

State of Union

by Steve Furrer, COO

2009 certainly was a year for the record books in more ways than one. There was the banking and credit crisis, not to mention record unemployment. All that, on top of ever rising costs, created "the perfect storm" that battered us all. Most businesses have been affected during the past year and Mountainview Resort was no different.

The good news is we made it through this tough period by the fantastic efforts of the resort team, who was careful with spending, shopped frugally at every opportunity and addressed a multitude of projects without using outside vendors. These projects included preventative maintenance on the rooms and cabins, work on the common areas including the ceiling and walls in the great room as well as the replacement of the tin roof over the great room. Although there are always more things that need attention, we are confident that you will see a difference.



Cabin 23 - Rustic Elegance

We have constantly been looking at additional ways to keep our footing and further address two core issues of delinquency and unsold intervals. In the short term, we are taking the usual steps to address delinquent owners by blocking usage and entering their week into a rental program as an attempt to recoup monies. Also, delinquent owner's accounts have been assessed with interest charges and moved to outside collection agencies in an attempt to recover monies due. Unsold intervals are also blocked and rented, when possible, with the net proceeds going back to the resort's budget.

Long term planning is more complicated. It involves recovering delinquent inventory through foreclosure which is a time consuming and costly process. Taking back the inventory is only the first step. Re-selling the inventory to get a dues paying owner is a daunting task. To accomplish this task, InnSeason Resorts will be refocusing all our

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Dear Mountainview Friends

Mountainview continues to flourish, despite the economic climate, thanks to the guidance and dedication of InnSeason Resorts through their development and management companies, and to a small, talented and very dedicated staff at your resort.



Sandy Stevens, General Manager

Several indoor maintenance and improvement projects were completed over the winter months including repair and painting of the walls and ceiling in the pool table area of the commons, which had suffered severe structural damage from roof leaks; painting and new benches in the indoor pool room; building new work benches and organizing of the furnace-workroom area (which becomes an invaluable staging area for a great deal of the work the maintenance crew does); plus many other numerous little projects that needed attention.

Spring projects include demolition of the apartment building on the property through a training exercise for the fire department. The building has been prepared and will be burned on June 7th.

We repaired a number of unit decks, ensuring safety, and replaced some deck doors and a picture window. Additionally,

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New Flower boxes - designed and built in-house



New Pool benches. Mike constructed out of cedar - to last forever.



Freshly painted pool.



Pool chairs received paint too.



Unit 3 - New handmade quilt and sham.

resources on selling reclaimed and developer inventory. The good news is that InnSeason Resorts has retained its financing and will be able to build and maintain a strong sales program.

One thing that this economy has taught us is that we need to critically review and refine our business practices. To that end we have turned to, Vacation Resorts International (VRI) for their resort management expertise. We are pleased to announce that with the blessing and approval of your Board of Directors, we are transferring the day-to-day management and operations of Mountainview Resort to Vacation Resorts International. VRI has been providing professional management services to resorts, hotels and condominiums for 29 years and currently manages over 150 resorts in the United States, Mexico, Canada and Hawaii.

Our partnership with VRI will better enable InnSeason to concentrate on our core business; sales and growing the InnSeason brand and Club. InnSeason will be better positioned to provide sales and resales services to the resorts and Club; a critical component in managing delinquency and maintaining healthy resorts. What does this change mean to you? More owner benefits and travel opportunities. The transition itself should be virtually seamless to you. Resort staff and onsite management will remain the same and InnSeason will still be very much involved. Some phone numbers may change for different services but you will still have access to InnSeason programs and benefits such as Owner's Inn web site with online access to forms and account information.

InnSeason Resorts standards and quality will stay the same. The brand which we have so carefully cultivated will continue to grow. You will have the best management team available supervising the day-to-day operations at your resort and you will have the best Sales and Marketing team available to ensure the financial stability and growth of your resort; literally a win-win situation. Please see additional information from VRI in this newsletter. You will receive ongoing communication from VRI and your resort about this transition, but basically you really have only one thing to do. Start planning your vacation. This year's will be better than ever.

Working on other strategic alliances, we have been able to move our focus to selling fewer properties thus allowing us to sell more Mountainview inventory. Furthermore, we have reworked our products and pricing. This has allowed us to offer a broader range of products at all of our sales lines. Additionally, we are opening up a new sales center June 5th with further sales avenues opening shortly thereafter. All of these changes will allow us to better address moving unsold and delinquent inventory.

To recap, through closely watching spending, we have been able to mitigate costs and keep moving forward on projects. To provide a better foundation for our budget, we have brought in Vacation Resorts International to manage the daily operations of the resort with InnSeason focused solely on selling delinquent and unsold inventory.

We look forward to seeing you this season and thank you for your support.

About Vacation Resorts International

Your New Management Company

VRI is pleased to welcome owners at Mountainview Resort to our family of managed resorts. VRI is celebrating its 29th year managing timeshare resorts throughout the United States. With over 150 resort affiliations in the U.S., Mexico and Canada, VRI is considered one of the largest and most successful independent timeshare management companies in the industry. Corporate and national reservation offices are located in Laguna Hills, California; however, VRI has maintained a regional office in Hyannis, Massachusetts since 1989.



VRI manages thirteen (13) resorts on Cape Cod and one (1) on Nantucket Island. In the Northeast Region, VRI is responsible for resorts in New Hampshire, Vermont, New York, Rhode Island, New Jersey and Pennsylvania. A full list of VRI resorts can be viewed by visiting www.8664myvacation.com.

In addition to overseeing day-to-day operations at Mountainview Resort, VRI will provide comprehensive financial accounting, owner reservation and exchange coordination, assessment billing and collections and rental services. These services are all supported by our own property management system and software called System 9900™. VRI supplier partners, including Home Depot Supply, Eco Lab, American Hotel Register, and Global Crossing Long Distance, and many others allow us to capitalize on national volume buying power for high quality products and services at all of our resorts. VRI's alliance partnership with RCI and relationship with Interval International provides for discounted memberships, exchanges and travel opportunities, many available only to owners at VRI managed properties. Also, VRI's owner enhancement programs offer deeply discounted rental rates, travel, exchange and even cruise opportunities. All of these programs are now available to you as an InnSeason Resorts owner to provide you even more exciting ways to vacation and travel!

Mountainview Resort Condominium Association, Inc.

Call For Nominations

Enclosed is a Candidate Nomination Form which must be completed by any owner who wishes to be on the ballot to run for two Board positions for a three (3) year term.

Please remember that participation as a Director does not include compensation for one's time, but does require a lot of love and caring for Mountainview Resort. You must be willing to attend meetings at the Resort, telephonically or at locations deemed most convenient to a majority of the Board.

Our next Owners' Annual Meeting is scheduled for Saturday, September 11, 2010, 2:00 p.m. at Mountainview Resort, 263 Main Street, Jackman, ME. Prior to this meeting you will receive a short biography on the candidates. Enclosed with that mailing will be a proxy to use if you cannot attend the Annual Owners' Meeting. It is most important that you return the proxy if you cannot attend. We, the current Directors, wish to thank our fellow owners who have been of tremendous support to us in the past.

Please return the Nomination Form by July 16, 2010 to the following address:

Secretary
Mountainview Resort
c/o Vacation Resorts International
Post Office Box 399
Hyannis, MA 02601-0399

Dear Friends

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Cabin eleven's fireplace was replaced and we purchased a new guest laundry washing machine. A small covered patio outside the back entrance to the indoor pool is currently being constructed. The patio will include a picnic area and a second gas grill which we hope will be more convenient for those of you staying in the cabins.



Just waiting to be planted!

We have loaded the front entryway and yard with an array of flowers. We hope the cold stays away and that they last until at least August.

It has been a pleasure to continue as your resort manager over the past year. I look forward to seeing those of you who will spend your vacations with us again this year and, to those of you who choose to go somewhere else, have a wonderful vacation wherever you go.

— Sandy Stevens, General Manager



Local Fire Truck - preparing for apartment burn on June 7th.

MOUNTAINVIEW REFERENCE LIST

VRI Owner/Member Services800-999-7140
Maintenance fees800-999-7140
Payment Plans800-999-7140
Changes of or additions to ownership800-999-7140
Emailnememberservices@vriresorts.com

Central Reservations800-228-2968
Fixed week reservation800-228-2968
Float week reservation800-228-2968
Bonus time800-228-2968
Deposits with Exchange Company800-228-2968
Emailinnseason@vriresorts.com

Mountainview Resort207-668-7700
Fax207-668-7710
General Manager: Sandy Stevens207-668-7700

VRI Rental Program800-228-2968

Interval International InnSeason Desk800-828-8200
www.intervalworld.com

2009 Customer Service Scores

2009 was the year of improvement at Mountainview. 30 of the 32 categories we are measured on saw an improved score. Most notably, Vacation Experience Rating went from an 85 rating in 2008 to a 91 rating in 2009, gaining 7 points.

Our efforts at improving key areas of the resort paid off also. The landscaping/ grounds, the indoor pool, and the sauna all saw an increase of 5 points from 2008 to 2009, scoring an 84, 87, and 85 respectively.

We had two focus areas across all properties in comfortable bed and good night's rest categories. Mountainview saw improvements in both categories. Comfortable bed went up three points from 2008 to an 89 score and Good Nights' Rest went up four points from 2008 to a 92.

These scores represent 21% of all stays during the 2009 calendar year. The next time you are staying with us, please let us know what you think. The comment cards are used to focus our improvement efforts so if you don't let us know, we can't fix it. You can fill out the card in your room or submit your comments via email after your stay. We value your comments and look forward to hearing from you!



Mountainview Resort

263 Main Street
Jackman, ME 04945