

## MEMORANDUM

**To:** Woods Manor Interval Timeshare Owners  
**From:** Woods Manor Board of Directors  
**Date:** November, 2007  
**Subj:** Woods Manor Timeshare Budget/Dues/Status Update

The budget to operate the Woods Manor Interval timeshare units in 2008 has been completed by the Board of Directors. This memorandum is provided to all timeshare owners to explain the 2008 budget and dues and to provide general status information regarding Woods Manor.

During the past couple of years, your dues were increased to fund the capital improvement reserve account. These reserves are scheduled to be used for complex repairs and modernization, as well as upgrades to the six timeshare units. As you may or may not know, Woods Manor consists of 24 condominiums, 18 of which are wholly owned (WMA) and 6 of which are timeshare units (WMI).

The good news, which we are excited to convey to you, is that your dues for 2008 are being reduced considerably since, due to your previous contributions, additional capital improvement funding is not required at this time. The 2008 timeshare budget addresses the operating costs associated with the common complex expenses and the internal operations of the timeshare units. The following chart shows the dues that you were assessed in 2007 and your new dues for 2008:

<b>Woods Manor Timeshare Dues</b>		
<b>Unit</b>	<b>2007</b>	<b>2008</b>
B101	\$468.72	\$347.11
B102	\$595.14	\$441.59
B203	\$531.93	\$395.38
B204	\$663.19	\$493.96
B303	\$531.93	\$395.38
B304	\$663.19	\$493.96

Timeshare dues are calculated for each unit by multiplying the total timeshare budget by the unit's percentage factor. This percentage factor is based upon the size of the unit as documented in the condominium declarations. After this computation, the amount for each unit is divided by 50 to get the weekly dues for the unit. The association owns weeks 20 and 44 which are used for major repairs and cleaning, thus the reason for 50 weeks being used in the calculation.

As you look at the budget included in your packet, most of the line items are self-explanatory. Information about some of the larger line items follows:

<b>Woods Manor Timeshare Budget Comments</b>		
<b>Line Item</b>	<b>Amount</b>	<b>Comment</b>
Timeshare Dues	\$128,369	This is the dues to be collected from the owners of the 300 weeks (6 units times 50 weeks each). This amount matches the budgeted expenses for 2008.
Management Fees	\$10,164	This is the fees we pay to our Management Firm (Mountain West Lodging). They have personnel to handle the RCI reservations, unit maintenance coordination, funds accounting, owner communications, etc.
HOA Dues to WMA	\$34,752	WMA is the whole ownership association. The complex operating expenses are budgeted through WMA and the resulting monthly dues are transferred from WMI (timeshare owners association) each month for the six units owned by timeshare owners.
Repairs and Maintenance	\$8,004	This is the budget for repairs inside the six timeshare units. With the improvements and new appliances, we hope this budget item amount will be more than actual costs.
Weekly Housekeeping	\$28,080	This is the cost to have housekeeping services at the end of each timeshare week (Saturdays). This works out to about \$90 for each week.
Electric/Gas	\$11,385	As you probably experience, utilities seem to go up each year. A lot depends on the temperatures during the winter months.
Non-Capital Reserves	\$10,000	The timeshare dues revenue is based upon 300 unit weeks contributing. The association currently owns 7 weeks, which were foreclosed. There are also a few weeks that are delinquent with 2007 dues. This line item is to cover weeks that do not contribute dues in 2008. Unfortunately, paying owners have to compensate for non-paying owners. When past dues are eventually paid and association units are sold to dues paying owners, that income will reduce future dues, thus reimbursing owners that had to cover expenses in the interim.

Some of the repairs and improvements your past contributions have been or will be applied to include:

#### COMPLEX

- Building Stucco Repairs
- Concrete Walkways Repairs
- Building Hallway Remodel (Paint, Carpet, Fixtures)
- Spa and Restroom Remodel
- Clubhouse Meeting and Game Room Remodel

#### TIMESHARE UNITS

- New Washer/Dryers
- New Kitchen Appliances
- Units Painted
- New Kitchen Counters
- New Kitchen Supplies
- Wall Pictures
- New Blankets/Pillows

These improvements were needed for responsible maintenance, modernization of the property, RCI requirements and your enjoyment. The Board appreciates the financial contributions you made toward these efforts. The committee and Board members utilizing these funds are taking care in the use of your funds through competitive bids, negotiation and oversight. The Woods Manor financial health and complex condition are good.

As owners, we are fortunate to be located in wonderful Breckenridge in Summit County, Colorado where there are many year-round activities. With Breckenridge, Vail, Copper Mountain, Keystone, Dillon, Lake Dillon, Frisco, Silverthorne, Steamboat Springs, Winter Park, Central City, Blackhawk, Glenwood Springs, Denver, and Colorado Springs all within a few minutes to a maximum of two hours away, there are many activities and attractions available to the Woods Manor owner/vacationer.

We are in the process of developing a Woods Manor website. This website will give you and your guests a place to learn about Woods Manor and the surrounding communities. It will also give owners access to all the legal documents, notices, meeting minutes and financials. We will also provide a space for owners to list units for rent or sale. You will also be able to contact the Board members through this site.

This new website is currently Under Construction. We hoped to have it completed by the time your 2008 dues notification was mailed. Since the site is being developed by a board member during spare time, it may not be completed by then. So, we are asking for your understanding. Rather than send a notification to each of you (at your cost) when the site is complete, we are giving you the URL address now. It is: [www.woodsmanorcondos.com](http://www.woodsmanorcondos.com) . You will see UNDER CONSTRUCTION until it is complete. Please do not use the email contact feature until the UNDER CONSTRUCTION banner is removed.

We hope you find this informational memorandum helpful. We hope you all have a healthy and prosperous 2008 and enjoy your next stay in your Woods Manor condominium.