

Management Report for Collins Lake Resort, A Condominium

March 2010

March consisted of variable temperatures and mixed precipitation. We had a number of smaller snow storms mixed with rain throughout the month. The resort continues to look really good and we are still getting positive feedback about the resort's new appearance.

Overview of the month's operations:

Some of the local ski races kept the resort very busy throughout the month of March. We have been spending a lot of time and effort on the pool and spa equipment to make sure we are doing everything possible to maximize the life of the equipment and so people can really enjoy all the resort amenities. As we transition into spring we are starting to focus on summer projects to keep the resort looking great and operating efficiently.

We continue to do everything possible in working with our collections attorney to collect delinquent HOA dues. We are seeing the effects of the current economy and the resort has experienced a number of foreclosures which are affecting our receivables.

MHM continues to enforce the resort's policies and make sure owner's concerns are addressed.

With this month's income statement there are a few line items to note:

For the month of March the financials are showing that we are over budget by \$2,889. However \$4,800 was recorded under snow removal contract which was from winter of 08/09 and never billed to the HOA till now. We have verified that it was indeed owed and have made the payment necessary to come current with that contract. Despite that we still remain under budget for 2010 YTD by (\$2,695). This month we saw our common area power go down by \$544. We were still over budget in March by \$338 for common electricity but we're confident that number will continue to come down as we get further into the spring and will be on or under budget for the year. Propane for the pools and clubhouse was quite high for March and exceeded the monthly budget by \$2,244. Management is making adjustments in the spring operations schedule to reduce that cost and bring us back in line with our propane budget. We continue to look forward to doing whatever is possible to keep the costs down in 2010 and run an efficient and first class resort.

A look ahead into April:

April started off with two major snow storms back to back. The small spa jet motor has failed and no longer puts out enough air to provide jets to the small spa. We are looking at costs to replace that or have it rebuilt.

If you have further questions, please do not hesitate to give me a call at 503-997-3591.

Sincerely,
Brett Fischer

Mt Hood Management