

SEAWINDS II
BOARD OF TRUSTEES
ANNUAL OWNERS MEETING MINUTES
September 20, 2009

I. INTRODUCTION OF THE BOARD MEMBERS

Michael McManus called the meeting to order at 10:05 a.m. and welcomed those in attendance. Jeff Farres, Board President opened the meeting by introducing the following people:

Board Members:

Jeff Farres	Rowena Flynn
Frank Goodyear	Sheila Farres

VRI Management and Resort Personnel:

Michael McManus, Director of Resorts/VRI
Israel Soares, General Manager/SeaWinds II

Absent:

David Rapaport
Nancy Kritzman

II. PROOF OF MEETING NOTICE

Sheila Farres stated that the notice of today's meeting, pursuant to Trust Documents, was delivered to all owners at their address of record via regular mail in the July and August newsletters.

III. APPROVAL OF AGENDA

MOTION: A motion from the floor was made to approve the agenda as written. Motion was seconded and approved unanimously.

IV. READING AND APPROVAL OF THE MINUTES (September 20, 2008)

Secretary Sheila Farres distributed a copy of the 2008 Annual Meeting minutes.

MOTION: A motion from the floor was made to waive the reading of the 2008 Annual Meeting minutes and approve as written. Motion was seconded and approved unanimously.

V. PRESIDENT'S REPORT

Jeff welcomed the owners to the Cape and thanked them for making the trip. He stated that he was excited that the 2009 Annual Meeting was being hosted at Riverview Resort. Jeff encouraged the owners to walk the property to see the resort facilities and to meet the staff. He reminded the owners that when you call SeaWinds for directions, reservations, or owner services you reach one of the Riverview staff members that you see here today. He encouraged owners to reach out today and say "Thank you" to those helpful employees that owners have been commenting about over the last year in the resort comment cards.

Jeff stated that this year the Board and management have worked to maintain the resort by implementing the security deposit policy. This has been a great step in the right direction by reminding owners and guests that they are responsible for their actions. Jeff stated that the Board is very impressed with the professionalism and dedication that resort management and VRI brings to the table year after year.

The Board has been working with American Resort Development Association (ARDA) in an effort to introduce "Non-Judicial Forfeiture" in the state legislation to assist timeshare resorts with cleaning up of delinquent intervals. Jeff reported that SeaWinds currently has 32 accounts that fall into this category and encouraged the Massachusetts residents to call their local representative and ask for their support.

VI. MANAGER'S REPORT

Jeff Farres introduced Michael McManus. Michael stated that he is a Director of Resorts for VRI and is responsible for the operations at SeaWinds II. Michael stated that the Riverview Resort staff and VRI are very pleased to work with the Board over the past few years. We have been concentrating on cutting daily operational costs, maintaining unit quality, and preparing for the future through reserves.

Michael McManus displayed a slideshow presentation showing a review of capital improvements that were completed at the resort from 2007 to 2009. The renovations covered amenity upgrades, a direct phone line to Riverview, new resort sign, electronic locks, complete overhaul of the units, and several building projects including sound proofing. Michael stated that several Association units are available for sale and to please contact the resort for a list of the unit numbers and weeks.

Michael explained several new programs offered through VRI management which included the following:

VRI*ety: Vacation Resorts International re-launched its VRI*ety internal exchange program and is now in an alliance partnership with Trading Places International, (TPI). The new VRI*ety program will offer significantly more resorts than the program listed in the past, no membership fee and exchange fees are less than those charged by RCI or II. The program should prove to be a great way for owners at VRI managed resorts to receive excellent exchange opportunities at other Trading Places and VRI affiliated resorts throughout the United States and Internationally. Additional information can be found on their website www.vrietyexchange.com.

VII. FINANCIAL REPORT

Michael McManus distributed and presented the 2010 Presentation Budget.

Copies of the most recent Comparative Income Statement, Cash Balances, Cash Flow and Reserve Analysis for August 2009 were handed out and reviewed with the owners. Michael commented that the 6.5% increase in maintenance fees for 2010 was mainly due to an increase in delinquent accounts and that currently there are 32 owners that are behind in their yearly maintenance fee obligation. Michael stressed that the Board is aware of the current economical times and management is encouraging those owners to call the Owner Services Department at 508-771-3399 to establish payment plans. The Board is willing to work with owners who need assistance during this challenging period and to call today.

The Board continues to follow the guidelines of the 2008 reserve study which establishes outlines for future projects and helps the Board to set a goal to fund reserves each year.

VIII. ELECTION OF TRUSTEES

Michael McManus announced that Gene Phenuff was the only candidate that sent in his biography and asked if there were any nominations from the floor. There being no further nominations Michael read Mr. Gene Phenuff's bio and explained he was unable to make it to today's meeting due to a prior engagement but that he was very interested in dedicating his time to protecting the resort's future for years to come where his grandchildren can have special memories.

MOTION: A motion from the floor was made to waive the election process and to cast one vote to elect Gene Phenuff to a one year term to the Board. Motion was seconded and approved unanimously.

IX. QUESTION/ANSWER SESSION

- Q. How and when do we get our electronic lock key code?
- A. Riverview Resort will mail out a welcome letter with information about the resort and local attractions four weeks prior to your arrival date. This will be a reminder that your week is coming up and will include a request for you to call the resort and inform us if you will be using, exchanging or renting your week. If you are using your interval, you can ask the desk clerk for your entry code at that time.
- Q. What do we do if we have a problem while we are staying at the resort concerning maintenance or housekeeping issues?
- A. You can simply call 508-394-9801 and report any issue to the desk clerk. Please feel free to use the new emergency phone located outside unit 4 by the gas grill which dials Riverview Resort automatically.
- Q. Beach Access: Is there a specific area that is designated for SeaWinds II owners?
- A. Yes, the resort has had six Tiki umbrellas placed on the beach to reserve space for the SeaWinds II owners. Each umbrella has a number which corresponds to number of your unit. If owners have any problems they are advised to contact the front desk.
- Q. Do we have any additional parking available for guests?
- A. Yes, SeaWinds II is currently working on additional parking spaces on Uncle Rolf Rd.
- Q. Can we pay our yearly dues by credit card?
- A. Yes, you can go to www.vriresorts.com and use the owner's page to make payments online.
- Q. What new services does VRI provide?
- A. VRI provides a list of travel programs available to all owners of VRI managed properties such as VRI*ety and VRI*ety Plus. Please visit www.vriresorts.com for more information.
- Q. What can be done about the trash receptacles always being full?
- A. Management will look into changing the days of the pick ups and requests that if owners notice any unauthorized individuals dumping trash to report it.

SeaWinds Resort II
September 20, 2009

Q. Where is Riverview located?

A. 37 Neptune Lane, South Yarmouth, MA which is right off Rt. 28 behind Pier 7 Condominiums and across from Pirates Cove Mini Golf. Look for the Red and White Lighthouse on the roof.

Q. What amenities are available at SeaWinds and can internet service be provided?

A. Wireless Internet service is available in each unit; contact the front desk for the security password. Other amenities include: Adirondack chairs, patios, full kitchens, DVD players, gas BBQ grills, beach chairs, beach towels, private beach, access to Riverview Resort amenities which include an indoor pool, gym, laundry room, game room, parking and many more offsite amenities that are available. Please contact the front desk for additional information.

X. ADJOURNMENT

MOTION: There being no further business, a motion was made from the floor to adjourn the meeting at 12:04 p.m. Motion was seconded and approved unanimously.

Sheila Farres, Secretary

MJM/jmf

swb: 2009hoa