



## The Dwell Fractional Program

This is a general summary of the roles and relationships among the parties that enable the Dwell Fractional Program to fulfill its core mission: providing Owners, their family members, and guests with the personal use and enjoyment of a fully managed, luxury Dwell Fractional Home. This summary is for informational purposes only and is not legally binding.

## Ownership Agreement

Each Owner will enter into an agreement to purchase one or more shares in a company that owns the property. This agreement defines the rights and responsibilities of each Owner, including voting rights, the purchase and sale of shares, and the exceptional services provided to Owners and their guests. It also establishes the relationship among Owners, the Owner Representative (who manages the LLC), and the Program Manager (who handles day-to-day property operations).

## Program Highlights

- **8 Shares** per luxury Dwell Fractional Home
- **Up to 3 Shares** per Owner
- **6 Weeks of Stay** per year per share owned, including **1 Holiday Stay**
- **Single Annual Fee** covering taxes, insurance, maintenance, and upkeep
- **Warranty Coverage** through June 2030 for roof, appliances, pool, hot tub, and HVAC
- **Dedicated Reserve and Operating Accounts** per property
- **Private Owners' Closet** for easy arrivals and departures
- **Defined Exit Requirements** allowing flexible Membership Interest transfers while protecting the ownership group

## Voting Rights

Each share is entitled to one vote on matters requiring Owner input. The Owner, a designated family member, or a representative from their ownership entity may cast the vote. Votes are cast anonymously, but a summary of vote results will be communicated to all owners afterward for transparency.

Owners retain control over the LLC, including the ability to replace the Program Manager or Owner Representative. No single owner may control a majority of shares. Owner privacy is preserved by requiring no direct contact between Owners.

## **Management & Oversight Roles**

### **Owner Representative**

Each LLC has an appointed Owner Representative responsible for:

- Sourcing the Program Manager
- Acting as a single point of contact for all Owners
- Providing reports and updates on the property and financial accounts
- Presenting voting matters to the Owners

### **Program Manager**

The Program Manager oversees daily operations and is accountable to the Owner Representative. Responsibilities include:

- Routine property maintenance
- Turnover cleaning between stays
- Lawn, pool, and hot tub care
- Forecasting and coordinating home upgrades or repairs
- Managing third-party vendors
- Providing financial audits, budgets, and forecasts

## **Exclusive Rental Agreement**

Owners may enter into an exclusive rental agreement with Dwell Vacations to rent out unused Stay Weeks. Dwell Vacations—having managed the property previously—maintains a trusted client base of respectful renters.

To protect the property and Owners' interests:

- Rentals must go through Dwell Vacations only (no Airbnb, VRBO, or other services).
- Owners receive rental income directly from Dwell Vacations, simplifying accounting.
- A standard 6% lodging tax and a 25% booking fee are deducted..
- The 25% booking fee is waived for Owner-to-Owner rentals within the same home.

## Accounting and Budgeting

### Accounts

- **Operating Account:** Covers regular costs like cleaning, maintenance, landscaping, and utilities. Any Flex Stay (non-owner) rental profit is deposited here.
- **Reserve Account:** Used for infrequent large expenses (e.g., roof, appliances). A minimum of 10% of the operating budget must be held in reserve.

Reserve funds may be used temporarily in emergencies but must be replenished by the end of the next fiscal year. Any interest earned remains in the reserve.

### Budgeting & Transparency

Each year, the Program Manager provides:

- A detailed budget of anticipated expenses
- A summary of the Reserve Account
- Any projected special contributions

Owners receive an Annual Report based on official LLC records. Lenders and secured parties may request access.

## **Transfer of Membership Interest**

Ownership transfers are allowed under specific rules designed to protect the ownership group.

### **Permitted Transfers**

- With consent of the Owner Representative (at their discretion)
- Without consent, if:
  - A cash sale is made to a qualified Dwell Fractional buyer
  - The transfer is for estate planning purposes (trust, family LLC, etc.)
  - The transfer is to another current Owner or co-Owner
  - The transfer involves a pledge or security interest allowed by the agreement

### **Prohibited Transfers**

- No partial transfers
- No separation of ownership from responsibilities
- No violation of LLC agreements
- No automatic admission of a new Owner

**New Owner Admission** New Owners must meet all admission requirements before gaining access to the home or services. Once admitted, the previous Owner is released from responsibilities, and the new Owner assumes all liability.

## **Stay Calendar & Scheduling**

Each Share includes:

- Six one-week Stays annually (including one Holiday Stay)
- Each year has a starting share assigned
- Starting share for the year rotates over an 8 year period
- Holiday Stays are assigned first, beginning with the starting share (one per Share)
- Remaining Stays distributed roughly every 8–9 weeks

## **Flex Days**

- 28 days/year used for maintenance or rentals (income goes to the Operating Account)
- No Flex Days from May–November to maximize owner stays in the high season
- No Flex Days during Holidays, except for emergencies

## **Designated Holidays**

- New Year's Day (Week of Dec 30 – Jan 6)
- Martin Luther King Jr. Day
- President's Day
- Memorial Day
- Independence Day (July 4 observed by whoever is in residence that evening)
- Labor Day
- Thanksgiving (Stay starts Tuesday before Thanksgiving)
- Christmas (Stay begins December 23)

Flex Days may be used to adjust around major Holidays to maintain normal turnover schedules.

## **Owner Rental Perks & Stay Swaps**

- Owners may rent unused Stay Weeks exclusively via Dwell Vacations
- Other Owners will be notified of available rentals
- 25% booking fee waived for Owner-to-Owner rentals in the same home
- Owners receive a 10% discount on rentals at other Dwell Vacation properties

## **Stay Swaps**

- Coordinated by the Owner Representative



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- High Season/Holiday Stays can be swapped one-to-one with another of the same type
  - Off-Season Stays can be swapped with other Off-Season Stays
  - Complex trades are permitted with mutual consent
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**Sample Calendar** (See Appendix A: 2025 Owner Stay Calendar with Holiday Assignments)

**Dwell Fractional Program Diagram** (See Appendix B: Diagram of Relationships Between Owners, Owner Representative, Program Manager, and Dwell Vacations)

## Appendix A: 2025 Owner Stay Calendar with Holiday Assignments

Year	Share	Start	End	Holiday Name	Notes
2025	1	Mon, Dec 30, 2024	Mon, Jan 06, 2025	New Year's Day	
2025	0	Mon, Jan 06, 2025	Tue, Jan 07, 2025	flex	
2025	4	Tue, Jan 07, 2025	Tue, Jan 14, 2025		
2025	2	Tue, Jan 14, 2025	Tue, Jan 21, 2025	Martin Luther King Jr. Day	
2025	5	Tue, Jan 21, 2025	Tue, Jan 28, 2025		
2025	6	Tue, Jan 28, 2025	Tue, Feb 04, 2025		
2025	7	Tue, Feb 04, 2025	Tue, Feb 11, 2025		
2025	3	Tue, Feb 11, 2025	Tue, Feb 18, 2025	Presidents Day	
2025	8	Tue, Feb 18, 2025	Tue, Feb 25, 2025		
2025	0	Tue, Feb 25, 2025	Tue, Mar 04, 2025	flex	End of 1st block
2025	1	Tue, Mar 04, 2025	Tue, Mar 11, 2025		
2025	2	Tue, Mar 11, 2025	Tue, Mar 18, 2025		
2025	3	Tue, Mar 18, 2025	Tue, Mar 25, 2025		
2025	4	Tue, Mar 25, 2025	Tue, Apr 01, 2025		
2025	5	Tue, Apr 01, 2025	Tue, Apr 08, 2025		
2025	6	Tue, Apr 08, 2025	Tue, Apr 15, 2025		
2025	7	Tue, Apr 15, 2025	Tue, Apr 22, 2025		
2025	8	Tue, Apr 22, 2025	Tue, Apr 29, 2025		
2025	0	Tue, Apr 29, 2025	Tue, May 06, 2025	flex	End of 2nd block
2025	1	Tue, May 06, 2025	Tue, May 13, 2025		
2025	2	Tue, May 13, 2025	Tue, May 20, 2025		
2025	4	Tue, May 20, 2025	Tue, May 27, 2025	Memorial Day	STOP flex
2025	3	Tue, May 27, 2025	Tue, Jun 03, 2025		
2025	5	Tue, Jun 03, 2025	Tue, Jun 10, 2025		
2025	6	Tue, Jun 10, 2025	Tue, Jun 17, 2025		
2025	7	Tue, Jun 17, 2025	Tue, Jun 24, 2025		
2025	8	Tue, Jun 24, 2025	Tue, Jul 01, 2025		End of 3rd block

Year	Share	Start	End	Holiday Name	Notes
2025	5	Tue, Jul 01, 2025	Tue, Jul 08, 2025	Independence Day	
2025	1	Tue, Jul 08, 2025	Tue, Jul 15, 2025		
2025	2	Tue, Jul 15, 2025	Tue, Jul 22, 2025		
2025	3	Tue, Jul 22, 2025	Tue, Jul 29, 2025		
2025	4	Tue, Jul 29, 2025	Tue, Aug 05, 2025		
2025	6	Tue, Aug 05, 2025	Tue, Aug 12, 2025		
2025	7	Tue, Aug 12, 2025	Tue, Aug 19, 2025		
2025	8	Tue, Aug 19, 2025	Tue, Aug 26, 2025		End of 4th block
2025	6	Tue, Aug 26, 2025	Tue, Sep 02, 2025	Labor Day	
2025	1	Tue, Sep 02, 2025	Tue, Sep 09, 2025		
2025	2	Tue, Sep 09, 2025	Tue, Sep 16, 2025		
2025	3	Tue, Sep 16, 2025	Tue, Sep 23, 2025		
2025	4	Tue, Sep 23, 2025	Tue, Sep 30, 2025		
2025	5	Tue, Sep 30, 2025	Tue, Oct 07, 2025		
2025	7	Tue, Oct 07, 2025	Tue, Oct 14, 2025		
2025	8	Tue, Oct 14, 2025	Tue, Oct 21, 2025		End of 5th block
2025	1	Tue, Oct 21, 2025	Tue, Oct 28, 2025		
2025	2	Tue, Oct 28, 2025	Tue, Nov 04, 2025		
2025	0	Tue, Nov 04, 2025	Tue, Nov 11, 2025	flex	START flex
2025	3	Tue, Nov 11, 2025	Tue, Nov 18, 2025		
2025	4	Tue, Nov 18, 2025	Tue, Nov 25, 2025		
2025	7	Tue, Nov 25, 2025	Tue, Dec 02, 2025	Thanksgiving	
2025	5	Tue, Dec 02, 2025	Tue, Dec 09, 2025		
2025	6	Tue, Dec 09, 2025	Tue, Dec 16, 2025		
2025	0	Tue, Dec 16, 2025	Tue, Dec 23, 2025	flex	
2025	8	Tue, Dec 23, 2025	Tue Dec 30 2025	Christmas	End of 6th block



## Appendix B: Diagram of Relationships Between Owners, Owner Representative, Program Manager, and Dwell Vacations

