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June 16, 2018

## **Preserving your investment in Treehouse Village**

Treehouse Village, like all traditional timeshare resorts, is facing a series of challenges. Among these are the aging of our group of owners, the reluctance of millennials to own timeshares, and the proliferation of many “get rid of your timeshare” scams. In order to preserve your investment in Treehouse Village, the board of directors is asking you to vote on a series of amendments that will give owners the ability to face these challenges. Each amendment stands alone. For the changes to be accepted, 75% of the owners must approve the amendments. The board of directors has unanimously recommended that you vote **YES** for each amendment. The legal description of each of these amendments is attached to this summary. A voting card has been attached and we ask for you to **return by August 31<sup>st</sup> this year**.

This following summary of the proposed amendments to the “Declaration of Condominium and Bylaws” gives a brief explanation of the reasons we are asking you to affirm each of these amendments. If you have questions about the amendments please contact the Treehouse office and you will be put in touch with one of your board members.

### **1. Suspend voting rights for delinquent owners**

Wisconsin law allows for voting rights to be suspended for delinquent owners (people who haven't paid maintenance fees), but this was not included in the original Treehouse Village declaration and bylaws. Because of this oversight we are required to count all owners when it comes to quorums (25%) and amendments (75%). If approved, our association will be able to suspend voting rights of delinquent owners until that owner pays off the past due account.

### **2. Change approval for amendments to 67% from 75%.**

Wisconsin condominium law allows for a two-thirds (67%) vote for approval of amendments compared to the 75% required by the declaration and bylaws. Changing this requirement will give our owners more flexibility for any future changes needed to preserve the investment you have made in Treehouse Village. Please be aware that any weeks owned by the association may not be voted or counted in determining quorums or amendments.

### **3. Allow for “termination” of the resort**

The Declaration requires termination of the current resort model in the year 2023. At that time all owners become “tenants in common”. An ownership vote is required in early 2023 that would allow the resort to continue as a timeshare (Declaration Article XXII, Part B).

Your board is extremely concerned about the declining number of faithful owners that pay their maintenance fee from year to year. If that number decreases to 256 owner-held weeks, it will mean that the maintenance fee will be 50% higher than if fees were being collected from the original 384 owner-held weeks. The financial burden placed on owners at that time could be prohibitive of resort continuation under the current structure. The board is concerned that owners are able to have the necessary time and flexibility to terminate or determine a new model of ownership for the resort before 2023 if current financial situations continue.

This last amendment therefore, allows for a “termination” vote to be taken in any future year when the number of paid-up owner-held weeks drops to 256 or less. Approval of this amendment allows owners to have adequate time to consider and plan for options such as sale or some other means of operating the resort.