



CHARTER MANAGEMENT PROGRAM



OWN A SAILBOAT IN A FRESHWATER PARADISE

We've been making boat ownership affordable and easy for over 30 years. Enroll in Charter Management and let revenues greatly offset the cost of ownership. We can also arrange maintenance schedules for your boats not in our charter program.



CHARTER MANAGEMENT PROGRAM

TRAVERSE CITY, MI

- PAY NO SALES TAX WHEN YOU PURCHASE
- LITTLE TO NO OPERATING EXPENSE
- TAKE ADVANTAGE OF TAX BENEFITS
- ENJOY AMPLE SAILING TIME

AVERAGE SAVINGS
\$80,000
OVER 3 YEARS

When my husband and I decided to buy a new sailboat, we had to consider all the extraneous costs-slip fees, insurance, upkeep, winterization, launch fees, winter storage. It really adds up. Especially considering we have only so much vacation time, so the boat would be sitting at the dock most summer days. It was hard to justify, not to mention to afford our dream boat.

Thankfully, a friend suggested the Great Lakes Sailing Co. Having a boat in their charter fleet is the best of both worlds - we get the sailing time we want, on our own boat, without all the work and upkeep. Dave and Kristen and the staff take care of everything! Best of all, the partnership has made it much more affordable. Even in a short sailing season, the revenues greatly offset the cost of ownership and we still get ample use time on our boat.

Being a dealer made the process convenient and their years of sailing experience were invaluable as they guided us through the process of choosing the right boat, sharing the pros and cons of various options, and outfitting it with the proper safety equipment. The first time we saw our new boat it was ready to sail!

Dave went above and beyond, spending the time to make sure we knew our boat, top to bottom, and that everything was exactly as we wanted. They even went sailing with us, training us and our friends on all the safety features, and, of course, to practice docking.

Our biggest concern at first, though, was having strangers sail our boat, but we quickly came to trust that our investment is in good hands. At Great Lakes Sailing Co. they vet every charterer to be sure they are competent and qualified. Most people who charter from them are repeat customers. Many attended their sailing school and they've known them for years. That's the benefit of partnering with a company that offers this range of sailing services. If a charterer needs a refresher for docking, anchoring or any aspect of cruising, Great Lakes Sailing Co. has 12 licensed captains on staff to ensure they are comfortable and confident before starting their charter. And this is above and beyond the standard screening and charter briefing.

Sure, we've had some gorgeous, sunny days when we would have liked to be out sailing, but the trade off is immeasurable. Our experience so far with Great Lakes Sailing Co. has been nothing short of fantastic! They are true professionals, but more importantly, they've made us feel like part of the family.

Kim B. "Priorities"





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OUR BOAT OWNERS

Each year we typically have over 20 boats in our charter management program that are owned by individuals who live all over the country. Our owners have a common interest:

- They want to arrive and go cruising without having to spend valuable time cleaning, outfitting, maintaining and troubleshooting. They have the comfort of knowing that their boats have been well prepared for their arrival and they can call on us 7 days a week for support anywhere they cruise.
- They want charter revenues to greatly offset the costs of ownership. Some of our owners take an active role in charter management which enables them to take advantage of tax benefits. Others have a hands-off approach and like to just show up and sail!
- They understand that a boat in our fleet might not generate the revenues that a southern based fleet could generate but they also know that their boats will look pristine for years and years and will retain a much higher resale value than a boat from a southern charter fleet. Basically, when it's time for the owner to go cruising, our owners know that their boats will be in top condition and ready to sail away.



Ever feel guilty about not using your boat as much as you initially thought you would? Realistically, most boat owners don't use their boats nearly as much as they first anticipate. Our management program offers ample owner's use time, usually beyond what they can actually use. And when the owner isn't using it, the boat generates revenues. No more "boat owner guilt" for not being able to use your boat!





CHARTER MANAGEMENT PROGRAM

TRAVERSE CITY, MI

WHY WAIT?

WAITING FOR RETIREMENT?

The best time to buy a boat is 3-5 years away from retirement. **New boat prices increase 2-4% per year, every year.** If you're leaving your money in investments until retirement, keep in mind that every year you wait is like losing 2-4% per year.

Enrolling in charter management means that you don't pay sales tax. **This is an additional 6% savings.** Plus, even though you may be limited in your available sailing time, you can still sail your boat and it will be working for you when you're not using it. **This saves the average boat owner (38') about \$80,000 over 3 years.** So by the time you're ready to retire you will thoroughly know your boat, your boat will be in top condition, and the best part is that you saved a significant part of your nest egg.

TOO BUSY?

That's exactly why most of our fleet owners sign up for charter management. They are too busy to maintain a boat but love to sail. Systems checks, routine cleanings, haul out, storage, winterization, launch, buff and wax... no worries, we got it. We'll take care of the boat, your job is to show up and go sailing. And if you can't make it up to use your boat, rest easy knowing your boat is working for you.

NEW TO SAILING OR NEED A REFRESHER?

Every boat we sell comes with the support of our award-winning sailing school. You'll get far more than just a familiarization of your new boat. We'll work with you and your family all season and beyond to ensure you're confident and capable of handling your new boat. This goes beyond basic sailing and into passage making, heavy weather tactics, docking, crew training, safety, maintenance and upkeep. Basically, if you are interested and want to learn it, we have the right people on staff to help.

CONSIDERING A USED BOAT?

The cost of owning a new boat may be about the same as a used boat when you consider that you'll have little to no operating expenses with charter management. Plus, lenders usually extend much better terms on new boats. If you currently have a boat, we offer very competitive trade-in values towards a new boat.





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WHY GREAT LAKES SAILING CO.?

IN-HOUSE MAINTENANCE

We are not like the charter giants in the industry. We have a midsize fleet of boats and we know our boat owners personally. We care for your boat as if it were our own and we understand that our boat owners are our best reference. Our boats are very well maintained, and we are proud to use any of the boats in our fleet as a testament to our quality standards.

Nearly all maintenance and repairs to our boats are done in-house. We have a very capable staff of boat technicians that specialize in engine, electrical, rigging and fiberglass repair. By keeping things in-house, we get to know your boat very well. This is the only way for us to stay proactive and ensure that our owners and charterers have the best experience possible.

THE BENEFITS OF FRESH WATER

There's a plus side to a short charter season in the Great Lakes: our boats stay remarkably pristine for years and years. In southern climates, the tropical sun and saltwater have a harsh effect and the boats can appear worn out after just five years of chartering. This is why many southern fleets retire boats after just five years. This is not the situation on the Great Lakes. Our fleet enjoys the benefits of fresh water and less intense UV rays and we're happy to renew your charter management contract. We welcome you to come up and see the difference for yourself and inspect any of our charter boats, especially the ones that have been with us 15-20 years!



RESALE VALUE

Southern fleets may offer better revenues because they will charter your boat 10-12 months a year. The reality is that your boat will depreciate in value considerably. When it's time to sell, your boat will compete with many other identical models in the same southern market. The initial financial incentive that southern companies offer (such as guaranteed monthly income) is mitigated when the boat is valued 20% less because of the condition. Our boats hold their value and compare well against boats that have never been in a charter program.

WE'LL PROTECT YOUR INVESTMENT

Your boat will be in excellent condition for years and years. The rig, engine, electrical, interior and every component of our fleet boats are constantly monitored, and the boats undergo systems checks and a thorough cleaning between every charter and before owners arrive. Our cleaning standards are well beyond a typical boat owner's. Under the floorboards, in the engine room, behind the settee, bottom of the cockpit lockers... dirt and mold can't hide from us!





CHARTER MANAGEMENT PROGRAM

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NO SURPRISES PRICING

The price you see includes everything. And we mean everything. Including all the extras that you need to make it a practical cruising boat. What you get is:

- A well optioned new boat
- Trucking (freight)
- Commissioning (offloading, bottom paint, woodwork treated, mast stepped, rigged, launched and systems tested)
- Sea Trial then final rig tune
- In-house inspections and state charter inspections
- Domestic and galley gear
- Safety and navigational gear
- Extensive training for you by our ASA certified captains
- Optional extensive training on mechanicals and boat systems by our boat techs
- Your new boat, floating at our docks, looking great and ready to sail!

Equipment Included when purchasing for charter management:

- Adult Type I PFDs
- Child Type I PFDs
- Fire Extinguishers
- Fenders 10x26
- Primary Anchor w/ ground tackle
- Secondary Anchor
- Mattress Covers for each bed
- 50' Shore Cord
- 25' Shore Cord
- 6 Dock Lines - three strand nylon - 5/8, 35' each
- Engine Spare Kit - (belts, impeller, filters)
- Dinghy – 11' PVC Inflatable
- Chart Chip for Plotter
- 40' Jackline (optional)
- 50' Jackline (optional)
- Air Horn
- Boat Hook
- C-Lights
- Coastal 100 Binoculars
- Deck Brush
- Divider
- First Aid Kit
- Flag Halyard
- Flares
- Galley - pots, pans, utensils and flatware
- Hand Bearing Compass
- Heater - electric, fireproof
- Horn Refills
- Lewmar Handles
- Lg. Harness (optional)
- Life Sling
- Maptech Chart Book - West Lake Erie
- Parallel Rules
- Propane Grill Mount
- Propane Grill w/ Regulator
- Radar Reflector
- Rescue Tape
- Strobe w/line
- Tether (optional)
- Tool Kit
- Type IV
- Wood Plugs





CHARTER MANAGEMENT PROGRAM

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CHARTER MANAGEMENT OPTIONS

For new boats sold into our charter management program we offer two management options – a Revenue Share Option and a No Expenses Option:

1. REVENUE SHARE OPTION:

- a. Pay no sales tax. This immediately saves you 6% on the purchase. GLSC collects use tax each time your boat charters so your tax liability is being met.
- b. The owner receives 50% of the charter revenues and the owner incurs all expenses (insurance, dockage, maintenance, etc.). In most cases, the revenues are equal or greater than the expenses.
- c. Eligible for section 179 and active income tax advantages.
- d. Flexible owner use.
- e. This option offers potential for the owner to receive revenues higher than projected but is also more volatile to economic trends and revenues can be lower than projected. The owner shares in the risk and reward.

With this option, owners may use their boats whenever they choose with only a few exceptions and suggested guidelines. We have owners who reserve prime weeks in the summer for themselves and other owners who use their boats in May, early June or later September to maximize the income potential during the prime season.

Possible Tax Benefits for Revenue Share

If your boat is owned and operated as a business, interest from the loan may be deductible as a business expense and the boat/business may be eligible for certain depreciation allowances that can produce tax advantages such as Section 179. Other costs such as dockage, repairs and parts may also be deductible as business expenses. Owners should check with an accountant to make certain they qualify, and the boat should be operated as a business. We can recommend CPAs that are versed in this particular tax law

2. NO EXPENSES OPTION:

- a. Pay no sales tax. This immediately saves you 6% on the purchase. GLSC collects use tax each time your boat charters so your tax liability is being met.
- b. Great Lakes Sailing Co. pays most expenses other than the bank payments, and GLSC receives 100% of the revenues.
- c. Ample owner use is allowed – one week per month can be reserved anytime in advance plus unlimited short-term use with short notice (4-5 days prior) if the boat is available.
- d. GLSC covers all routine maintenance. Owner pays for repairs that are not covered under warranty. On new boats, this isn't a significant expense for the owner.
- e. The benefit of this option is that it's very predictable for financial planning.

The No Expenses option is the most hassle-free, hands-off way to own a boat. Owners hardly incur any expenses and they are not concerned if the boat is generating charter revenues.





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TRAVERSE CITY, MI

THE NUMBERS

Jeanneau Sun Odyssey 410 with 3-cabin layout

	NO EXPENSES MODEL	REVENUE SHARE MODEL	REGULAR SAIL-AWAY OWNERSHIP	ESTIMATED RATES & REVENUES	
	GLSC pays all expenses and receives 100% revenues	Owner pays all expenses and receives 50% of revenues	Regular expenses without a charter management program	Revenue Estimate - Limited owner use (allows for more charter days)	Revenue Estimate - Unlimited owner use
Marina Slip*	\$0	\$4,700	\$4,700	# Charter Days	
Insurance*	\$0	\$2,700	\$1,300	52	30
Haul Out / Storage / Launch	\$0	\$2,265	\$2,265	Average Revenue Per Day	
Winterizing	\$0	\$900	\$900	\$841	\$841
Spring Commissioning	\$0	\$900	\$900	Total Gross Revenue	
Annual Buff/Wax	\$0	\$900	\$900	\$43,732	\$25,230
Shrink Wrap	\$0	\$800	\$800	Owner's Total Revenue (after split)*	
Bottom Paint (done every 2 years, cost broken down annually)	\$0	\$600	\$600	\$21,866	\$12,615
Maintenance/Repair outside of warranty*	\$0	\$500	\$1,000		
Annual Expenses (Estimated)	\$0	\$14,265	\$13,365		
Annual Owner Revenues (averaged)	\$0	\$17,000	\$0		
Annual Net	\$0	\$2,735	-\$13,365		
3 Year Net	\$0	\$8,205	-\$40,095		

AVERAGE SAVINGS AFTER 3 YEARS WITH CHARTER MANAGEMENT & TAX SAVINGS COMPARED TO REGULAR OWNERSHIP- OVER \$95,000

REVENUE PER DAY IS ESTIMATED FROM A 5 DAY CHARTER LESS SEASONAL DISCOUNTS

DISCLAIMER - THE INFORMATION ABOVE IS AN ESTIMATE. PROJECTIONS & ECONOMIES CAN CHANGE. THIS IS NOT A GUARANTEE AND IS NOT TO BE USED FOR FINANCIAL PLANNING.





CHARTER MANAGEMENT PROGRAM

TRAVERSE CITY, MI

PURCHASING A NEW BOAT

Buying a new boat is a safe, easy process. We believe a relaxed, low-pressure experience ensures we'll have a good working relationship for years to come.

1. Finding the Right Boat - Working together, we'll help you find the right model Jeanneau or Gemini with the options you want for the right price. We don't just sell boats; we sail them, cruise them and fix them. The GLSC staff consists of racers, cruisers, circumnavigators and live-aboards. With our experience, we know what works, what doesn't, and we'll steer you towards the right boat with options that make sense.
2. Deposit and Sales Agreement - Once you've found the right boat, a deposit of 5% and a signed sales agreement will secure the discount offered and the terms discussed. You may still have questions which leads us to the contingency clause on the sales agreement described below.
3. Contingency Period – The sales agreement states that there's a window of time known as the contingency period where you can use this time to answer any questions you might have and to secure financing. Your deposit is 100% refundable based on your satisfaction of items mentioned under contingencies. This is typically a two-week window of time to satisfy contingencies.
4. The Closing - When any and all contingencies have been met, the closing (balance due) is scheduled within 30 days of signing the agreement for boats in stock or, if the boat was a factory order, the closing is 45 days prior to the boat leaving the factory.
5. Boat Delivery – When the boat arrives, we start the commissioning process. This is fairly involved and can take about 2-3 weeks. This includes offloading the boat, barrier coating and painting the bottom, assembling the mast and rigging, stepping the mast, launching the boat, commissioning the systems, treating the exterior woodwork, installing the cruising and safety gear, testing all the systems, sea trial and then re-tuning the rig after the sea trial. Finally, we buff and wax the entire boat so it's a thing of beauty when you first see it.
6. Owner Orientation – This can vary widely based on the owner's sailing experience. The minimum orientation would include a mechanical and systems briefing with one of our boat technicians to ensure that you are familiar with how things work. Followed by several days on the water with one of our licensed captains / ASA instructors to ensure that you are comfortable and capable with the sailing and harbor handling aspects. This is just the minimum we offer. We can expand on this greatly and over many visits back to use your boat.
7. After the Sale – We're not going anywhere! We're here to handle warranty claims, to further familiarize you with the systems and to work with you on the sailing and harbor handling. When you are in charter management you get a number to call 7 days a week to reach one of our boat techs for assistance. And of course, our office is open 5-7 days a week for administrative assistance. Feeling rusty in the Spring? No problem. We'll arrange for a refresher course. Making your first lake crossing? We'll provide a captain to tag along. We'll even drop a car off for you in another port. Service after the sale doesn't end. We've been servicing boats we've sold 20 years ago!





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TRAVERSE CITY, MI

WHAT'S YOUR NEXT STEP?

Call us: (231) 941-0535

Email us: Sales@GreatLakesSailingCo.com.

Really, it's that simple.

Let us know what you're thinking.

How can we mix life and boats?

We'll see if charter management is a good fit for you.



ABOUT US

Originally formed as Bay Breeze Yacht Charters in 1983, we've been offering boat charters, sailing instruction and charter management for over 35 years. In 2008 Bay Breeze became Great Lakes Sailing Co. when the company was purchased by Dave and Kristen Conrad. Dave has over 25 years in commercial boating and was the General Manager of Bay Breeze before buying the company.

To maintain our standards, The Great Lakes Sailing Co. staff consists of over 23 seasonal and year-round employees and USCG Captains / ASA instructors. Rigging, electrical, mechanical, fiberglass, gel coat, cleaning, training and instruction, reservations and more are all handled "in-house" with our dedicated staff.

Great Lakes Sailing Co. consists of four divisions:

- Yacht Charters – over 20 sail and powerboats 30-50 feet in length
- Sailing School – ASA certified and ranked consistently in the top 12 of over 300 ASA schools worldwide
- Boat Club – membership sailing on a fleet of day sail boats 20-25 feet in length
- Yacht Sales – authorized dealer for Jeanneau and Gemini Catamarans

In 2018 we re-opened the SailTime Detroit base located in St. Clair Shores, Michigan with all new management and a mission to get Detroit area sailors on the water.

SailTime Detroit offers membership sailing opportunities on new and late model Jeanneau sailboats and Gemini catamarans to the Detroit area. We are proud to be a part of the "comeback city". As a fleet boat owner in Great Lakes Sailing Co you can take advantage of significant discounts on a SailTime Detroit Membership.



To learn more visit www.SailTime.com/Detroit



CRUISING GROUNDS

HARBORS & ANCHORAGES

- | | | | | |
|---------------|---------------|-----------------|--------------------|--------------------------|
| Bay Harbor | Charlevoix | Harbor Springs | Old Mission Harbor | Sleeping Bear Sand Duens |
| Beaver Island | Detour | Hessel | Omena Harbor | Suttons Bay |
| Bowers Harbor | East Jordan | Leland | Petoskey | South Manitou Island |
| Boyne City | Elk Rapids | Mackinac Island | Power Island | Traverse City |
| Cat Head Bay | Frankfort | Mackinaw City | St. Helena Island | |
| Cedarville | Garden Island | Northport | St Ignace | |

Main Charter Base
Centerpoint Marina
Traverse City, MI

12935 S. West Bay Shore Drive
 Suite 185
 Traverse City, Michigan 49684