

SEAWINDS II
BOARD OF TRUSTEES
ANNUAL OWNERS MEETING MINUTES
September 25, 2011

I. INTRODUCTION OF THE BOARD MEMBERS

Michael McManus called the meeting to order at 10:35 a.m. and welcomed those in attendance to the Holiday Inn Hotel in Rockland, MA. Michael opened the meeting by introducing the following people:

Board Members:

Rowena Flynn	Vincent (Gene) Phaneuf
Frank Goodyear	Nancy Kritzman

VRI Management and Resort Personnel:

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

Absent:

Jeff Farres
Sheila Farres
David Rapaport

II. PROOF OF MEETING NOTICE

Michael McManus 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 19, 2010)

MOTION: A motion from the floor was made to waive the reading of the 2010 Annual Meeting minutes and approve as presented. Motion was seconded and approved unanimously.

V. BOARD REPORT

Frank Goodyear welcomed those in attendance and thanked them for making the trip. Frank informed the owners that Jeff Farres was out of the country on business and was not able to make today's meeting.

Frank stated that this year the Board and management has worked to maintain the resort building and that capital projects will be the focus in 2012. The Board will be attentive on maintaining the building, decks, roof, painting, new walkway, and replacing wood trim around the building where it is needed.

The Board has been working with American Resort Development Association (ARDA) in an effort to pass “Non-Judicial Forfeiture” and in 2011 the MA state legislation passed the bill. The collection process has begun on these accounts and the units will be available to owners in 2012. Frank reported that SeaWinds currently has 60 accounts that fall into this category and encouraged the owners to consider purchasing an additional week.

Frank also stated that the Assessment Billing and Collection policy is being enforced to protect the owner’s investment in the property and any owner who does not have their maintenance fees paid prior to arrival will not be allowed to use his/her unit for that given year and the unit will be put into the rental program. Any owner interested in renting a week, please call VRI Reservations at 1-800-228-2968 for pricing and availability.

VI. MANAGER’S REPORT

Frank Goodyear 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 have worked with the Board over the past five years concentrating on cutting daily operational costs, maintaining unit quality, and preparing for the future.

Michael provided a brief background of VRI and its management affiliation with fourteen timeshare resorts on Cape Cod and Nantucket along with twenty-six others in the Northeast, and more than 160 nationwide. Michael stated that VRI has been established on Cape Cod since 1988 and has a long-standing track record of turning around challenging resorts.

Michael McManus presented a power point display with information about VRI, and shared the following facts:

- 29 years in business.
- Resorts in 27 states, Canada and Mexico.
- Over 160 resort and club locations which means we manage:
 - Over 6,500 condo units.
 - Over 300,000 intervals.
 - Over \$140 Million in assessments billed annually.
 - Nearly \$20 Million in rentals annually.
- Preferred Vendor Program.
- National Rental Program.
- Corporate Reservations Office in Laguna Hills, CA, call 1-800-228-2968.
- Owner Services Department in Hyannis, MA, call 1-508-771-3399.
- Eight regional offices.

Michael's slideshow presentation included a review of capital improvements that were completed at the resort from 2006 to 2010. 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 and heating. 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. Please consider passing this information to family members, coworkers and/or friends.

VII. FINANCIAL REPORT

Michael McManus distributed the 2012 Presentation Budget.

Copies of the most recent Comparative Income Statement, Cash Balances, Cash Flow and Reserve Analysis for August 2011 were handed out and reviewed. Michael commented that the 4.7% increase in maintenance fees for 2011 was mainly due to an increase in delinquent accounts and that currently there are 52 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 has retained the services of Glen Thierwechter to enforce the guidelines of the Assessment Billing and Collection Policy and pursuing owners' financial obligation through small claims court.

VIII. QUESTION/ANSWER SESSION

Q. What do we do if we have a problem while we are staying at the resort concerning maintenance or housekeeping issues?

A. You are encouraged to report any issues to the desk clerk by simply calling 508-394-9801. Please feel free to use the new emergency phone located outside unit 4 by the gas grill which dials Riverview Resort automatically.

Q. What exchange organizations can I participate with?

A. Michael explained that the owners have several exchange programs available to them from RCI, II, and VRI*ety. VRI*ety is an internal exchange program managed by VRI and for more information to contact 888-203-1044 or email info@VRietyexchange.com.

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 the number of your unit. If owners have any problems they are advised to contact the front desk.

Q. Can owners use jet skis on the SeaWinds II beach?

A. No boats or jet skis are allowed on the property of the SeaWinds II "private beach". If you have problems please call management at 508-394-9801.

Q. Can we pay our yearly dues by credit card?

A. Yes, you can go online 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. 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.

Several owners commented on the tremendous amount of work and communication that has been shared between the owners and the Board members. The owners were thankful for all the hard work the Board has put forth to protect the resort, each owners investment, and commented that the resort looks better than it ever has.

IX. ADJOURNMENT

MOTION: There being no further business, a motion was made from the floor to adjourn the meeting at 2:40 p.m. Motion was seconded and approved unanimously.

Sheila Farres, Secretary

MJM/jmf

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