\$ 18,375.00	72%	8	\$ 17,760.00
Electric	\$ 2,998.00	\$ 5,002.00	\$ 5,554.00	90%	9	\$ 5,640.00
Furniture Cleaning	\$ -	\$ 400.00	\$ 800.00	50%	10	\$ 800.00
Gas	\$ 3,212.00	\$ 4,962.00	\$ 6,050.00	82%	11	\$ 6,050.00
Insurance	\$ 3,063.00	\$ -	\$ 3,150.00	0%	12	\$ 3,200.00
Laundry	\$ 3,496.00	\$ 6,321.00	\$ 6,125.00	103%	13	\$ 7,290.00
Legal	\$ 125.00	\$ 525.00	\$ 1,200.00	44%	14	\$ 1,200.00
Maint. Week Cleaning	\$ 1,060.00	\$ 2,120.00	\$ 2,190.00	97%	15	\$ 2,400.00
Maintenance	\$ 1,238.00	\$ 3,596.00	\$ 7,008.00	51%	16	\$ 7,008.00
Management Fees	\$ 13,736.00	\$ 20,604.00	\$ 20,604.00	100%	17	\$ 20,604.00
Printing-Mailing-Collections	\$ 446.00	\$ 896.00	\$ 1,100.00	81%	18	\$ 936.00
Replacements**	\$ 4,525.00	\$ 22,815.00	\$ 5,040.00	453%	19	\$ 5,040.00
Taxes and Filing Fees	\$ 6,343.00	\$ 13,383.00	\$ 13,450.00	100%	20	\$ 13,460.00
Unit Supplies	\$ 1,728.00	\$ 2,888.00	\$ 3,450.00	84%	21	\$ 3,480.00
Total Operating Expenses	\$ 74,583.00	\$ 142,411.00	\$ 139,958.00	102%	22	\$ 141,041.00
Restricted Reserve Balance***						
	\$ 31,000.00	\$ 31,000.00	\$ 31,000.00		23	\$ 31,000.00

*Includes maintenance fees, recouped maintenance fees, RCI fees, RCI spacebank reservations by owners

** \$17,000 spent by year end 2020 for 2 new floors, floor repairs, wall repairs, and other unbudgeted upgrades

***Bylaws require a minimum of 10% of budgeted expenses held in restricted reserve. Current reserve = 22%

2021 Maintenance fees = \$625 per week owned based on 222 paid weeks in 2020

Note: Some variable expense categories under budget due to Covid-19 shutdown

Amount paid for property taxes for each week owned in 2020= \$60.28

Note: Report is based upon actual 8 month results and best estimate of final 2020 numbers.

This report is a Treasurer's summary of the official books kept by our property manager, Northern Michigan Escapes

Harbor Cove Timeshare Owners Association

BUDGET OVERVIEW: 2021 APPROVED BUDGET - FY21 P&L

January - December 2021

	TOTAL
Income	
Maintenance Fee Income	138,750.00
RCI Administrative Fee Income	2,016.00
Total Income	\$140,766.00
GROSS PROFIT	\$140,766.00
Expenses	
Association Dues	29,853.60
Cleaning	17,760.00
Carpet Cleaning	2,520.00
Furniture Cleaning	800.00
Laundry Expense	7,290.00
Spring & Fall Cleanings	2,400.00
Total Cleaning	30,770.00
Filing Fee	20.00
Insurance	3,200.00
Legal Fees	1,200.00
Miscellaneous Expense	90.00
Professional Services	
Collections	226.00
Management Fees	20,604.00
Total Professional Services	20,830.00
Repairs & Maintenance	7,008.00
Replacements	5,040.00
Total Repairs & Maintenance	12,048.00
Supplies for Units	3,480.00
Supply/Printing/Secretarial	600.00
Tax Expense	
Property Tax	13,460.00
Total Tax Expense	13,460.00
Utilities	
Cable TV/Internet/Telephone	13,800.00
Electricity & Water	5,640.00
Gas	6,050.00
Total Utilities	25,490.00
Total Expenses	\$141,041.60
NET OPERATING INCOME	\$ -275.60
NET INCOME	\$ -275.60

Harbor Cove Timeshare Homeowners' Association Fees for 2021

This is an explanation of how and where your Funds are spent per week of ownership

This year's HOA Fee per Week set forth by your Board Members is

\$625

<u>First Items are Fixed Costs per Unit:</u>	<u>Owners Cost Per Week</u>	<u>Allocated Percentage</u>
Harbor Cove Association Fees -- Phase I & Community Properties	\$134	21.4%
Weekly Unit Cleaning - Laundry Fees - Spring / Fall Cleanings	138	22.1%
NME Mgt Co.	93	14.9%
Cable TV/WIFI/Phone	62	9.9%
Property Taxes	61	9.8%
Insurance	14	2.2%
Subtotal -- Fixed Costs:	<u><u>\$502</u></u>	<u><u>80.3%</u></u>
<u>Second Items are Variable Costs per Unit:</u>		
Utilities - Gas-Water-Electricity	\$52	8.3%
Repairs - Maintenance- Replacements	54	8.6%
Unit Supplies	15	2.4%
Fees for Legal - Collection - Bank - Board - Mailing -	2	0.3%
Subtotal -- Variable Costs:	<u><u>\$123</u></u>	<u><u>19.7%</u></u>
Total of Funds Spent for your Week at Harbor Cove:	<u><u>\$625</u></u>	<u><u>100.0%</u></u>

TIMESHARE DATES - FRIDAY ARRIVAL

2021	
Week 1	01/01/21
Week 2	01/08/21
Week 3	01/15/21
Week 4	01/22/21
Week 5	01/29/21
Week 6	02/05/21
Week 7	02/12/21
Week 8	02/19/21
Week 9	02/26/21
Week 10	03/05/21
Week 11	03/12/21
Week 12	03/19/21
Week 13	03/26/21
Week 14	04/02/21
Week 15	04/09/21
Week 16	04/16/21
Week 17	04/23/21
Week 18	04/30/21
Week 19	05/07/21
Week 20	05/14/21
Week 21	05/21/21
Week 22	05/28/21
Week 23	06/04/21
Week 24	06/11/21
Week 25	06/18/21
Week 26	06/25/21
Week 27	07/02/21
Week 28	07/09/21
Week 29	07/16/21
Week 30	07/23/21
Week 31	07/30/21
Week 32	08/06/21
Week 33	08/13/21
Week 34	08/20/21
Week 35	08/27/21
Week 36	09/03/21
Week 37	09/10/21
Week 38	09/17/21
Week 39	09/24/21
Week 40	10/01/21
Week 41	10/08/21
Week 42	10/15/21
Week 43	10/22/21
Week 44	10/29/21
Week 45	11/05/21
Week 46	11/12/21
Week 47	11/19/21
Week 48	11/26/21
Week 49	12/03/21
Week 50	12/10/21
Week 51	12/17/21
Week 52	12/24/21
Week 53	12/31/21

2022	
Week 1	01/07/22
Week 2	01/14/22
Week 3	01/21/22
Week 4	01/28/22
Week 5	02/04/22
Week 6	02/11/22
Week 7	02/18/22
Week 8	02/25/22
Week 9	03/04/22
Week 10	03/11/22
Week 11	03/18/22
Week 12	03/25/22
Week 13	04/01/22
Week 14	04/08/22
Week 15	04/15/22
Week 16	04/22/22
Week 17	04/29/22
Week 18	05/06/22
Week 19	05/13/22
Week 20	05/20/22
Week 21	05/27/22
Week 22	06/03/22
Week 23	06/10/22
Week 24	06/17/22
Week 25	06/24/22
Week 26	07/01/22
Week 27	07/08/22
Week 28	07/15/22
Week 29	07/22/22
Week 30	07/29/22
Week 31	08/05/22
Week 32	08/12/22
Week 33	08/19/22
Week 34	08/26/22
Week 35	09/02/22
Week 36	09/09/22
Week 37	09/16/22
Week 38	09/23/22
Week 39	09/30/22
Week 40	10/07/22
Week 41	10/14/22
Week 42	10/21/22
Week 43	10/28/22
Week 44	11/04/22
Week 45	11/11/22
Week 46	11/18/22
Week 47	11/25/22
Week 48	12/02/22
Week 49	12/09/22
Week 50	12/16/22
Week 51	12/23/22
Week 52	12/30/22
Week 53	n/a

2023	
Week 1	1/6/23
Week 2	1/13/23
Week 3	1/20/23
Week 4	1/27/23
Week 5	2/3/23
Week 6	2/10/23
Week 7	2/17/23
Week 8	2/24/23
Week 9	3/3/23
Week 10	3/10/23
Week 11	3/17/23
Week 12	3/24/23
Week 13	3/31/23
Week 14	4/7/23
Week 15	4/14/23
Week 16	4/21/23
Week 17	4/28/23
Week 18	5/5/23
Week 19	5/12/23
Week 20	5/19/23
Week 21	5/26/23
Week 22	6/2/23
Week 23	6/9/23
Week 24	6/16/23
Week 25	6/23/23
Week 26	6/30/23
Week 27	7/7/23
Week 28	7/14/23
Week 29	7/21/23
Week 30	7/28/23
Week 31	8/4/23
Week 32	8/11/23
Week 33	8/18/23
Week 34	8/25/23
Week 35	9/1/23
Week 36	9/8/23
Week 37	9/15/23
Week 38	9/22/23
Week 39	9/29/23
Week 40	10/6/23
Week 41	10/13/23
Week 42	10/20/23
Week 43	10/27/23
Week 44	11/3/23
Week 45	11/10/23
Week 46	11/17/23
Week 47	11/24/23
Week 48	12/1/23
Week 49	12/8/23
Week 50	12/15/23
Week 51	12/22/23
Week 52	12/29/23
Week 53	n/a

HARBOR COVE TIMESHARE OWNERS' ASSOCIATION

Harbor Springs, MI 49740

Phone 231-242-8093

www.harborcovetimeshare.com

email: info@nmescapes.com

FRIENDS & FAMILY RENTAL PROGRAM

In 2016, the Harbor Cove Timeshare Owners' Association introduced a unit rental program for owners, family, and friends of owners so they may further enjoy the great "Up North" Harbor Cove experience. This program recoups lost maintenance fees to the Association. The Board of Directors has continued to maintain the program and it's going strong into 2020. We want to encourage you and your friends and family to take advantage of this program!

INCENTIVE: As an added incentive, if you refer a friend or family member for a rental, you can receive a \$50 Amazon Gift Card as our way of saying thanks for helping us rent these open weeks.

Do your part to keep our association viable by renting these open weeks yourself, or getting your friends and family involved in Harbor Cove!

Here's how the Friends and Family Program Works

- Any week deemed available by the Board is currently available for rent.
- If you are an owner who wants to take advantage of this program, you must be in good standing with payment of your 2020 maintenance fee.
- You can also make this program available to any other family members or friends in which you may feel would enjoy the Harbor Cove experience. The registration process must be through your name, as an owner in good standing.
- Weeks available for this program can be found on the Association website and are on the back of this page. Visit: www.harborcovetimeshare.com, and clicking on **For Sale & Rent**.
- If you find a week you are interested in, please contact Fred Humig by email at hcts2019@gmail.com or call 586-232-4966 to check availability and pricing and reserve your spot.
- You may be able to rent long weekends depending upon the availability so be sure to contact Fred to see about available openings.

If you have any questions about this program, feel free to contact us at any time.

Please feel free to make a copy of both sides of this handout and share with your family and friends so they can see what opportunities await them at Harbor Cove for such an affordable price.

AVAILABLE WEEKS FOR RENT AS OF OCTOBER 1, 2020

Please contact Fred Humig at hcts2019@gmail.com or via phone at 586-232-4966 to rent a week.

Also view www.harborcovetimeshareassocaition.com for additional information.

2020					
Arrival/Departure Date	Timeshare Week	Unit #	Arrival/Departure Date	Timeshare Week	Unit #
Oct 23-Oct 30	43	14	Nov 27 – Dec 04	48	11, 19
Nov 06 – Nov 13	45	5, 19	Dec 04 – Dec 11	49	5, 8, 11
Nov 13 – Nov 20	46	19	Dec 11 – Dec 18	50	8
Nov 20 – Nov 27	47	5, 8			
2021					
Jan 01 – Jan 08	1	11			
Jan 8 – Jan 15	2	2,11,19	Sep 03 – Sep 10	36	8
Jan 22 – Jan 29	4	5	Sep 10 – Sep 17	37	8, 11
Feb 12 – Feb 19	7	14	Sep 24 – Oct 01	39	11
Feb 19 – Feb 26	8	11	Oct 01 – Oct 08	40	5, 8
Feb. 26 – Mar 05	9	5, 14, 19	Oct 08 – Oct 15	41	19
Mar 05 – Mar 12	10	8, 11	Oct 15 – Oct 22	42	2
Mar 12 – Mar 19	11	5	Oct 22 – Oct 29	43	14, 19
Mar 19 – Mar 26	12	5, 8, 14	Nov 05 – Nov 12	45	5, 19
Mar 26 – Apr 02	13	8, 11, 14, 19	Nov 12 - Nov 19	46	19
Apr 09 – Apr 16	15	2, 8, 14, 19	Nov 19 – Nov 26	47	5, 8
Apr 16 – Apr 23	16	5, 8	Nov 26 – Dec 03	48	11, 19
Apr 23 – Apr 30	17	5, 8	Dec 03- Dec 10	49	5, 8, 11
Apr 30 – May 07	18	8, 14	Dec 10 – Dec 17	50	8
May 07 – May 14	19	8	Dec 24 – Dec 31	52	2
May 14 – May 21	20	11	Dec 31 – Jan 07	53	2,5,8,11,14,19

AVAILABLE WEEKS FOR SALE AS OF OCTOBER 1, 2020

Please contact Penny Cash at pennyjcash@gmail.com or via phone at 231-838-6072 if you are interested in purchasing a week. You can review the Harbor Cove Timeshare Owners Association website for specific details and contact information for each week that is for sale: www.harborcovetimeshareassociation.com

Timeshare Week	Unit #	Timeshare Week	Unit #
1	11, 14	18	8
2	5, 8, 11	19	8,14
5	2	20	11
7	5, 11, 14	31	2
8	8	39	8
9	14	41	19
10	5	43	14
11	8, 14	46	19
12	5, 14	47	11
13	8, 11	48	11, 19
15	8, 14, 19	49	5, 8, 11, 14
16	8	51	11
17	5		

HARBOR COVE TIMESHARE OWNERS' ASSOCIATION NOTICE OF ANNUAL MEETING AND PROXY STATEMENT

SATURDAY, NOVEMBER 7, 2020 AT 9:00 AM Eastern

Your Harbor Cove Timeshare Owners Association Board of Directors invites all our owners to our Annual Meeting, to be held via a ZOOM meeting on Saturday, November 7, 2020 at 9:00 AM. Please join the call approximately 10 minutes prior to the start the meeting so we can begin promptly.

To join:

- **Use this link:** <https://zoom.us/j/98158974608?pwd=cnp4VWN3VmRqcnJhZ3hRSFZqR0V4QT09> -or- dial 312-626-6799
- **Meeting ID:** 981 5897 4608
- **Passcode:** HCTS2020

The following items will be covered, along with any questions from owners participating in person or via phone:

- Verification of a meeting quorum
- Review and approve 2019 annual meeting minutes
- Verification of a meeting quorum
- Review of 2020 association business, budget, and improvements
- Review of 2021 budget, maintenance fees and anticipated improvements
- Review of rental program and sales of units
- Vote regarding Annual Audit
- Election of Board Officers

CANDIDATES FOR ELECTION TO THE HARBOR COVE TIMESHARE BOARD OF DIRECTORS

Four positions are currently open for consideration. Stephanie Ward is stepping down from the board so her two-year term is open. Ken Newbury and Mark Ward, as current Board Members are on the ballot as their current two-year terms are up for reelection. Finally, Eric Arntson is stepping down from the board and the remainder of his term (1 year) is up for election.

Ken Newbury – Ken Newbury is a long-time Harbor Cove owner. He has served on the board for many years including several as president. His tenure is marked by a fiscally conservative stance while encouraging upgrades like technology and flooring. He and his wife are proud Michigan Wolverine grads. As a retiree from university and public-school life, he brings an educator's perspective to Harbor Cove.

Mark Ward – Mark is a retired business executive from the specialty chemicals industry. He has been visiting Harbor Cove since 1978. Having joined the Harbor Cove Board in 2006, he is a past President of the Association and is the current Treasurer of the Association. His focus on the Board is to support responsible spending for maintenance and upgrades, keeping the units safe and comfortable, and to support additional steps to enhance his fellow owner's experience.

Domenico Gabrielli – Dom and his wife Laura have owned 2 association weeks since 2009. In addition, Laura's sister and her husband are 2-week owners also. He is planning to retire at the end of this year after 40+ years as an automotive engineer and plans to devote some time to volunteer activities such as our Harbor Cove Owner's Association. His professional background, and personal experiences serving on other boards have provided him experiences that would be useful in guiding our owner's association going forward. If chosen for the board, his focus would be on maintaining the near-term physical condition of our units based on owners' priorities, and ensuring plans are in place for long term financial stability. One area that he believes presents opportunity is to market the open weeks more aggressively.

Cheryl Schmelzle – Cheryl has been a timeshare owner for over 35 years and is a former board member. She owns four weeks and her family owns many more. She is a CPA- accountant practicing in her own firm in Troy, Michigan. She wants to serve her fellow owners with dedication, attentiveness, and quality time. She wants to improve our units within approved budgetary constraints to bring them up to standards expected of RCI silver crown resorts. She is passionate about making the units cleaner, updated and safe for our owners and other users and would work diligently to rent and sell our Association owned weeks.

Norm Schmelzle - Norm's family has been going to Harbor Cove for the past 42 years. He has been an engineer in the automotive industry for 31 years. He and his wife own two weeks within the Association. He has many friends and family who visit the property each year and he would like to be part of the process to preserve the property for generations to come and serve his fellow owners with devotion, responsiveness and a value of time.

VALID PROXY FORM

To hold Board member elections, a quorum of at least 35% of all Association weeks need to be represented at the meeting according to our by-laws. This is done either by voting at the meeting, in person, or by proxy vote using the enclosed ballot. **The enclosed proxy ballot must be received by our property manager, Northern Michigan Escapes, by Saturday, October 31, 2020 to be considered valid.** Please complete the proxy ballot including your signature by one of the two methods noted below:

Email – scan and email the proxy vote to cindy@nmesCAPES.com

Fax – fax proxy vote to 231-344-5924

Mail – mail proxy vote to: Harbor Cove Timeshare Owners Association
PO Box 581
Harbor Springs, MI 49740

If your timeshare week(s) are owned by more than one person, only the designated voting representative needs to sign and date the proxy. To make your vote count, you must be an owner who is up to date on your maintenance fees. Proxies from delinquent owners will not be counted. It is very important that you submit this proxy form by Saturday, October 31, 2020. Without a quorum representing our owners, we cannot elect Board members.

If you have comments, concerns, or suggestions, please contact any of the Board members noted below. We look forward to seeing you at the Annual Meeting.

Sincerely,

Stephanie Ward

President
On behalf of the
Harbor Cove Timeshare Owners Association Board of Directors

2020 Board Member Contact Information

Treasurer	Mark Ward	810-599-7252	markward@gmail.com
Secretary	Cyndi Homeyer	586-247-0936	cndeh@sbcglobal.net
Director	Fred Humig	586-207-1812	fhjr27@comcast.com
Director	Ken Newbury	429-885-7400	kennewbury@gmail.com
Director	Penny Cash	231-838-6072	pennyjcash@gmail.com
<u>Leaving the Board December 2020</u>			
President:	Stephanie Ward	517-819-6170	stephandtomward@gmail.com
Director	Eric Arntson	517-575-7344	eric.arntson@yahoo.com

**HARBOR COVE TIMESHARE OWNERS' ASSOCIATION
ANNUAL MEETING – NOVEMBER 7, 2020
PROXY BALLOT**

MUST BE RECEIVED BY SATURDAY, OCTOBER 31, 2020

This Proxy is solicited on behalf of the Board of Directors. The undersigned hereby appoints Stephanie Ward, President of the Board of Directors, as Proxy with the power to appoint her substitute, and hereby authorizes her to represent and to vote, as designated hereafter, all votes which the undersigned is entitled to vote at the Annual meeting of the Harbor Cove Timeshare Owner's Association.

ELECTION OF DIRECTORS: VOTE BY CHECKING THE BOX NEXT TO UP TO 4 NAMES.

If you mark the "write-in" option, you must write in a valid name, of a current owner, for that vote to count. Only owners in good standing (paid maintenance fees) are eligible to serve on the Board.

<input type="checkbox"/> Ken Newbury	<input type="checkbox"/> Mark Ward
<input type="checkbox"/> Domenico Gabrielli	<input type="checkbox"/> Cheryl Schmelzle
<input type="checkbox"/> Norm Schmelzle	<input type="checkbox"/> Write-in _____

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Signature of Designated Representative	Printed Name of Designated Representative

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Week(s) / Unit(s) Owned	Date

Yes, I will be attending the meeting via ZOOM

No, I will not be attending

Please help us update our records by providing you email and current phone numbers:

Email: _____

Cell Phone: _____ **Home Phone:** _____

Please complete and return this form to on or before October 31, 2020.

Email – scan & email to cindy@nmescapes.com Fax – to 231-344-5924

Mail – fold this sheet over, affix postage and mail to: Harbor Cove Timeshare Owners Association
PO Box 581
Harbor Springs, MI 49740

Fold

Return Address

Affix Postage Here

Harbor Cove Timeshare Owners Association
Annual Proxy
PO Box 581
Harbor Springs, MI 49740

Fold

Harbor Cove Timeshare Owners' Association Collection Policy

Payments required under the Harbor Cove Timeshare Owners' Association's governing documents are due within 30 calendar days of the date that the notice of payment has been sent to the Owner. If an Owner does not pay in full any expense due to the association by its due date, the payment will be deemed delinquent. All payments must be sent to the following address: Harbor Cove Timeshare Owners' Association, PO Box 581, Harbor Springs, MI 49740.

If the association does not receive payment for any expense due by the date required, the delinquent Owner shall pay a late payment fee of \$100 to reimburse the association for its time, inconvenience, and overhead in collecting the payment.

In addition to late payment fees, for each check from a member that a bank returns for any reason, the member must pay a \$50 returned check fee.

If an Owner becomes more than 60 days delinquent, the association may refer the Owner's account to an attorney or collection agency for appropriate action. All fees incurred by an attorney or collection agency to recover the delinquent amounts will be assessed to the Owner, in addition to the \$100 late payment fee.

The due date notwithstanding, if an Owner's account is not paid in full prior to their scheduled Period of Use, the Owner will be prohibited from occupying their unit.

The Perfect Retreat-In Any Season

The Petoskey and Harbor Springs areas are filled with beautiful natural settings, rich history and plenty of opportunities for recreation!

Ernest Hemingway fished its waters. Longfellow lovingly spoke of the shores in his famed poem "Song of Hiawatha". Methodist groups colonized the area at the turn of the 20th century and built the community known as Bay View. The brave Great Lakes sailors weathered the storms of the vast inland seas, sometimes sacrificing their lives in the practice of their trade. This is northern Michigan, a place with great natural beauty, intrigue and adventure.

Harbor Cove is located between Petoskey and Harbor Springs, Michigan, nestled on the eastern shore of Little Traverse Bay.

Harbor Cove is the perfect headquarters...to live the history...to live the beauty...to relax and enjoy life, the way it was meant to be!

Great Access to Numerous Activities

The Units are located just minutes from attractions such as:

- Nubs Nob
- Boyne Highlands
- Petoskey State Park
- Wilderness State Park
- Downtown Harbor Springs
- Downtown Petoskey
- Harbor Springs Airport
- Kilwin's Chocolate Factory
- Mackinaw City
- Mackinac Island
- Odawa Casino
- International Dark Skies Park
- Tunnel of Trees Scenic Heritage Route

Visit us on the web at:

www.harborcovetimeshare.com

Contact Us at:

Harbor Cove Timeshare Association

Via our Property Management Company at

Northern Michigan Escapes, LLC

Phone: (231) 242-8093

Stays & Exchanges: Option 1

Financial Matters: Option 4



HARBOR COVE TIMESHARE OWNERS ASSOCIATION

Off the shores of Lake Michigan on Little
Traverse Bay

*Your timeshare headquarters for the
perfect "Up North Michigan" experience –
any time of the year!*

Located within the Harbor Cove complex are a variety of amenities—designed to help you enjoy your “up north” experience to its fullest extent.

Six timeshare units are managed by the Timeshare Owners’ Association. Harbor Cove is proud to be a participant in the RCI exchange program. The units are part of the larger Harbor Cove Community, which is comprised of privately-owned units.

Your Harbor Cove experience starts in your unit. The units are designed for comfort, efficiency and convenience.

Individual Unit Amenities include:

- Master Bedroom with queen bed
- 2nd Bedroom with two twin beds
- Sleeper sofa in living room
- Full-service kitchen
- 2 full bathrooms
- Washer & dryer
- Gas fireplace
- Private deck
- Air conditioning
- Free Wi-Fi in each unit
- HD Premium cable TV
- 49” Smart TV in living room



Harbor Cove Amenities that are available to Timeshare Owners/Renters/Exchangers include:

- Private beach on Lake Michigan
- Private beach house – great of swimming, kayaking and enjoying the sand
- Central community house – great space for group activities
- Newly renovated outdoor pool (summer) – with lots of outdoor seating
- Newly renovated indoor pool (spring, fall, winter) including locker rooms, jacuzzi and sauna
- Lighted tennis courts (summer)
- Nature trails on property – great for hiking, snow shoeing and cross-country skiing)
- Free Wi-Fi in community house

Timeshare weeks are available for purchase, rental and exchange. Contact our management company, Northern Michigan Escapes, LLC if you are interested in purchasing, renting or exchanging.