

April 2017 TIMESHARE CONVERSION PLAN TO WHOLE OWNERSHIP UPDATE

Dear Woods Manor Timeshare Owner,

Many timeshare owners have been requesting an update on the progress of the conversion of Woods Manor timeshare units to whole ownership. This correspondence will provide the current status of the conversion plan.

A private investigator was hired to obtain current contact information for 28 owners. A title company conducted ownership searches for all the timeshare weeks; 30 weeks were reported as not having clear title. The first round of foreclosures has been completed. Demand letters were sent to owners that are delinquent. The second round of foreclosures is being finalized. More owners have committed to the conversion plan since its inception.

The two tables below show counts per unit and status category. **The first table shows the status of all 300 weeks** (six units with fifty weeks per unit). There are 29 weeks that owe their 2017 dues only. Over the years there has been a dramatic increase in the number of delinquent owners. Some of the weeks that aren't current with their dues may decide to become current and participate in the conversion plan. Otherwise, these weeks may eventually become HOA owned and automatically committed to the conversion plan.

STATUS CATEGORY	101B	102B	203B	204B	303B	304B	TOTAL
HOA Owned	11	8	8	9	13	14	63
Title Issues	8	4	2	9	3	4	30
Owe Multiple Years Dues	1	3	4	2	2	1	13
Owe 2017 Dues only	3	3	6	5	6	6	29
Owe nothing	27	32	30	25	26	25	165
TOTAL	50	50	50	50	50	50	300

Status of 300 Timeshare Weeks by Unit and Status Category

The second table (below) shows the counts for weeks that have committed to the conversion to whole ownership. The current percentage of commitments is 76% (229/300). This percentage will increase as additional weeks become HOA owned through actions taken by the HOA's attorney or as more owners decide to become current on their obligations and commit to the plan. A few of the committed weeks are delinquent or have title issues that must be resolved before they can participate in the plan.

STATUS CATEGORY	101B	102B	203B	204B	303B	304B	TOTAL
HOA Owned	11	8	8	9	13	14	63
Title Issues	6	3	2	5	2	3	21
Owe Multiple Years Dues	1	1	1	0	1	1	5
Owe 2017 Dues only	1	0	5	5	3	4	18
Owe nothing	24	24	19	21	13	21	122
TOTAL	43	36	35	40	32	43	229

Commitment Status of Timeshare Weeks by Unit and Status Category

Currently there are projected shortages in the WMI 2017 operating and reserve accounts. There is also potential for shortages in the 2018 operating and reserve accounts. Delinquent owners force paying owners to cover the shortages. **There are two ways these shortages may be reconciled:** 1) through the sale of one or more of the units, with the net sales proceeds from the HOA owned weeks offsetting WMI obligations, and or 2) through additional special assessments and or dues increases to the current owners of record.

Some good news: whole ownership unit 301B sold, five days after listing, for \$383,042. This is a third floor one-bedroom/den unit. The asking price was \$379,000. There were multiple offers. The seller paid the special assessment. Currently, it is a seller's market in Breckenridge. Also, our management company (Wilderness Property Management) is aggressively marketing the HOA owned weeks for rental income which will help offset WMI obligations.

When all 50 weeks of a timeshare unit have committed to the conversion plan by returning contract documents to the Woods Manor attorney, Paffrath and Thomas, Inc will list that unit for sale. The sooner a unit is sold and closed, the sooner funds will be available to cover shortages.

After a unit has been sold and closed, timeshare owners that are participating in the conversion plan will receive 1/50 per week owned of the net sales price (reduced by, i.e., closing costs, legal expenses, realtor fees, and administrative fees) and adjusted by color weeks stipulated in the Woods Manor Declaration and the conversion plan.

If you have not yet committed to participating in the conversion plan, please contact me by phone, email or mail to request conversion plan information, a commitment form and/or discuss issues of interest. If you have any questions, please contact me (**note:** this is my new address and I no longer have a home landline):

**Len Vest
900 Sandy Cove Ln
Ft Collins, CO 80525**

**Email: lenvest@comcast.net
Phone: 720-291-5678**



**Thank you!
Len Vest, Timeshare Owner &
WMI Timeshare Conversion Coordinator**