



Boat slips are being sold on renewable 99 year long-term leases that can be re-sold or sublet.

Five Easy Steps To Secure Your Slip:

1. Print the attached Application and Lease.
2. Call Jim Frizzell at 406-270-1246 to check boat slip availability and pricing.
3. Fill in the Application and Lease Form with signature.
4. Include the appropriate deposit check made payable to Insured Titles for your earnest money.
5. Send all to Frontier Mgt, LLC, PO Box 136, Bigfork, MT 59911

We look forward to seeing you on the water!

HIDDEN HARBOR MARINA
SLIP LEASE APPLICATION

PERSONAL INFORMATION:

Date: _____ Slip # (if known): _____
Name: _____ Drivers License #: _____
Address: _____ Social Security #: _____
City: _____ Zip: _____ Phone # (h): _____
E-mail: _____ Phone # (c): _____
Spouse: _____ Phone # (w): _____
Children's names: _____ Partners in Boat? If so, list names: _____
Occupation: _____ Employer: _____ # Yrs: _____
Address: _____ City: _____ Zip: _____

VESSEL INFORMATION:

Owner / Lienholder: _____ Telephone #: _____
Address: _____ City: _____ Zip: _____
Insurance Co.: _____ Policy No.: _____
Address: _____ Telephone No.: _____
City: _____ Zip: _____ Make & Model: _____
Vessel Name: _____
Registration #: _____
Length Overall (including railings, swim platforms, and other appendages): _____ feet

VEHICLE INFORMATION:

Vehicles to be parked at Marina (make, model/year/license no):
#1: _____ #2: _____

FINANCIAL INFORMATION AND REFERENCES:

Bank: _____ Branch / Contact: _____
Account #: _____ Telephone #: _____

PERSONAL REFERENCES:

Name: _____ Relationship: _____ Tel #: _____
Name: _____ Relationship: _____ Tel #: _____

The information on this Application is true and correct to the best of my knowledge. I hereby authorize Hidden Harbor Marina, or its management agent, to verify the above information and obtain a consumer credit report if needed. A tenant must provide a copy of the boat title and registration, proof of insurance naming Frontier Mgt, LLC as an additional insured, and a recent photograph of the boat.

Print Name of Applicant

Signature of Applicant

Date

HIDDEN HARBOR MARINA
SLIP LEASE (LONG TERM)

LEASE dated _____, 20____, by and between the following:

FRONTIER MGT. LLC, a Minnesota limited liability company,
whose mailing address is P.O. Box 136, Bigfork, Montana 59911,
hereinafter referred to as "Lessor."

and

hereinafter referred to as "Lessee."

FOR VALUABLE CONSIDERATION, it is agreed:

1. Description of Leased Property. Lessor does hereby lease to Lessee the following boat slip located in the Hidden Harbor Marina (the "Marina") situated in Lake County, Montana, which is more particularly described as follows (the "Boat Slip"):

Boat Slip No. _____, Hidden Harbor Marina.

2. Term. The initial term of this Lease shall be for a period of approximately ninety-nine (99) years commencing on the date of complete execution of this Lease and terminating at midnight on November 1, 2107, subject to the renewal option set forth in paragraph 3.

3. Renewal Option. The parties agree that if Lessee shall, during the Lease term, well and faithfully complete all of the covenants and conditions contained in this Lease, Lessor, at the option of Lessee, shall renew this Lease at the expiration of the lease term for one additional ninety-nine (99) year extension term under the same terms and conditions as the primary term. Lessee shall provide Lessor written notice of its intention to renew one (1) year prior to termination of the initial term.

4. Rent. Lessee shall pay to Lessor, on or before the Closing Date, the sum of \$ _____ U.S., as prepaid rent for the full term of this Lease. Upon renewal of this Lease for the additional term of ninety-nine (99) years, Lessee shall pay to Lessor, the sum of \$1,000 U.S., to cover administrative costs and as prepaid rent for the full term of the extension term.

5. Earnest Money and Payment at Closing. Rent shall be paid as follows:

(a) \$ _____ earnest money (equal to 20% of the rent) (the “Earnest Money”) shall be paid to and held by the Closing Agent (defined below) and applied towards the total rent due hereunder;

(b) The balance of the rent in the amount of \$ _____ (80%) shall be paid to the Closing Agent in cash or certified funds on the Closing Date (defined below); and

(c) Lessee shall also pay \$300 to the Closing Agent as Lessee’s dues for the Hidden Harbor Association covering this season (discussed below).

6. Closing. Closing shall be held on or before _____, 20__ (“Closing Date”) at the office of Insured Titles of Bigfork, Montana (“Closing Agent”), unless otherwise mutually agreed by the parties. Closing fees, which do not include attorney fees and costs of the parties, shall be shared equally by Buyer and Seller.

7. Occupancy. Notwithstanding the long-term nature of this Lease, the Boat Slip shall only be occupied by Lessee from May 15 to November 1 of each year. The parties acknowledge and agree that weather and water level conditions may result in boating season beginning and ending on dates other than those provided above and that the permitted occupancy dates may vary accordingly. In such event there shall be no adjustment of rent or Association dues. Lessor shall notify Lessee if the permitted occupancy dates differ from those provided above. Lessor reserves the right to temporarily adjust slip assignments due to situations beyond its control; i.e. weather conditions, low lake levels, mechanical or structural problems, emergencies, etc.

8. Hidden Harbor Association. Lessee understands and acknowledges that upon execution of this Lease, Lessee shall automatically become a member of the Hidden Harbor Association, a Montana non-profit corporation (the “Association”). Lessee further acknowledges that the use of the Boat Slip shall be governed by the Association’s documents. Lessee understands and acknowledges that Lessee shall be subject to annual, special, and default assessments under the association documents. Lessee further acknowledges that the annual assessment (currently \$300) will be due and payable April 15th of each year and that the 2009 annual assessment will be paid at the closing as described above. Lessee acknowledges receipt and agrees to be bound by the following association documents (the “Association Documents”):

- (a) Articles of Incorporation;
- (b) Bylaws;
- (c) Covenants, Conditions, Restrictions, and Easements; and
- (d) Rules and Regulations (most current edition).

9. Rules and Regulations. Lessee acknowledges and understands that the Rules and Regulations of the Association will be periodically updated and amended to reflect current management and Association needs and member input. Lessee shall be bound by any such amended Rules and Regulations to the same extent as the original Rules and Regulations.

10. Easements. Lessee shall be provided certain easements and/or licenses to use Marina property such as the private roadways, parking lots, rest rooms, facilities and the like.

The specific details of such easements and/or licenses are set forth in the Covenants, Conditions, Restrictions and Easements for the Hidden Harbor Marina.

11. Parking. Lessee shall only park his or her watercraft trailer on Marina property for limited periods of time during the launching and/or loading of Lessee's watercraft. Further rules, restrictions, and requirements related to parking are set forth in the Rules and Regulations.

12. Electricity and Water. Lessor shall provide an electrical outlet for the Boat Slip. Lessor shall provide water spigots at central locations for use by all of the lessees. Lessee may use reasonable quantities of electricity and water for use in connection with Lessee's watercraft. Lessor reserves the right to set reasonable limits on such use and surcharge Lessee for any usage in excess of such limits. Further rules, restrictions, and requirements relating to electrical and water usage are set forth in the Rules and Regulations.

13. Storage and Obstruction of Docks. Lessee shall store all dinghies and all other personal property aboard his or her watercraft and not on the docks or in the water. Lessee shall keep all docks and walkways clear from obstructions of any kind.

14. Fishing. There shall be no fishing on Marina property at any time. Fish will be cleaned only at the fish cleaning facility provided, if such a facility is provided. Further rules, restrictions, and requirements related to fishing and fish cleaning are set forth in the Rules and Regulations.

15. Keys. Lessee may, at Lessee's option, provide Lessor with a set of ignition and main door keys to Lessee's watercraft. Lessor shall enter Lessee's watercraft only for emergency services or for slip maintenance purposes.

16. Commercial Endeavors. Lessee understands and acknowledges that the Marina is a commercial endeavor of Lessor and, therefore, Lessee hereby agrees to refrain from any commercial activity competitive with the interest of Lessor on Marina property. In that regard, without the prior written consent of Lessor:

- (a) Yacht or watercraft brokers are prohibited from showing or demonstrating watercraft within the confines of the Marina;
- (b) Private parties are entitled to negotiate the private sale of watercraft but "for sale" signs shall not be displayed on watercraft within the Marina;
- (c) Watercraft rental operations are prohibited; and
- (d) Commercial touring or fishing charter operations are prohibited.

If Lessor approves commercial operations, such operations will be subject to special assessments and regulations adopted on a case-by-case basis. Additional rules, restrictions, and requirements related to commercial operations are set forth in the Rules and Regulations.

17. Compliance with Law. Lessee covenants and agrees that the Boat Slip and Marina property shall not be used in violation of any law, statute, ordinance or regulation of any political subdivision or any deed restriction of record.

18. Insurance.

(a) Lessor may obtain and maintain during the term of this Lease fire and extended casualty insurance against injury to the docks and related Marina improvements. Lessee understands and acknowledges that the Association will be obligated to reimburse Lessor for a pro rata portion of such taxes attributable to the portion of the Marina occupied by the Association's members and that Lessee shall be obligated to pay a portion of such insurance costs via his or her Association dues. The allocation formulas and further details about the required payments are set forth in the Association Documents.

(b) Lessee shall obtain and maintain during the term of this Lease general liability insurance against injury or damage to person and property in the amount of at least \$300,000. Such amount shall be indexed for inflation every ten (10) years commencing on January 1, 2018 based on the Consumer Price Index or an equivalent index. Lessor shall provide written notice to Lessee of the indexed amount of insurance required. Lessor's choice of index and determination of the indexed amount shall be final and binding on Lessee.

(c) Lessee shall obtain and maintain during the term of this Lease watercraft casualty insurance covering the actual cash value (replacement cost less depreciation) of Lessee's watercraft.

(d) All of the insurance that Lessee shall obtain and maintain shall name both the Lessor and the Association as additional insureds and shall be carried with an insurance company qualified to do business in the State of Montana. Lessee will provide Lessor with certificates attesting to the insurance coverage. Lessee will obtain from all of the companies providing the insurance described above, a waiver of any right of subrogation the insurance company may have against Lessor and Association.

(e) Lessor will take all reasonable precautions to protect the safety of and property of Lessee. However, Lessor assumes no responsibility for the safety of any watercraft moored in the Marina and shall not be liable for fire, theft, damage, or vandalism to Lessee's watercraft, its equipment, appurtenances, engines (including outboard engines), dinghies, trailers, etc., however arising, it being understood and agreed that Lessee shall moor the watercraft at Lessee's own risk.

19. Maintenance.

(a) By Lessee. Lessee shall maintain and keep his or her watercraft in good condition and shall not let the appearance of such watercraft deteriorate to become unsightly or a detriment to the Marina or fellow lessees. All maintenance of watercraft shall take place in accordance with the rules, restrictions, and requirements set forth in the Rules and Regulations.

(b) By Lessor. Lessor shall maintain and repair the common areas and Marina facilities against damage caused by normal wear and tear.

20. Damage.

(a) Lessee shall be liable for all damage to the Boat Slip and docks caused by Lessee or Lessee's agents, invitees, or guests by other than normal wear and tear.

(b) Lessee shall be liable for all damage which Lessee's watercraft may cause, by any means, to other watercraft in the Marina or to the Marina structures, equipment, or facilities.

21. Salvage.

(a) Sunken Watercraft. In the event that Lessee's watercraft, or any watercraft operated by or within the control of Lessee, sinks within the Boat Slip or the Marina, Lessee will commence salvage activities within twenty-four (24) hours of notice by Lessor that such sinking has taken place. Failure to commence such salvage action within the prescribed time shall give Lessor the right to salvage the watercraft and Lessee shall reimburse Lessor for all expenses incurred in salvaging the watercraft. Lessor shall not claim salvage rights on any action that might be so taken.

(b) Emergency Salvage. In the event Lessee's watercraft, or any watercraft located with the Boat Slip or the Marina which is operated by or controlled by Lessee, is observed to be sinking or on fire while moored, Lessee grants to Lessor, without recourse, the right to attempt salvage and take whatever measures Lessor deems appropriate and Lessee shall reimburse Lessor for all expenses incurred in salvaging the watercraft. Lessor shall not claim salvage rights on any action that might be so taken.

22. Lien. Upon an Event of Default (defined below) which remains uncured for thirty (30) days after written notice thereof, Lessee hereby grants to Lessor a security interest and an express lien upon Lessee's watercraft, its equipment, furnishings, and other appurtenances, to secure all sums due under this Lease, including attorney's fees and costs, and to secure all sums due for provisions, labor, storage, maintenance, and fuel provided by Lessor. Lessor reserves the right to file a financing statement with both the Montana Secretary of State's office and the Lake County Clerk and Recorder's office evidencing its security interest and lien in the watercraft. The lien may be enforced by Lessor according to the laws of the State of Montana, as well as pursuant to the maritime laws and customs of the United States of America. Furthermore, upon an Event of Default remaining uncured for thirty (30) days, Lessee extends a license to Lessor to board the watercraft to remove any machinery, equipment, fuel, or other material Lessor provided or installed. The license is coupled with an interest and shall not be revoked.

23. Property Taxes. Lessor shall pay directly to the Lake County Treasurer all real and personal property tax assessments on the Marina and the boat slips constructed thereon. Lessee understands and acknowledges that the Association shall be obligated to reimburse Lessor for a pro rata portion of such taxes attributable to the portion of the Marina occupied by the Association's members and that Lessee shall be obligated to pay a portion of such taxes via

his or her Association dues. The allocation formulas and further details about the required payments are set forth in the Association Documents.

24. Indemnification. Lessee agrees to indemnify and hold Lessor, its officers, its members, its agents, and its employees harmless from any loss, liability, demand or claim of any kind or nature, including attorneys' fees and costs, for injury to person or property, arising out of or as a result of the Lessee's (including Lessee's family, employees, agents, guests, or invitees including business invitees) use or possession of the Boat Slip, the Marina facilities or property, or Lessee's breach of any of the terms of this Lease. Lessee further agrees to indemnify and hold Lessor, its officers, its members, its agents, and its employees harmless from any loss, liability, demand or claim of any kind or nature, including attorneys' fees and costs, arising out of or as a result of environmental damage caused by a discharge, whether voluntary or accidental, of hazardous materials from Lessee's watercraft or any watercraft operated or controlled by Lessee.

25. Right of Entry. Lessor shall have the right to enter the Boat Slip (and associated dock system) at reasonable times to inspect the same.

26. Liens and Encumbrances. Except for Liens placed for the purpose of financing the acquisition of the boat slip, Lessee covenants and agrees not to cause or suffer any liens or encumbrances to be placed against or upon the Boat Slip due to any act or omission by Lessee, and in the event that any lien or encumbrance is placed of record, Lessee will use diligence to cause the same to be removed at Lessee's expense.

27. Waiver. The waiver by Lessor of any breach of any terms, covenants or conditions herein contained shall not be deemed to be a waiver of the term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. No covenant, term or condition of this Lease shall be deemed to have been waived by Lessor, unless the waiver is in writing by Lessor.

28. Attorney's Fees. Should either party incur any costs or expenses, including reasonable attorneys' fees, in enforcing any of the provisions of this Lease, then the other or unsuccessful party shall reimburse the prevailing party upon demand.

29. Notice. Any notice to be given under this Lease shall be in writing and shall either be served upon a party personally, or served by registered or certified mail, return receipt requested, directed to the party to be served at the addresses of the party set forth on the first page of this Lease. A party wishing to change its designated address shall do so by notice in writing to the other party. Notice served by mail shall be deemed complete when deposited in the United States mail, postage prepaid. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice.

30. Time. Time of payment and performance shall be of the essence of this Lease.

31. Entire Agreement. Except for the Association Documents described above in Section 8, this Lease contains the entire agreement and understanding of the parties, and

supersedes any and all prior negotiations and understandings. This Lease shall not be modified, amended or changed in any respect except by written document signed by all parties hereto.

32. Interpretation. If any portion of this Lease shall be held to be void and unenforceable, the balance thereof shall nonetheless be effective. This Lease has been made and entered into in the State of Montana and shall be governed by the laws of the State of Montana.

33. Headings. The headings used herein are for convenience only, and shall not be construed as a part of this Lease or as a limitation on the scope of the particular paragraphs to which they refer.

34. Binding Effect. This Lease shall be binding upon and shall inure to the benefit of the heirs, legal representatives, successors and assigns of the parties.

35. Recording. Lessor shall prepare an abstract of this Lease and shall record the same with the Lake County Clerk and Recorder's office. Lessee agrees to execute such abstract so that it may be recorded.

36. Assignment.

(a) By Lessee. Lessee shall have the right to assign its leasehold interest in this Lease. Lessee shall provide Lessor thirty (30) days advance written notice of intent to assign its leasehold interest. No such assignment shall be effective without the required notice and until the assignee prepares and submits an Assignee Application similar to the Slip Lease Application which provides personal and watercraft information. Upon an assignment of the Lease by Lessee and upon assumption of the Lease by the designated assignee, the original or assigning Lessee shall be released from all obligations and duties under this Lease arising subsequent to the date of assignment and assumption.

(b) By Lessor. Lessor shall have the unrestricted right to assign its interest and or certain rights, responsibilities and duties in this Lease to the Association or any other party.

37. Sublease. Lessee shall provide Lessor thirty (5) days advance written notice of intent to sublease the Boat Slip. No such sublease shall be effective without the required notice and until the sublessee prepares and submits a Sublessee Application, providing personal and watercraft information, and proof of insurance.

38. Default. The occurrence of any of the following shall constitute an Event of Default hereunder:

(a) Lessee shall fail to pay any annual, special, or default assessment of the Association, within thirty (30) days after written notice by Association of such non-payment;

(b) Lessee shall otherwise fail to comply with the Association Documents, within thirty (30) days after written notice by Association of such non-compliance;

(c) Lessee shall fail to pay for any provisions, services, labor, materials, or fuel provided by Lessor or Association within thirty (30) days after written notice by Lessor of such non-payment; or

(d) Lessee shall fail to pay any other sums provided for herein or to observe or perform any of the obligations of Lessee provided for herein within thirty (30) days after written notice of such default; provided, however, that if any term, covenant or agreement is such that non-performance or non-observance thereof cannot be corrected within such 30-day period, the non-performance or non-observance shall not constitute a default hereunder if corrective action is instituted by Lessee within such period and diligently pursued to correction.

39. Remedies for Default. If an Event of Default occurs, Lessor may resort to any and all legal remedies or combinations of remedies which Lessor may desire to assert including, but not limited to one or more of the following:

(a) Lessor may, at Lessor's option, cure such default on behalf of Lessee, in which event Lessee shall be liable to Lessor on demand for all sums paid to effect such cure, together with interest at the rate of eight percent (8%) per annum; and

(b) Without canceling this Lease, sue for payments due and to become due under the Lease, or for damages sustained by Lessor; and

(c) Pursue specific performance of this Lease; and

(d) Upon providing Lessee ninety (90) days additional written notice and upon Lessee's failure to cure the default during such ninety (90) day period, subject to the rights of any secured creditor of Lessee, declare this Lease canceled, whereupon Lessee shall be relieved of any further liabilities or obligations hereunder from and after the date of such cancellation, except with respect to sums due or accrued prior to said date of cancellation and other liabilities or obligations that specifically survive termination of this Lease.

40. Corporations, Partnerships, & LLCs. If Lessee is a corporation, partnership, or limited liability company, the principals of such entity (those owning 10% or more of such entity) personally guaranty this Lease and shall execute the Personal Guaranty attached hereto as Exhibit "A."

41. Delegation to Association. Lessor reserves the right to delegate certain management duties, responsibilities, and rights to the Association. In the case of such delegation, the Association may exercise the rights provided herein to Lessor that are required to carry out the associated function.

IN WITNESS WHEREOF, the parties have executed this Lease on the date first above written.

FRONTIER MGT. LLC

Jim L. Frizzell, Managing Member

“Lessor”

Signature of Lessee

Printed Name of Lessee

Signature of Lessee

Printed Name of Lessee

“Lessee”

EXHIBIT A
PERSONAL GUARANTY

Note: This form is to be used only if Lessee is a corporation, partnership, or LLC:

The undersigned, _____ and _____, personally, unconditionally, and jointly and severally, guaranty the performance of Lessee.

DATED: _____, 200 ____.

Signature of Guarantor

Printed Name of Guarantor

Signature of Guarantor

Printed Name of Guarantor