

Frequently Asked Questions about the proposed reduction in annual assessments for timeshare owners

1. Why is Coosawattee considering reducing the annual assessments for timeshare owners?

- Timeshare owners currently pay Coosawattee \$555 annual assessments and Beaver Forest Chalet Villa Property Owners Association \$623 maintenance fee (totaling \$1,178) for **one week of ownership**. The timeshare owners and their Board of Directors have asked for a reduction of Coosawattee assessments to make the timeshares more reasonable.

2. Should Coosawattee land lot owners be concerned about the success of the timeshare operation?

YES! For the following reasons:

- To protect property values
- To improve Coosawattee's image
- To increase Coosawattee's income potential
- To maximize use of the property

The timeshares consists of 58 buildings spread throughout the Coosawattee River Resort in arguably some of the most beautiful and desirable locations. By keeping the timeshare weeks sold and maintained the entire Coosawattee community benefits.

3. What is the timeshare operation?

- There are 57 free standing buildings with 50 owners representing one week each within Coosawattee located at the Water Tower Conference Center, the recreation center, Fife Bridge, and a single building consisting of 4 condominiums near River Park that were originally developed as timeshares. These timeshares were to be sold in one week ownership increments and could be exchanged with other timeshares. The timeshare operation is currently managed by the Beaver Forest Chalet Villas Property Owners' Association, Inc. in conjunction with Vacation Resorts International.

4. Why do timeshare owners pay as much in annual assessments as all other lot owners in Coosawattee?

- The Coosawattee original by-laws, dated 1994, require ALL property owners in Coosawattee to pay the same amount in annual assessments.

5. What is the \$623 maintenance fee paid by the timeshare owners used for?

- The \$623 is a maintenance fee and it is only used for repairs, cleaning, and maintenance of the timeshare building. The timeshares are fully furnished and operate essentially like a hotel with cleaning and laundry service.

6. What is Coosawattee recommending the annual assessments for the timeshare owners should be?

- The Coosawattee Board of Directors and the timeshare Board of Directors recommend that the timeshare owners' dues be 1/5, or twenty percent (20%) of the highest annual dues for any fiscal year. For example, this year's Coosawattee assessments are \$555.00 so the timeshare owners' Coosawattee assessments would have been \$111.00 per week.

7. When will the proposal take effect?

- During fiscal year May 1, 2009 through April 30, 2010. Villa timeshare owners will still pay \$555.00 for May 1, 2008 through April 30, 2009.

8. How will the timeshare owners' votes be impacted by the proposal?

- When this passes, timeshare owners will have 1/5 of a vote on any Coosawattee issue voted upon by the membership. This is not restricted to any one building. By example, if five different owners in five different timeshare buildings each vote the same way on an issue then their vote shall count as one whole vote. By comparison, a land lot owner's vote shall count as one whole vote.

9. How will the timeshare owners' amenity rights be effected by the proposal?

- Timeshare owners and their guests will be able to use the Coosawattee amenities for the week(s) of ownership in their name. However, the proposal states timeshare owners may elect to pay the highest rate for annual dues and have the ability to use Coosawattee amenities year round.

10. There will be three Town Hall meetings at the Water Tower Conference Center devoted to this issue on:

- Saturday, June 21 at 10:00 AM
- Tuesday, June 24 at 10:00 AM
- Thursday, June 26 at 7:00 PM

Additional information is available at www.coosawattee.net or you may call 706-276-1060.