

Lifside Condominium
Smugglers' Notch Resort

October 25, 2014

RE: Adjustment to the 3rd Qtr assessment as collected by Smugglers' and to be transferred to the Lifside Account

Listed in your Smugglers' 3rd Qtr 2014 statement issued by Smugglers', you will find an assessment amount collected on behalf of Lifside. These funds will be transferred to the SNHA office and applied to your Lifside account as has been the practice for many years. This year's 3rd Qtr assessment amount reflects an adjustment to the 3rd Qtr amount that was originally budgeted last spring according to the discussion and agreement at the July 5, 2014 Lifside Annual Meeting.

There are two aspects to the adjustment:

1. How the dryer vent project was paid for several years ago. The costs of dryer vent changes were originally paid for by the % of undivided interest held by each home. After review and discussion, the directors and homeowners agreed that the charges should have been allocated to each home size by what it actually cost for the changes to be made to each of the home groups.
2. How Smugglers' has collected the Regime Services Fee since 2009. For many years, the Regime Services charge was the same to all homes regardless of home size (% of undivided interest). After review and discussion, the directors and homeowners agreed the charge should be according to the % of undivided interest held by each home size.

The net result of the adjustments for these two charges includes a credit to studios and an additional charge to 1 and 2 bedroom homes. In order to spread out the impact of these adjustments, the Lifside Directors agreed to make the adjustments over the next 4 Lifside assessments starting with the 3rd Qtr 2014.

Also starting with the 4th Qtr 2014, Lifside will pay Smugglers' directly for the Regime Services they provide. This Regime expense will become a part of the annual Lifside operating expenses and you will see the total amount for these services listed on the Lifside Budget, and as such, will become a part of the annual Lifside assessment.

For more details, you will find a description of the discussion and basis for these adjustments in the minutes of the July 5 2014 Lifside Meeting Minutes at the web link:

<http://www.snha.net/regimes-a-buildings/lifside>

After reviewing the minutes, if you have questions, please contact Joe at SNHA (joe@snha.net), or your directors at Lifside.

Thank you for your attention.

Lifside Directors

Michele Cloke
Ernie Simuro
Kent Weber