



***Vacation Inn Resort of the Palm Beaches, Inc.***

July 21, 2008

Dear Friends and Neighbors:

A few days ago Jean Bourgeois verbally resigned as our resort manager. He and his wife Lisa, our Office Coordinator, will be leaving the park by the end of July. Apparently during their vacation a good work opportunity presented itself to Jean. As you may recall, your Board had commissioned an independent outside attorney and investigation team to look into allegations of improprieties by Jean. However, his resignation came before any action could be finalized.

For the time being our assistant manager, Darwin Pickell, has agreed to handle the management position under the auspices of the Board of Directors and our attorney, Jay Levine and/or a CAM licensed consultant. Darwin will take the CAM license exam in the very near future which is a good thing for the Assistant Manager to have and which would be a requirement to consider Darwin as a candidate during our search for a new manager. Joyce Marr, our bookkeeper, will handle the office until a qualified person can be hired to replace Lisa. Serge has indicated he can handle the rental program remotely during the summer. There will probably be a slow down in real estate sales, but the Board believes that with the cooperation and consideration from our owners during this transition period, our resort will not suffer in any way.

Since my letter in June the driveway behind the office has been resurfaced, removing the dips and pot holes which is a beneficial improvement, particularly for our handicap owners to access the Rec Hall. Also, the west pool steps have finally been repaired. Because of the age of the pool, it was difficult to find the proper replacement parts. On a recent trip to the resort I am happy to report that everything looks better than ever.

Financially we are in good condition and expect to have the \$90,000-plus from the deferred insurance account (money market account) so that when our premium comes due in January 2009 we will have sufficient funds to pay it.

Over the next few months the Board will be looking at job descriptions and structure for the management of our park. If you have any suggestions, we would appreciate hearing from you.

Have a happy and healthy summer.

Wade H. Horn, III  
VIR Board President