

June 24, 2021

Fellow Owners,

I am writing to update you on the status of the 2020 Annual Meeting, the Association's financial condition, the new Level G1 office and to clarify what is meant by the 2035 Sunset clause in our Resolutions.

As you are aware, the 2020 Annual Meeting was postponed avoiding in person exposure to the COVID virus. Other resorts have taken similar action. The Board has decided to hold both the 2020 and 2021 Annual Meetings on Saturday, November 20, 2021. Two separate proxies will be mailed to owners in advance. The 2020 election will be held first, followed by the Bylaws required Organization Meeting; the 2021 Annual Meeting will then follow during which regular business will be conducted. The location for the meeting will be the Maritime Institute in Linthicum, MD, the same location as prior Annual Meetings. More information will follow.

While the Association remains financially strong, we continue to seek out additional ways to bring in revenue. Owner attrition is an ongoing factor that will affect our financial condition in the long term; for every owner that defaults, a source of revenue needs to be identified to fill the void left behind. The Guaranteed Rental Agreement with Capital Vacations is one way we have successfully generated additional revenue; other revenue streams such as more aggressive sales of Association-owned intervals are also being considered. Managing expenses, while providing owners and guests with a first-rate vacation, remains our major priority.

Presently, the new office on the G1 garage level is completely functional. Owners and guests are now checking in at the resort office. Having management on-site is proving to be a distinct advantage over a remotely located office; it puts management in direct touch with the needs of owners and guests.

Many of you have expressed concern about the 2035 Sunset provision contained in the Association documents which require a decision whether to continue as a timeshare resort or to repurpose; a vote of the owners is required in either case. The Board believes making a recommendation now would be premature. Meanwhile, we will continue to operate normally, maintaining and improving the property. Further, efforts to gain control over delinquent intervals will be stepped up with the intent to monetize these units via rentals and sales. A complete title search has been done revealing a relatively clean ownership history.

Despite the challenges that we have faced in 2020 with a pandemic shutdown, and personnel changes, the resort remains viable and strong, a situation that is made possible through the encouragement and support of you, our owners. We appreciate your continued loyalty and wish you and yours a very healthy, prosperous 2021.

Sincerely,

*Ron Harrington*

President