

**McCall Area Timeshare Association
Board Meeting
McCall, Idaho
December 6, 2013**

The McCall Area Timeshare Association Board of Directors' meeting was held at McCall Area Timeshares Office, in McCall, Idaho on December 6, 2013.

All Board Members were present either in person or via telephone conference. Travis Leonard, David Holland, with Spencer Koonz, Gary Turner and Dick Brotherton on Conference call.

The minutes from the October 11, 2013 Board Meeting were read and two corrections were noted. Gary noted that the clarification of the one night rental will generate more revenue and availability for our owners. Then on page 2 second paragraph, it states "additional funds" and that should be restated as "additional funds from the sales". This is all of the changes from the board members.

Travis made a motion to approve the meeting minutes with the noted changes. Dick seconded the motion. Motion passed unanimous.

Discussion regarding the WiFi ensued. It should be an approximate cost of \$3000.00 to get all of the units covered with a Wifi signal. There was some errors on the original set up which we are in process of correcting. Dave noted that we have the maximum amount of bandwidth allowable without getting a second line.

The next item on the agenda is the new rental checking account. This account has been opened to simplify the reconciliation of rental income and checks payable to the owners. It also will simplify the 10% rental fee which will be transferred to the Money Market Account less the credit card fees. We have changed credit card services to remove some of the service charges. This should save MATA about \$3000.00 per year. The new provider will allow us to put money into the appropriate bank accounts, ie. General account for AMF or Rental Income into the rental checking account.

The Carpet cleaning has been done in all units except where new upgrades are in process. The painting is almost complete in the first unit (F-49). There was a lot of sheetrock repair and we also replaced all of the light switches and plug outlets. We have also installed can lights in the kitchen counters.

Dave wanted to discuss the first of two letters from Brian McMahan. Brian has reviewed Association declarations and we don't need to go to homeowners for authority or approval to remove the one bedroom units from the Association. Dave asked if anyone needed any clarification on the first letter from Brian. That letter is attached as part of these notes.

Moving on to the second letter (also attached and part of these notes) which states that the Developer is not responsible for Fixed Cost. In short the Developer is not responsible for any expenses assessed by either MATA or the master association as to unsold units owned by Declarant (Developer). This fact should not affect the financial stability of MATA because of the influx of new income from sales, etc.

One of the reasons that Dave was not previously interested in purchasing the two and three bedroom units is the Fixed Costs that were associated with owning those weeks. That is no longer an issue. Dave has agreed to continue to pay Fixed Costs on the units that he uses. The units will be billed as an ongoing process so the Developer will not accrue a large year-end bill due to MATA. Dave also stated that he will not be looking for any reimbursement for the past years that were billed and paid by the Developer.

Dave stated that approximately 20 units have been either sold or upgraded to a larger unit. He also stated that sales efforts have slowed down due to Holly being overwhelmed with paperwork on top of normal office work. Spencer asked how the offer to upgrade the one bedroom units to two bedroom or three bedroom units was going and Dave explained that things are moving fairly quickly.

The discussion turned to the split week and the positive responses to all the changes that began on January 1, 2014. Owner retention has been increased and general consensus was that it will continue to be less of a problem, especially with the updates being made to the three bedrooms.

Dave informed the board that there is no longer any Bankruptcies on the books and most accounts have been cleared or put into the process to reclaim the units and write off the bad debt accounts without the expense of the attorney. We may need to employ the attorney in the future to complete the foreclosure process.

Dave addressed the board to see if they were in agreement to sell the remaining MATA two and three bedroom units for \$400.00 each to the Developer. One point of discussion was the approximate amount of \$31,000 revenue being generated for MATA through the purchasing process to the Developer. Spencer made the motion to agree and Gary seconded the motion. No further questions came and the board passed the motion unanimously.

As a final note Dave told the board about the garage updates, fluorescent lights, new sheetrock for the walls behind the firewood, cleaning up the entry area outside. He also noted that the items requested by owners at Annual Meeting i.e. refinishing the coffee tables, sharpening the axes etc. have been addressed and corrected to the best of our ability.

Dave asked about the schedule for the April board meeting. It was agreed that the meeting will be held in Boise on April 14, 2014.

Gary made a motion to adjourn and Spencer seconded. Dave called for the final vote, the board was in agreement.

*Approved
April 14, 2014
Gary M. Turner*

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November 19, 2013

McCall Area Timeshare Association
Board of Trustees
1607 Davis Street #149
McCall, Idaho 83638

Re: *Removal of Units From Timeshare Regime*

Dear MATA Board:

This letter follows my review of the MATA governing documents, as well as applicable law, as requested by Dave Holland. Specifically, I reviewed the original Declaration of Covenants, Conditions and Restrictions for Time Period Ownership recorded in Valley County as Instrument # 111520 on April 1, 1981, and the subsequent Amendments 1-4 to said Declaration. The issue I was researching was the ability to remove condominium units from the timeshare regime and return them to fee simple ownership under one owner. Both the US Constitution and the Idaho Constitution protect the ownership and control of private property. The concept of a citizen's right to the unobstructed use and control of his own property has long been a fundamental principle in American law. This principle is modified in only two ways: (1) voluntarily by the property owner, or (2) pursuant to applicable law.

The ability to return MATA timeshare condominiums to one-owner fee simple ownership has not been voluntarily relinquished. The timeshare Declaration contains no prohibition against returning the condominium units to fee simple ownership under one owner. Likewise, applicable law does not prohibit the removal of the condominium units from the timeshare regime. Although I could find no Idaho timeshare law directly on point, there is analogous law in Idaho Code Section 55-1510. There, it is stated that an entire condo project may be removed from Idaho's condominium laws, and that the removal of a project from the condominium laws "shall in no way bar the subsequent resubmission of the property to the provisions of this [the condominium property] act." Thus, applicable law allows entire projects to be moved in and out of the Idaho condominium laws multiple times. By analogy, single condo units should be allowed to be moved in and out of the timeshare regime. Once subjected to the timeshare regime, single condos later should be able to be removed from said regime and returned to their original status of one-owner fee simple ownership.

Sincerely,



BRIAN L. McMAHAN

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November 18, 2013

McCall Area Timeshare Association
Board of Trustees
1607 Davis Street #149
McCall, Idaho 83638

Re: *Declarant Liability for Association Expenses on Unsold Units*

Dear MATA Board:

This letter follows my review of the MATA governing documents as requested by Dave Holland. Specifically, I reviewed the original Declaration of Covenants, Conditions and Restrictions for Time Period Ownership recorded in Valley County as Instrument # 111520 on April 1, 1981, and the subsequent Amendments 1-4 to said Declaration. The issue I was researching was the Declarant's (i.e., Executive Affiliates') liability for association expenses regarding the unsold units owned by Declarant. Of particular interest is the Second Amendment to the Declaration recorded in Valley County as Instrument # 116102 on October 6, 1981. In said Second Amendment, the existing governing documents were amended in two respects that are germane to the issue at hand. First, the Declaration was amended to state "that Declarant shall not be liable for any association expenses as to any unsold time period condominiums owned by it." And second, the Bylaws likewise were amended to state that "the Declarant shall not be liable for association expenses as to unsold time period condominiums owned by it."

Thus, the Declarant is not liable for "association expenses" as to unsold time period units owned by Declarant. Section 1.5.6 of the Declaration defines "association expenses" as "those expenses which the association is empowered by Section 13.2 hereinafter to assess against all time period condominiums for purposes of operating the association and maintaining, repairing, refurbishing and replacing the interior décor and furnishings." Then Section 13.2 goes on to state that the assessable expenses include both the MATA association expenses, and the "common expenses" assessed by the master association. In short, under the recorded governing documents, the Declarant is not liable for any expenses assessed by either MATA or the master association as to unsold units owned by Declarant.

Sincerely,



BRIAN L. McMAHAN

McCall Area Timeshare Association
Board Meeting – December 6th, 2013

Agenda

1. Welcome and Roll Call
2. Review and Approve Minutes (see attached)
3. Discuss status of Wi-Fi
4. Opened New Account for Rental Income, and reconciliation
5. New Credit Card Service Accounts
6. Update on Carpet Cleaning and Painting
7. Discuss Brian McMahan's Letter to Mata Board regarding Condo Removal (see attached letter)
8. Sales update since last Board Meeting
9. Discuss Brian McMahan's Letter to Mata Board regarding Fixed Costs obligation of Declarant (i.e.: Executive Affiliates, Brampton) (see attached Letter)
 - a. Settlement Proposal–Don't look back, move forward, E.A. offers in good faith to pay for units used and continue to allow Mata owners the opportunity to utilize units for in house banking.
 - b. Purchase of remaining Mata owned weeks, at same bulk rate of \$400.00 per week. Approximately an additional \$16,000.00 for remaining inventory. (This is separate from and in addition to the agreement to purchase the one bedroom units for \$15,000.00 that was agreed to in the prior Board Meeting) for a total of approximately \$31,000.00
10. Confirm Next Board Meeting on April 14th, 2014
11. Other items to be discussed
12. Adjourn Meeting

Aspen Village Condominium Owners Association (AVCOA)

Board of Directors

14 November 2013

ASPEN Time Shares
Attention: David K. Holland
1607 Davis Avenue #149
McCall, ID 83638

Subject: Conditioned Approval of request to install WiFi Antennae and System

David;

Thank you for your letter of 11 November 2013. We concur that the request contained in the referenced letter relates to an "antennae" as covered by CCR Section 11.4, Exterior Appearance, which states in part "No exterior radio or television antennae may be installed without the prior written consent of the Board".

The AVCOA Board has reviewed your request and approves the installation subject to the following conditions:

1. The installation shall be as non-obtrusive as possible. As noted in your letter, the portion below the roof line shall be painted, or otherwise covered, to blend in with the surrounding area. Above the roof line, the height shall be limited as possible and the color made to blend with the surrounding area, probably the sky. It is suggested that the manufacturer of this equipment may have expertise as to what type of coloration may be best.
2. Special care shall be taken to assure that the penetration of the exterior wall (common area) shall be vermin proof as well as water tight, in order to not damage the integrity of the structure.
3. The electrical connections and wiring shall meet code and be performed by persons with appropriate credentials.
4. Should the system as installed and operated interfere with other existing communication links within Aspen Village, the planned WiFi system shall be modified or, if necessary, abandoned. Systems of concern include, but are not limited to, existing telephone, wireless telephone, television, WiFi, and any other associated or similar hi-tech systems.

5. Responsibility for long term maintenance of the system shall be that of ASPEN Time Shares.
6. ASPEN Tim Shares shall indemnify and hold harmless AVCOA with respect to any problems, currently known or unknown, that may come about based upon this installation and operation.

Accordingly, based upon the above conditions, the proposed system, including installation and operation, are approved by the AVCOA Board in accordance with Section 11.4, Exterior Appearance, of the CCRR's.

Regards,



E. E. Hershberger
President, AVCOA

C/c: AVCOA Board
Bob Thackeray
Doug Moore