

Balcones Del Atlántico Condominium Rental Management Program Frequently Asked Questions



**BALCONES DEL
ATLANTICO**
LASTERRENAS, SAMANA 

A ROCKRESORT®

SIMPLE LUXURY



A ROCKRESORT*

WHY CHOOSE THE BALCONES DEL ATLÁNTICO RENTAL MANAGEMENT PROGRAM?

We feel our efforts will provide guests with the finest quality service:

The Resort's marketing program draws upon a variety of market segments, including a wide variety of leisure and group travelers year-round.

We aim and expect to offer a level of service outstanding from what is currently offered in the Dominican Republic. A large part of this level of excellence stems from employee satisfaction. Balcones Del Atlántico will strive to establish itself as an employer of choice to ensure that our staff is fully engaged with owners and guests when it really counts.

Since we will be on-site, we are able to manage and care for your residence responsibly, keeping it in the best possible condition.

WHO WILL MANAGE THE RESORT?

Balcones del Atlantico plans to engage RockResorts as its initial manager. The RockResorts brand was originally created in 1956 by Laurance Rockefeller and has since been associated with only first class resorts. RockResorts provides luxury resort services that create unique, unforgettable guest experiences and is committed to providing exceptional experiences for their guests and owners. RockResorts employs industry-leading strategies in order to maximize operational efficiencies and yield management. You can learn more about RockResorts at www.RockResorts.com.

HOW DOES THE RENTAL PROGRAM WORK? HOW WILL I KNOW MY RESIDENCE IS RENTED?

If you elect to participate in the rental program, your residence will be made available to resort guests as part of the available resort inventory in accordance with RockResorts' customary practices. Rental of your residence will be subject to the preferences of hotel guests, market supply and demand, and seasonal business trends. You will receive a quarterly report detailing the number of days and the rate at which your residence was rented.

HOW ARE THE RENTAL RATES DETERMINED?

RockResorts sets daily room rates based on a sophisticated process called "yield management" which includes daily demand

tracking, shopping of competitive rates and historical pricing information. This process allows our team to adjust rates and terms of stay based on demand, combined with value pricing and marketing programs when the market is more competitive. Room rates will likely vary depending on the size of your residence, its location, view and amenities as well as the level of occupancy of the hotel and the time of year.

DO I HAVE TO PARTICIPATE IN THE RENTAL PROGRAM? CAN I RENT MY RESIDENCE ON MY OWN AND/OR HIRE ANOTHER COMPANY TO RENT MY RESIDENCE? IF I DO NOT PARTICIPATE IN THE RENTAL PROGRAM, WHAT SERVICES CAN YOU PROVIDE?

Participation in the RockResorts rental program is voluntary; however, if you elect to participate in the rental program, RockResorts has the exclusive right to rent your unit. For owners who do not elect to participate in the RockResorts rental program, we offer an optional home care program which will cover certain items that may not be covered under HOA dues that owners may find useful. These include housekeeping services, supplemental cleanings, regular inspections, maintenance not covered by the HOA dues, preparation of your residence for your arrival, including special requests. Fees for home care services are determined from time to time by the operator.

IF I ELECT TO PARTICIPATE IN THE RENTAL PROGRAM, IS THERE A BENEFIT TO ME FOR REFERRING GUESTS TO THE RESORT?

The Resort's rental management agreement provides that you, as an owner, be paid a 10 percent referral fee for rental bookings in your residence or other Resort residences. To be eligible for a referral fee, you must book the reservation through the Resort's reservations department and request a referral fee. Referral fees will be paid after the departure of the guests.

HOW OFTEN CAN I STAY IN MY RESIDENCE IF IT IS IN THE RENTAL PROGRAM?

"Renew & Revitalize" Option

During your first year of rental program participation, you can stay in your residence 28 days during peak season (December 22 – April 30) and an unlimited number of days in off-peak season (May 1 – December 21). Beginning in your second

year of rental program participation, you can stay in your residence 21 days during peak season and 42 days during off-peak season. You can either stay the above-outlined number of days per season consecutively, or break up your periods of residence within the allotments.

“Platinum” Option

During your first year of rental program participation, you can stay in your residence 21 days during peak season (December 22 – April 30) and 35 days during off-peak season (May 1 – December 21). Beginning in your second year of rental program participation, you can stay in your residence 14 days during peak season and 28 days during off-peak season. You can either stay the above-outlined number of days per season consecutively, or break up your periods of residence within the allotments.

HOW MUCH NOTICE MUST I GIVE TO RESERVE MY RESIDENCE?

You will be required to make your reservation at least 120 days before you want to use your residence for both of the Rental Program Options detailed above. In order to better ensure that your residence will be available to you for your desired days, you may submit an owner calendar with your dates any number of days further than 120 in advance (e.g., 12 months in advance if you wish). It is planned that RockResorts will provide you a courtesy calendar twice per year of low, peak and top demand periods to help you decide when to reserve your residence.

WHAT IF I DECIDE THAT I WOULD LIKE TO STAY IN MY RESIDENCE “LAST MINUTE” (FEWER THAN 120 DAYS PRIOR TO DESIRED ARRIVAL DATE)?

In order to provide flexibility for our owners, we offer a “Short-Term Booking Option”. If at any time between 28 days prior to your desired arrival and the actual arrival date, your unit is still available you are eligible for the Short-Term Booking Option. You may request a reservation through the appropriate booking channels and if your unit is not expected to be reserved, you will be allowed to reserve your unit with no penalty (i.e. these nights will not count toward your yearly permitted usage nights); however, the number of times you take advantage of this Short-Term Booking Option will be limited based upon the rental program option you choose. This option is subject to availability at all times.

HOW LONG IS THE TERM OF THE RENTAL MANAGEMENT AGREEMENT?

The initial term for participation in the rental program is 2 years with renewal options that may extend the agreement further.

HOW IS THE REVENUE FROM MY RESIDENCE DISTRIBUTED?

Under both rental program options, you will receive a pre-determined and fixed percentage of the revenues generated from the rental of your residence, after a 10% service fee. The fixed percentage will be determined by RockResorts based upon the costs anticipated to operate the rental program. We anticipate the “Renew & Revitalize” Option will offer a lower share of the net revenue based upon higher usage by the owner and the “Platinum” Option will offer a higher share of the net revenue to the owner.

HOW FREQUENTLY IS THE REVENUE DISTRIBUTED?

Your share of the proceeds will be distributed to you quarterly. This applies to owners in the “Renew & Revitalize” plan and in the “Platinum” plan.

WHAT IS COVERED BY THE 10% SERVICE FEE?

The service fee covers the blended costs of central reservations, credit card commissions, travel agent commissions, and commissions paid for Internet booking services.

ARE RESERVES SET ASIDE FOR REPLACEMENT OF FURNITURE, FIXTURES AND EQUIPMENT (“FF&E”) IN MY RESIDENCE?

Yes, 5% of the gross revenue from the rental of your residence will be deducted from your share of the proceeds and set aside in a replacement reserve account for upkeep, repair and refurbishment of your residence. This reserve is specific to your unit and will be itemized on your regular statement. The resort manager has the right to use the amounts in the maintenance reserve to maintain the residence at the level required by the operator’s standards.

WILL I RECEIVE A PERCENTAGE OF REVENUES EARNED FROM THE OTHER FACILITIES AT THE PROJECT?

If you elect to participate in the rental program, you will receive a portion of the revenues earned from the rental of your residence only. You will not be able to share in the revenues earned from the project’s other facilities, such as the restaurant, spa, revenues earned from the rental of any other residence, or incidental revenues, such as charges for pay-per-view movies, telephone usage, room service or other similar fees and charges.

IS THERE A FORMAL RENTAL MANAGEMENT AGREEMENT IF I ELECT TO PARTICIPATE IN THE RENTAL PROGRAM?

Yes, if you elect to participate in the rental program, you will be required to sign a rental management agreement with the developer. You should review that agreement carefully before signing it because it will contain additional terms and conditions not summarized here.

HOW DO I KNOW THAT MY RESIDENCE WILL GET RENTED FAIRLY AND EQUITABLY TO OTHER SUITES?

Your residence will be put into a computerized rotational system to ensure accuracy and fairness in bookings, however. Attention will be given to accommodating guests’ requests for different views, bed arrangements and suite types.

ARE THERE SPECIFIC BLACKOUT DATES THAT I WILL NOT BE ABLE TO USE MY RESIDENCE, I.E. HOLIDAYS?

Yes. It is planned that RockResorts will specify up to 20 Blackout Dates per year, during which you will not be allowed to stay in your residence. Blackout Dates will be designated by the resort manager by October 1st (of the preceding year) for the first full calendar year and by September 1st (of the preceding year) for each calendar year thereafter.

CAN I DESIGNATE OTHER PEOPLE—SUCH AS MY FAMILY MEMBERS, FRIENDS AND BUSINESS ASSOCIATES—TO USE MY RESIDENCE IF I AM NOT STAYING THERE WITH THEM?

Yes, if you comply with the advance reservation requirements and if their stay complies with the terms and conditions of the rental management agreement, including the requirement to pay applicable fees and charges in connection with their stay.

ARE HOUSEKEEPING SERVICES, AMENITIES, LINENS, ETC., PROVIDED WHEN THE RESIDENCE OWNER OR A GUEST OF THE OWNER USES HIS OR HER RESIDENCE?

Yes, whenever the residence is occupied, housekeeping services, linens, towels, hand soaps, shampoos and other sundries will be provided and charged for in accordance with established daily services rates. You can elect not to have housekeeping services during your stay if you prefer, however there is a mandatory check-out housekeeping service funded by a check-out fee.

WHO IS RESPONSIBLE FOR UTILITIES, HOTEL OPERATING EXPENSES, RESERVES AND CONDOMINIUM ASSESSMENTS?

You will be responsible for paying utilities, certain operating expenses, FF&E reserves, and condominium association assessments for your residence.

WHO IS RESPONSIBLE FOR MAINTAINING INSURANCE ON MY RESIDENCE?

You will be responsible for maintaining a general liability insurance policy with appropriate limits, to be specified in the rental management agreement, as well as a policy of fire and extended coverage insurance for the full value of the residence and all furnishings in the residence.

WHO IS RESPONSIBLE FOR TAXES DUE ON MY RESIDENCE?

You are responsible for paying directly all applicable taxes and assessments with respect to your residence. You are also responsible for all income and other taxes imposed by the Dominican Republic or other applicable governmental authority with respect to rental income from the residence.

WILL I HAVE ACCESS TO THE RESORT AMENITIES?

You will have full access to all of the resort’s amenities while occupying your residence, subject only to the normal access or use charges assessed on resort guests. You can also have access to the resort’s amenities outside of times when you’re occupying your residence, provided resort occupancy is below 50%. When occupancy is above 50% and you’re not occupying your residence, you will have access to the resort amenities that are made available to the general public only. This helps the resort provide current guests with a positive experience during their stay.

WHO IS RESPONSIBLE FOR FURNISHING MY RESIDENCE?

A furnishing package that complies with the rental program standard is available for purchase and required upon entry into the rental program. You may also elect to purchase your own furnishings but are still subject to rental program and RockResorts brand standards, which will be outlined within the rental management agreement. You are responsible for maintaining your residence with furniture and housewares within the rental program standard.

IF I REDECORATE MY RESIDENCE AND DO NOT FURNISH IT WITH THE RENTAL PROGRAM DÉCOR, MAY I RE-ENTER THE RENTAL PROGRAM LATER ON?

Yes, however you will need to pay to have your residence decorated to the rental program standards at that time. Certain units not decorated with the rental program décor may be accepted into the rental program at the resort manager’s discretion.

WHAT HAPPENS IF MY RESIDENCE OR THE FURNISHINGS IN MY RESIDENCE ARE DAMAGED?

Repairs for all normal wear and tear to the residence will be paid from the replacement reserve. The resort manager will attempt to collect amounts due from guests for any significant damage to a residence or the furnishings caused by a guest.

WHO CAN BRING PETS TO THE RESORT?

Residence owners and their designated users may bring pets, but resort guests will not be permitted to bring pets.

WILL SMOKING BE PERMITTED IN THE RESIDENCES?

Although we will not prohibit owners from smoking in their units, owners are responsible for maintaining the unit within the rental program standard. RockResorts has the ability to deny certain units from participating in the rental program if the unit does not meet the rental program standard. Smoking will not be permitted in the residences by guests.

HOW OFTEN WILL I RECEIVE A STATEMENT?

You will receive quarterly statements showing a detailed breakdown of all resident activity. Your account activity will be issued with a check or be billed as appropriate.

CAN I PUT PERSONAL ITEMS PERMANENTLY IN MY RESIDENCE, LIKE PICTURES OF MY FAMILY?

If you participate in the rental program, you may keep personal items in your "owner's closet" for use during times of personal occupancy. In order to maintain a "hotel" atmosphere, you cannot vary from the standard furnishings and décor required by the resort or place personal items in sight throughout your residence.

UPON MY DEPARTURE, CAN I CLEAN MY RESIDENCE MYSELF?

So that consistent standards are maintained, only resort management shall provide housekeeping services. Upon your departure, you will be charged a standard check-out fee for these housekeeping services.

WHAT IF A RESORT GUEST DAMAGES THE FURNITURE OR RESIDENCE?

If there is an unusual or extraordinary event, the guest will be charged for damage to the room. Normal wear and tear is to be expected and will be your responsibility. To ensure the highest standard of quality for your residence, replacements will be made from your resident's reserve account at the resort manager's discretion.

WILL I BE ABLE TO TRADE WITH OTHER ROCKRESORTS PROPERTIES AND OR WILL I GET ANY DISCOUNTS?

A formal trade program is being contemplated but has not yet been finalized. However, we do offer discounts for owners within the RockResorts program through our Legendary Lodging Owners' Club.

WHO SHOULD I CONTACT FOR MORE INFORMATION ABOUT THE RENTAL PROGRAM?

Glenn Parker, Balcones Del Atlántico General Manager, is available to work with you.

His email is GParker@balcones.com.do and his direct phone is 809.480.4345.

Nothing herein is intended to be an offer to sell nor a solicitation of offers to buy real estate at Balcones del Atlantico by residents of any jurisdiction where prohibited by law. Further, nothing herein is intended to be a representation of the investment value, the possibility or probability of profit or loss, or the tax consequences which may result from the purchase of a Residential Unit or it's inclusion in any rental program that may be offered at the project. Any reliance by a purchaser as to the possible economic or tax benefit arising from ownership of a Residential Unit is expressly disclaimed and repudiated by developer and manager.





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For a project presentation or a
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