Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2012

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
MIRROR LAKE INN 401(K) PROFIT SHARING PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/2006

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

THE COTTAGE CORPORATION

77 MIRROR LAKE DRIVE
LAKE PLACID, NY 12946

2b Employer Identification Number (EIN)
14-1681546

2c Sponsor's telephone number
518-523-2544

2d Business code (see instructions)
721110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	09/05/2013	EDWIN H. WEIBRECHT, JR.
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/05/2013	EDWIN H. WEIBRECHT, JR.
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

3a Plan administrator's name and address [X] Same as Plan Sponsor Name [ ] Same as Plan Sponsor Address

3b Administrator's EIN

3c Administrator's telephone number

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	217
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	101
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	51
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	152
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	152
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	143
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	5
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2F 2G 2J 2K 2T 3D 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] ___ **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [ ] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2012** **This Form is Open to Public Inspection.**

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
MIRROR LAKE INN 401(K) PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
THE COTTAGE CORPORATION

D Employer Identification Number (EIN)
14-1681546

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

CADARET GRANT INC
P.O. BOX 311, 1992 SARANAC AVE
LAKE PLACID, NY 12946

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

CADARET GRANT INC

P.O. BOX 311, 1992 SARANAC AVE
LAKE PLACID, NY 12946

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
33 63	BROKERAGE	0	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

CADARET GRANT INC

ONE LINCOLN CENTER
SYRACUSE, NY 13202

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
99	BROKERAGE	0	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

ASCENSUS

11-3665754

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
99 15 60 50	RECORD KEEPER	2235	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ASCENSUS	15 60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
CAPITAL RESEARCH AND MANAGEMENT CO 333 SOUTH HOPE ST. LOS ANGELES, CA 90071	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR SUB-TA REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CADARET GRANT INC	33 63	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
CAPITAL RESEARCH AND MANAGEMENT CO 333 SOUTH HOPE ST. LOS ANGELES, CA 90071	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR 12B-1 REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CADARET GRANT INC	99	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
CAPITAL RESEARCH AND MANAGEMENT CO 333 SOUTH HOPE ST. LOS ANGELES, CA 90071	THE DEALER MAY RECEIVE EXTRA COMPENSATION IN AN AMOUNT UP TO THE SUM OF 0.10% OF LAST YEAR'S? AMERICAN FUNDS SALES BY THAT DEALER AND 0.02% OF? AMERICAN FUNDS ASSETS ATTRIBUTABLE TO THAT DEALER.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
MIRROR LAKE INN 401(K) PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
THE COTTAGE CORPORATION

D Employer Identification Number (EIN)
14-1681546

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		60848
(2) Participant contributions	1b(2)	3595	4682
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	365454	528840
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	2192117	2552811
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	2561166	3147181
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	2561166	3147181

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	217100	
	(B) Participants	2a(1)(B)	185854	
	(C) Others (including rollovers)	2a(1)(C)	30665	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		433619
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	5	
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		5
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	40988	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		40988
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		260348
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		734960
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	146710	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		146710
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	2235	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		2235
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		148945
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		586015
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: DRAGON BENWARE **(2)** EIN: 14-1603119

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
MIRROR LAKE INN 401(K) PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
THE COTTAGE CORPORATION

D Employer Identification Number (EIN)
14-1681546

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 45-0404698

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a	The current year	**14a**	
b	The plan year immediately preceding the current plan year	**14b**	
c	The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a	The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b	The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a	Enter the number of employers who withdrew during the preceding plan year	**16a**	
b	If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Mirror Lake Inn 401K Profit Sharing Plan

FINANCIAL STATEMENTS
& SUPPLEMENTARY INFORMATION

For the years ended December 31, 2012
and 2011

Table of Contents

	Page No.
Independent Auditor's Report	1
Financial Statements	
Statements of Net Assets Available for Benefits	2
Statements of Changes in Net Assets Available for Benefits	3
Notes to Financial Statements	4 - 8
Supplemental Schedules for 5500	
Schedule of Assets	9
Schedule of Assets Acquired and Disposed of Within the Year	10
Schedule of Reportable Transactions	11

Dragon Benware CPAs, P.C.
Certified Public Accountants

Members:
AICPA
NYSSCPA
Government Audit Quality Center

Nicholas P. Eells, CPA
Douglas L. Hoffman, CPA
Gary R. Benware, CPA

Pamela J. Laplante
Karl M. Martin, CPA
Hannah E. Marshall, CPA
Wendy L. Holzer, CPA
Sharlene F. Petro-Durgan, CPA

Offices:
31 Elm Street
PO Box 189
Malone, NY 12953
(518) 483-1630
(518) 483-7402 FAX

Crestview Plaza
2000 Saranac Ave.
Lake Placid, NY 12946
(518) 523-2581
(518) 523-4148 FAX

62 Center Street
Massena, NY 13662
(315) 764-1781
(315) 764-1782 FAX

One Park Place
P.O. Box 413
Canton, NY 13617
(315) 386-8188
(315) 386-8189 FAX

239 Tom Miller Road
Plattsburgh, NY 12901
(518) 562-5567

www.dragonbenware.com
Email: dbc@dragonbenware.com

INPACT
www.inpactam.org

Independent Auditors' Report

To the administrator of
The Mirror Lake Inn 401K Profit Sharing Plan

We were engaged to audit the accompanying financial statements of the Mirror Lake Inn 401K Profit Sharing Plan as of December 31, 2012 and 2011, and for the years then ended, and the supplemental schedule as of and for the year ended December 31, 2012 as listed in the accompanying index. These financial statements are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by Frontier Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2012 and 2011, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedules taken as a whole. The form and content of the information included in the financial statements and schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Dragon Benware CPAs, P.C.

Dragon Benware CPAs, P.C.

Lake Placid, NY
July 29, 2013

Mirror Lake Inn 401K Profit Sharing Plan
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2012 and 2011

	2012	2011
ASSETS		
Investments		
Cash and Cash Equivalents	$ 528,839.65	$ 365,454.10
Mutual Funds	2,552,811.32	2,192,116.63
	3,081,650.97	2,557,570.73
Receivables:		
Participants' contributions	4,681.82	3,595.07
Employer Contribution	60,847.67	82,014.84
	65,529.49	85,609.91
TOTAL ASSETS	$ 3,147,180.46	$ 2,643,180.64
LIABILITIES		
TOTAL LIABILITIES	$ -	$ -
NET ASSETS AVAILABLE FOR BENEFITS	$ 3,147,180.46	$ 2,643,180.64

See accompanying notes to financial statements

Mirror Lake Inn 401K Profit Sharing Plan
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the years ended December 31, 2012 and 2011

	2012	2011
ADDITIONS		
Additions to net assets attributed to:		
Investment income:		
Net (depreciation)/appreciation in fair value of investments	$ 245,019.56	$ (30,368.80)
Interest and dividends	40,988.01	38,462.76
Capital gain distributions	15,333.12	4,588.89
	301,340.69	12,682.85
Less investment expenses	-	-
	301,340.69	12,682.85
Contributions:		
Participants'	216,464.47	194,087.34
Employer's	135,138.47	154,296.60
	351,602.94	348,383.94
TOTAL ADDITIONS	652,943.63	361,066.79
DEDUCTIONS		
Deductions from net assets attributed to:		
Benefits paid to participants	148,943.81	242,840.47
TOTAL DEDUCTIONS	148,943.81	242,840.47
NET INCREASE	503,999.82	118,226.32
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	2,643,180.64	2,524,954.32
END OF YEAR	$ 3,147,180.46	$ 2,643,180.64

See accompanying notes to financial statements

Mirror Lake Inn 401K Profit Sharing Plan
NOTES TO FINANCIAL STATEMENTS
For the year ended December 31, 2012 and 2011

NOTE 1 – DESCRIPTION OF THE PLAN

The following description of the Mirror Lake Inn 401K Profit Sharing Plan ("Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General. The Plan is a defined contribution plan covering all full-time employees of the Company who have one year of service and are age twenty-one or older. It is subject to the provisions of the Employee Retirement Income Security act of 1974 (ERISA).

Contributions. Each year, participants may contribute up to the lesser of 100% or $17,000 of pre-tax annual compensation, as defined in the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. The Company will make safe harbor contributions automatically to participant accounts in the amount equal to 3% of participant's compensation regardless of whether or not the participant makes elective deferrals. Additional profit sharing amounts may be contributed at the option of the Company's shareholder. Participants direct the investment of all participant and Company contributions into various investment options offered by the Plan. The Plan currently offers fourteen mutual funds as investment options for participants. Contributions are subject to certain limitations.

Participant accounts. Each participant's account is credited with the participant's contribution and allocations of the Company's contribution and Plan earnings. Allocations are based on participant earnings and account balances as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting. Participants are immediately vested in their contributions and safe harbor contributions plus actual earnings thereon. Vesting in the matching and profit sharing contributions is based on years of continuous service. A participant is 100% vested after six years of credited service. A year of service is achieved by plan participants if they have 1000 hours of service.

Vesting Schedule	
1 year or less	0%
2 years	20%
3 years	40%
4 years	60%
5 years	80%
6 years	100%

Payment of Benefits. On termination of service due to death, disability, retirement or termination, a participant will receive a lump-sum amount equal to the value of the participant's vested interest in his or her account.

Forfeited Accounts. At December 31, 2012 and 2011, forfeited non-vested accounts totaled $4,676.90 and $3,374.08, respectively. Any forfeited accounts will be used to reduce future employer contributions.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition
The Plan's investments are stated at fair market value. Quoted market prices are used to value investments. Shares of mutual funds are valued at the net asset value of shares held by the Plan at year-end. Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date.

Payment of Benefits
Benefits are recorded when paid.

NOTE 3 – PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer contributions.

NOTE 4 – RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

NOTE 5 – TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated November 11, 2001, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan administrator believes the Plan is no longer subject to income tax examinations for years prior to 2009.

NOTE 6 – INVESTMENTS

The Plan's investments are held in a bank-administered trust fund. The following table presents investments. Investments that represent 5% or more of the Plan's net assets are separately identified.

	December 31, 2012	December 31, 2011
Investments at Fair Value as Determined by Quoted Market Price:		
Cash and cash equivalents:		
Cash	$ 30,665.08	$ 35.63
American Funds Cash Management Trust 498,174.570 shares	498,174.57	365,418.47
Total Cash and Equivalents	$ **528,839.65**	$ **365,454.10**
Mutual Funds:		
Growth Funds:		
American Funds AMCAP Fund 16,649.341 shares	$ 355,962.91	$ 308,116.43
American Funds New Perspective Fund 5,102.850 shares	156,861.57	126,176.50
American Funds New Economy Fund 6,218.021 shares	174,415.49	142,492.75
American Funds Growth Fund of America 10,280.668 shares	348,411.88	287,347.54
Bond Funds:		
American Funds High Income Trust 12,101.605 shares	137,474.26	120,452.25
American Funds Bond Fund of America 12,930.108 shares	167,444.88	151,582.24
American Funds US Government Securities Fund 16,531.308 shares	234,909.89	216,417.93
Growth - and - Income Funds		
American Funds Washington Mutual Investors Fund 9,146.143 shares	283,713.33	254,344.24
American Funds Investment Company of America 9,029.406 shares	271,694.89	225,741.05
Equity - Income Funds		
American Funds Income Fund of America 7,014.575 shares	126,332.51	110,594.97
Other	295,589.71	248,850.73
Total Mutual Funds	$ **2,552,811.32**	$ **2,192,116.63**
	$ **3,081,650.97**	$ **2,557,570.73**

Note 7 - Information Certified by the Plan's Custodian (Unaudited):

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the custodian, Frontier Trust Company has certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate:

- Investments, as shown in the statements of net assets available for benefits as of December 31, 2012 and 2011.
- Investment activity, as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2012 and 2011.
- The schedule of assets held for investment purposes at end of year excluding participant loans, as shown in Schedule H, Line 4(i).

The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

Note 8 – Fair Value Measurements:

FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of fair value hierarchy under FASB ASC 820 are described as below:

Level 1- Inputs to the valuation methodology are unadjusted quoted prices in active markets that the Plan has the ability to access.

Level 2- Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

  If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3- Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Note 8 – Fair Value Measurements (Continued):

Following is a brief description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used for the Mirror Lake Inn 401K Profit Sharing Plan. All Mutual funds are at the net asset value (NAV) of shares held by the plan at year end.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 9 – Events Occurring After The Reporting Date

The Company has evaluated subsequent events through July 29, 2013, the date which the financial statements were available to be issued.

In 2013, the Plan had an operational failure. The Plan was not amended by December 31, 2012 to reflect the Safe Harbor notice and the Corporation's intent to change the Safe Harbor Contribution from a Non-Elective Contribution to a Match beginning in 2013. Under the IRS Revenue Procedure 2013-12, Employee Plans Compliance Resolution System (EPCRS), the Corporation is discussing filing a Voluntary Correction Program requesting that the plan be permitted to be pro-actively amended for the 2013 plan year.

Mirror Lake Inn 401K Profit Sharing Plan
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
14-1681546
Plan Number 134466
December 31, 2012

(a)	(b) Identity of issuer, borrower, lessor,or similar party	(c) Description of investment including maturity date, rate of interest collateral, par, or maturity value	(d) Cost	(e) Current value
		Contribution Account	$ 30,665.08	$ 30,665.08
	American Funds	Cash Management Trust	498,174.57	498,174.57
	American Funds	AMCAP Fund	287,831.45	355,962.91
	American Funds	Intermediate Bond Fund	28,423.10	29,291.24
	American Funds	New Perspective Fund	136,975.60	156,861.57
	American Funds	New Economy Fund	143,578.59	174,415.49
	American Funds	Bond Fund of America	161,332.04	167,444.88
	American Funds	High Income Trust	131,245.65	137,474.26
	American Funds	American Balanced Fund	67,859.02	77,117.45
	American Funds	Capital Income Builder Fund	126,764.95	130,515.32
	American Funds	Growth Fund of America	294,548.94	348,411.88
	American Funds	Income Fund of America	118,542.76	126,332.51
	American Funds	Investment Company of America	257,606.53	271,694.89
	American Funds	US Government Securities Fund	231,689.29	234,909.89
	American Funds	Washington Mutual Investors Fund	259,672.08	283,713.33
	American Funds	Capital World Bond Fund	56,248.32	58,665.70
			$ 2,831,157.97	$ 3,081,650.97

Mirror Lake Inn 401K Profit Sharing Plan
Schedule H, Line 4i – Schedule of Assets Acquired And Disposed of Within the Year
14-1681546
Plan Number 134466
December 31, 2012

(a) Identity of issuer, borrower, lessor, or similar party	(b) Description of investment including maturity date, rate of interest collateral, par, or maturity value	(c) Cost of acquisitions	(d) Proceeds of dispositions
American Funds	Cash Management Trust	374,941.70	344,312.25
American Funds	Money Market	154,202.61	21,446.51
American Funds	AMCAP Fund	36,552.88	35,877.91
American Funds	Bond Fund of America	23,073.45	12,130.25
American Funds	Intermediate Bond Fund of America	4,728.31	82.05
American Funds	Capital World Bond Fund	18,325.75	1,872.10
American Funds	Growth Fund of America	37,103.34	32,920.61
American Funds	US Government Securities Fund	60,141.59	38,242.52
American Funds	Investment Company of America	39,163.18	18,798.94
American Funds	Income Fund of America	16,716.24	9,828.31
American Funds	Capital Income Builder Fund	18,073.18	4,586.48
American Funds	High Income Trust	23,175.17	14,426.10
American Funds	America Balanced Fund	34,311.29	40,686.84
American Funds	New Economy Fund	22,194.07	18,499.09
American Funds	New Perspective Fund	16,077.93	10,199.53
American Funds	Washington Mutual Investors Fund	36,814.36	32,624.94

Mirror Lake Inn 401K Profit Sharing Plan
Schedule H, Line 4j – Schedule of Reportable Transactions
14-1681546
Plan Number 134466
December 31, 2012

(a) Identity of party involved	(b) Description of asset	(c) Purchase Price	(d) Selling Price	(e) Lease rental	(f) Expense incurred with trans.	(g) Cost of asset	(h) Current value on trans. date	(i) Net gain or (loss)
American Funds	Money Market	154,202.61	-	-	-	154,202.61	154,202.61	-
American Funds	Money Market	-	21,446.51	-	-	21,446.51	21,446.51	-

Schedule C, Part I, line 2(h) Formula Description and Schedule C, Part I, line 3(e) Formula Description

Plan Name: MIRROR LAKE INN 401K PROFIT SHARING PLAN

Plan Number: 134466

Broker Dealer: Cadaret Grant Inc

Ticker Symbol	Investment Name	Formula used to determine Sub-TA Compensation paid to Ascensus	Formula used to determine 12b-1 Compensation to Broker Dealer
RIRCX	American Funds Cap Income BuilderR3	15 basis points	50 basis points
RBFCX	American Funds Bondof AmericaR3	15 basis points	50 basis points
RBOCX	American Funds Intrm BondOf AmericaR3	15 basis points	50 basis points
RCWCX	American Funds Cap World BondR3	15 basis points	50 basis points
RGACX	American Funds Growth Fund of America R3	15 basis points	50 basis points
RGVCX	American Funds U.S. Govt SecR3	15 basis points	50 basis points
RAFCX	American Funds AMCAP Fund R3	15 basis points	50 basis points
RIDCX	American Funds IncomeOf AmericaR3	15 basis points	50 basis points
RKCXX	American Funds Cash Mgmt Trust R3	N/A	N/A
RITCX	American Funds Amercn High Inc TrstR3	15 basis points	50 basis points
RLBCX	American Funds American Balanced Fund R3	15 basis points	50 basis points
RNGCX	American Funds New Economy Fund R3	15 basis points	50 basis points
RNPCX	American Funds New Perspective Fund R3	15 basis points	50 basis points
RWMCX	American Funds Washington Mutual InvR3	15 basis points	50 basis points
RACXX	American Funds Money Market R3	15 basis points	N/A
RICCX	American Funds Inv Company Of AmericaR3	15 basis points	50 basis points

Attachment to 2012 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name MIRROR LAKE INN 401(K) PROFIT SHARING PLAN **EIN:** 14-1681546
Plan Sponsor's Name THE COTTAGE CORPORATION **PN:** 002

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	American Funds	American Funds Amercn High Inc TrstR3	0	137,474
	American Funds	American Funds Bondof AmericaR3	0	167,445
	American Funds	American Funds Cap World BondR3	0	58,666
	American Funds	American Funds Intrm BondOf AmericaR3	0	29,291
	American Funds	American Funds U.S. Govt SecR3	0	234,910
	American Funds	American Funds Cap Income BuilderR3	0	130,515
	American Funds	American Funds IncomeOf AmericaR3	0	126,333

Attachment to 2012 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name MIRROR LAKE INN 401(K) PROFIT SHARING PLAN **EIN:** 14-1681546
Plan Sponsor's Name THE COTTAGE CORPORATION **PN:** 002

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	American Funds	American Funds Inv Company Of AmericaR3	0	271,695
	American Funds	American Funds Washington Mutual InvR3	0	283,713
	American Funds	American Funds AMCAP Fund R3	0	355,963
	American Funds	American Funds Growth Fund of America R3	0	348,412
	American Funds	American Funds New Economy Fund R3	0	174,415
	American Funds	American Funds New Perspective Fund R3	0	156,862
	American Funds	American Funds American Balanced Fund R3	0	77,117

Attachment to 2012 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name MIRROR LAKE INN 401(K) PROFIT SHARING PLAN **EIN:** 14-1681546
Plan Sponsor's Name THE COTTAGE CORPORATION **PN:** 002

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	American Funds	American Funds Money Market R3	0	498,175
	Frontier Trust Company	Contribution Account	0	30,665