

MCCALL AREA TIMESHARE ASSOCIATION
BOARD MEETING
JUNE 1, 1998

"PHONE CONFERENCE"

RE: Letter dated May 29, 1998, from David Holland to Board members, update on AVCOA assessment situation and the need to make a decision as to action MATA should take at this time.

The meeting was called to order by David Holland at 10:05 a.m. Mccall time. Patty Hukari, Sanford Koonz, Dick Brotherton, and Bill Geisler were all present.

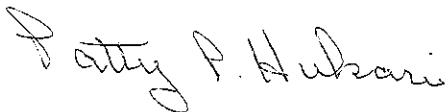
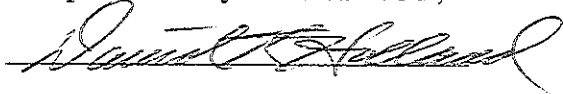
Dick Brotherton was the only one in receipt of the letter sent by Dave, so the current situation as outline in the May 29th letter was discussed in depth.

After discussion it was motioned that " Mata should pay the June regular assessment in two parts, protested and un-protested. Also that the Special assessment not be paid at this time but placed in the restricted reserve account at Washington Federal Savings. Brian McMahan is to be instructed to file a law suit July 1, 1998 if one of two conditions are not met. First AVCOA either comply with the project documents with regards to Mata's earlier demands, or AVCOA provide MATA's attorney with their legal opinion, stating what legal authority AVCOA has to continue in the method of assessment currently being used."

The next Board meeting is scheduled in Walla Walla, Washington, August 11,12 and 13th.

The meeting was adjourned at 10:26 a.m..

Respectfully Submitted,



MATA Board members
Respective Addresses

May 29, 1998

Dear Board Members:

Enclosed are the written correspondences since the AVCOA annual meeting. As you can see it appears AVCOA is not taking us very serious since we allowed them to cash our checks according to Brian's Letter Dated April 28, 1998. To Date the AVCOA Board has not so much as had a phone conference, yet Bill Ditz, acting President in his correspondence keeps referring to "The Board". I Feel he is acting much of the time on his own and the other board members for the most part are allowing it to happen.

Our Attorney, Brian McMahan received the enclosed letter from AVCOA's attorney dated May 20th which appears not to be a legal opinion and it seems as though they have not done any legal research. Therefore, a meeting at this time, I feel, would be a waste of time and money.

We have received the billing for the Special Assessment as well as the Regular Assessment for June. It is my opinion that since we have over paid our regular and special assessments, according to our calculations and AVCOA cannot justify or give an explanation on what basis our assessments are calculated, that we have Brian write AVCOA Board another Demand that AVCOA conform to the project documents and Idaho code. That if a reconciliation cannot be met by July 1, 1998, MATA will sue for recovery of past over payment of all assessments, regular as well as special, as well as court costs and attorney costs.

I truly wish there was another way to get this brought to an equitable resolution. The longer AVCOA is allowed to continue billing in an erroneous manner the worse the problem becomes for everyone.

I would like to have a phone conference June 1st at 10:00 a.m. my time if its possible. If you are unable to meet at that time please contact me and let me know your feelings about what action you might suggest.

I appreciate all your time and suggestions.

Sincerely,


David K. Holland