



Welcome
to the
Blue Tree Resort at Lake Buena
Vista Condominium Association, Inc.
Annual Owners Meeting

January 22, 2007

9:00 AM EST

Blue Tree Resort at Lake Buena Vista
Check-In Facility

Call to Order

Certification of Quorum

- Required Quorum Count - 2,103 Unit/Weeks
- Basis for Calculation: 15% of total 14,025 unit-weeks = 2,103 unit/weeks



Proof of Notice



Notice of Mailing

STATE OF SOUTH CAROLINA) CERTIFICATE OF MAILING
COUNTY OF HORRY)

I hereby certify that I have caused to be mailed on 12/15/2006, the Annual Meeting Notice of Blue Tree Resort at Lake Buena Vista Condominium Association, Inc. to be held on Monday, January 22, 2007, at 9:00 A.M. at the Blue Tree Resort at Lake Buena Vista Check-In Facility, 12007 Cypress Run Road, Orlando, Florida.

Said Notice was sent to all owners of record.

Lin Packard,

Lin Packard, Executive Administrator – SPM Resorts, Inc.

Agent for Blue Tree Resort at Lake Buena Vista Condominium Association Association

Date: 12/15/2006



Reading and approval of Unapproved Minutes



Reports of Officers

Financial Reports

Andy Thompson, CFO - SPM Resorts

Trish Docherty, Regional VP of Operations – SPM Resorts

Highlights & Achievements of 2006

Reinaldo Gonzalez, Resort General Manager



2006 Year-End Financial Recap

1. Maintenance Fee Increases:

A. \$5 since 2002, and

B. \$39.00 in 2007 to cover the increase in Operating Expenses

(During 2006 Insurance costs were \$319,211 more than budget as a result of hurricanes during 2005 and 2006. We are projecting 2007 insurance expenses to be \$449,930 higher than the 2006 budget)

Maintenance Fees are Still Lower than 2001 level of \$527.

(for 2006 - \$487 = \$345 Operations + \$59 Reserve + \$83 Property Tax)

2. **Reserves are funded** (\$829,158) for 2006. Projected Fund Balance in the Reserve Account at the end of 2006 is \$768,969 after expenditures of \$1,452,946.

3. Asset of \$1.3 million added to Association. We have a new Check – in Facility



Maintenance Fee Summary

2007 Budget

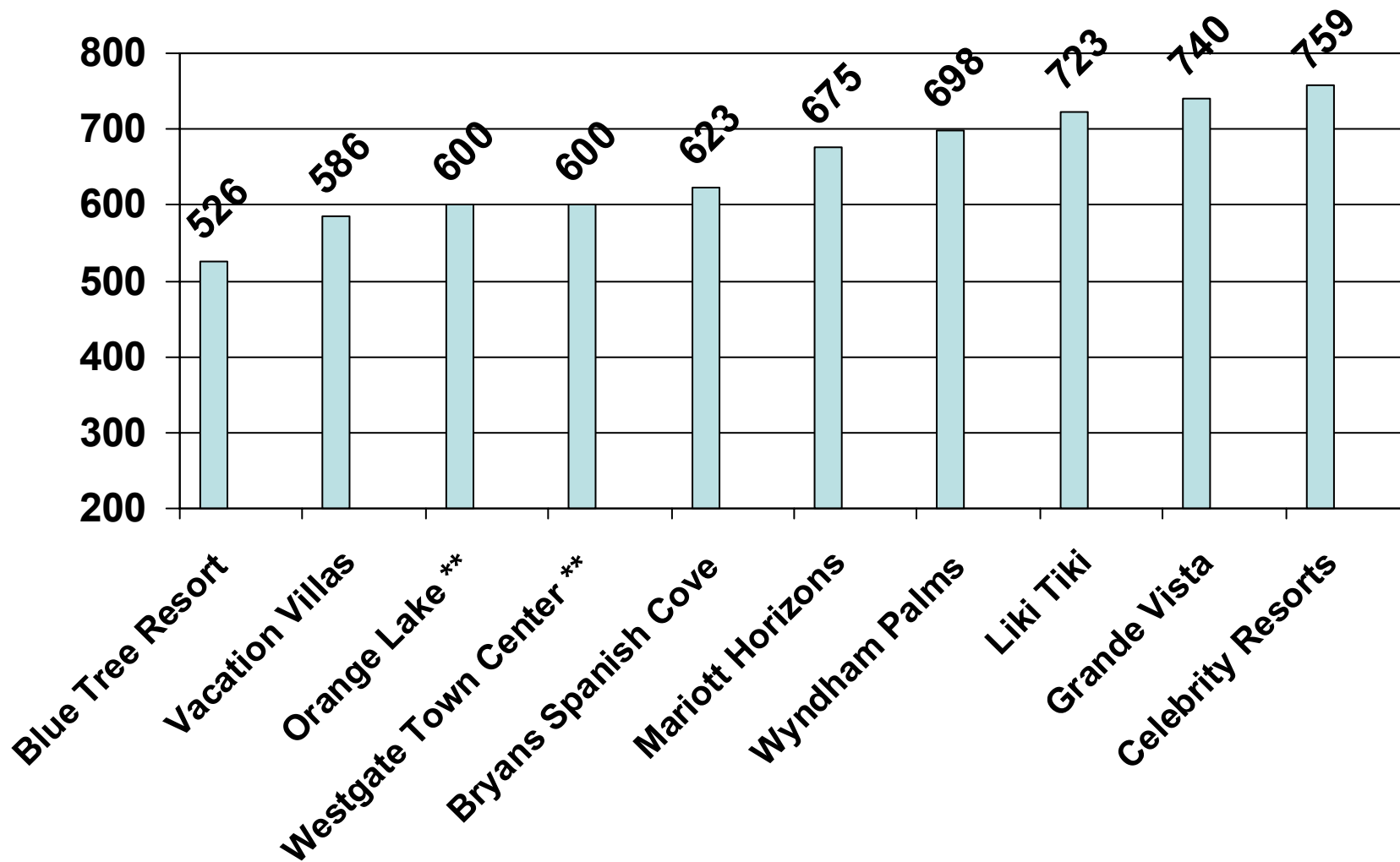
Maintenance Fees

- Operating Expense portion - \$384.00
- Property Tax - \$83.00
- Reserve funding portion - \$59.12
- Total Maintenance Fees for 2007: \$526
- Total Maintenance Fees for 2006: \$487
(2 Bdrm Exec)
- \$39.00 increase in Maintenance Fees from 2006 to 2007.



2007 Maintenance Fee Comparison (2 bedroom units)

(** denotes property taxes not included)



2006 Year End Revenue Recap

Revenue Improvements to offset continually increasing expenses

- *Aggressive Collections of Delinquent Maintenance Fees. Over \$311,000 collected in delinquent fees in 2006. (Bad Debt Recovery)*
- *82.7% of billed Maintenance Fees were Collected in 2006. In 2005, Blue Tree Resort collected 81.7% of billed maintenance fees. This equates to additional revenues of \$67,600 for the Association.*
- *\$290,000 in revenue collected from Delinquent Owner Rental Program. Emphasis will be placed on growing this rental program in the coming years to offset uncollectible maintenance fees.*
- *Late Fee and Interest Collections increased \$67,196 (72%).*
 - *Use of prior year surplus \$127,000.*
 - *Total of Additional Revenue Sources \$862,796.*



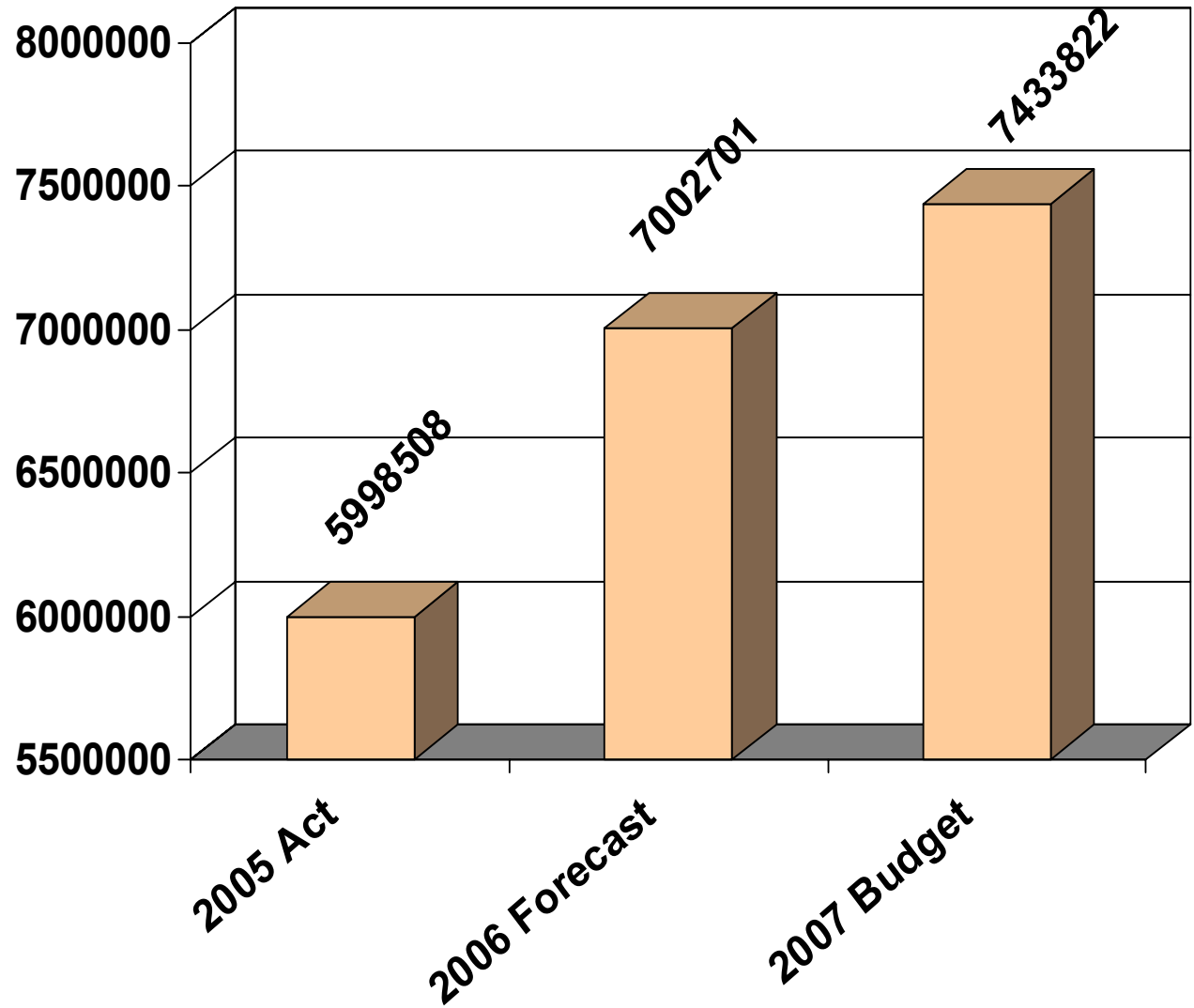
2007 Budget Revenue Recap

- Aggressive Collections of Delinquent Maintenance Fees
\$200,000 projected in 2007.
- Maintenance Fee increase budgeted to generated \$453,989.
- Increase in Delinquent Owner Rental Program. 2007 Budget to double revenues from 2006 to 2007 to offset delinquencies - \$249,861.
- Installation of in-room internet access and first rate movies as a revenue generating amenity to offset delinquencies.



Blue Tree Resort

2005 – 2007 Expenses



2007 Budget Expense Recap vs. 2006 Expenses (increase of \$431,121)

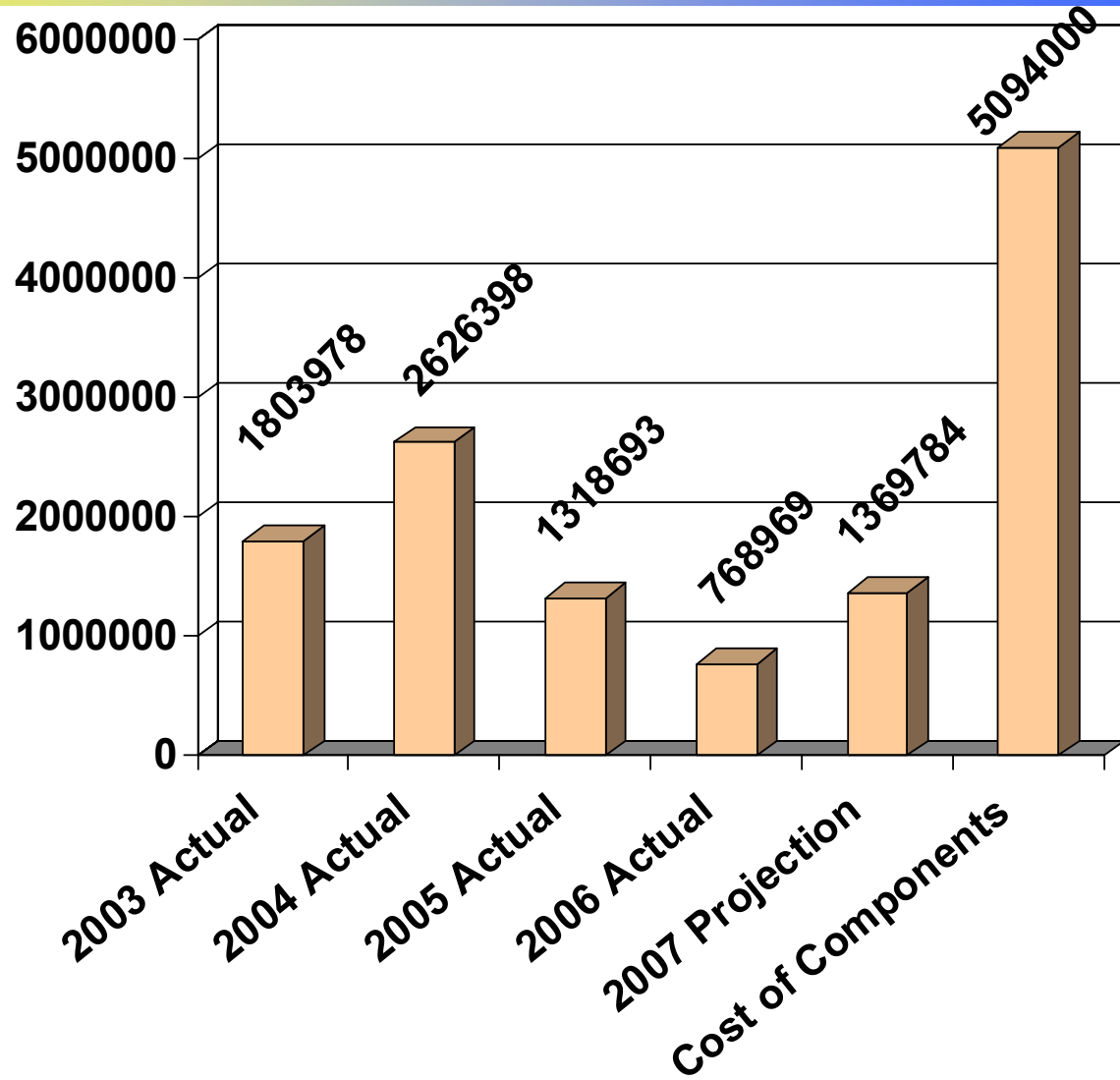
- *Increase of 6.9% in Utilities - \$39,334*
- *Increase of 4.4% in Housekeeping Expense - \$33,050*
- *Increase of 3.6% in Building Maintenance - \$4,771*
- *Increase of 4% in Salaries - \$46,200*
- *Increase of 26% in General Insurance - \$137,105*
- *Check-in Facility Construction Retirement - \$238,749*

***Overall Increase in 2007 Operating Expenses versus
2006 Actual - \$431,121***



Fund Balance Projections

Reserve Fund



2006 HIGHLIGHTS & ACHIEVEMENTS



2006 Achievements

- Completed the last phase of unit renovations.
- Occupied the New Administration Building.
- Updated all unit directories and telephone face plate's.
- Replaced all landscaping irrigation pumps.
- All Trees were trimmed and mulch was placed through-out the property.
- Continue weekly Owner Meet n Greet Meetings at the property to keep owners informed.
 - Increased Interval International Scores from year ending "2005" (81%) to year ending "2006" (85%).



2006 Capital Projects

\$1,452,946

Interior Refurbishment - 67 Units

- New Furniture – sofa, chair, end tables, coffee table, dining table & chairs, TV cabinet, lamps in living room and bedrooms, dressers and mirrors in bedrooms, headboards in bedrooms, artwork, plants, dining room chandlers, bedspreads and unit draperies throughout entire unit.
- Installed new carpeting and padding.
- Installed new mattresses and box springs.
- Installed new D.V.D. and Converter Boxes in all units.

Miscellaneous Projects

- Installed new HVAC hot water boiler in mechanical room #3
- Replaced 2 HVAC circulation water pumps.



2006 Capital Projects

\$1,452,946

- Replace Main Property Water Back-flow-valve
- Replacement of some Pool furniture.
- Replacement of Pool Heater in pool # 3.
- Replacement of awnings in pool #4.
- Upgraded Pool Lighting for night-time swimming in pool #4.
- Installation of new Phone Switch in Administration Building.
 - Replacement of some Washer and Dryers
 - Installation of “20’ Flat Screen T.V. in the one bedroom units only.



2007 CAPITAL PROJECTS



2007 Capital Projects

Projects	Total Cost
1. New Telephones for all Units	\$ 12,100.00
2. Door Key Locks & Software	\$ 70,000.00
3. Washer & Dryers	\$ 43,758.00
4. Unit Carpet replacement – bldg. #2 & #4	\$100,289.00
5. Window Screens	\$ 20,000.00
6. Playground Equipment	\$ 10,000.00
7. Re-carpet the Mini-Golf Course	\$ 7,000.00
8. Pool Furniture	\$ 5,200.00
Total Capital Projects - 2007	\$268,347.00
Replacement cost of Components	\$5,094,000.00
Fund Balance at 12/31/06	\$ 768,969.00
2007 Funding Level	\$ 829,158.00
Fund Balance at 12/31/07	\$1,329,784.00

