

Fairway Forest Townhouse Association, Inc.
P.O. Box 2048
Cashiers, NC 28717
828-743-3956

MEMORANDUM

To: Fairway Forest Owners

From: Board of Directors
Fairway Forest Townhouses Association, Inc.

Re: Amendments to our Declaration

Date: October 7, 2010

You will find attached a BALLOT for voting on Amendments to our Fairway Forest Declaration. The Board unanimously supports these amendments and asks you to do the same.

All of these amendments relate to our Association's relationship with the Master Association. As you may already know, we interval owners pay a Recreation Fee for use of the amenities at the rate of 1/9 for single share and 1/6 for double share of that of a whole lot or condo owner instead of 1/50 per interval week. In other words, we pay 5.56 times to 8.33 times what we should be paying if we were at parity.

We are trying to get this unfair situation changed and also avoid any possible future disruptions in the use of the amenities like we experienced in the last few weeks. This will take time and needs your approval. In the meantime, we have realized that it is also not fair for the Association to have the burden of collecting Master Association Recreation Fees from our member owners. This adds a big administrative cost to our budget and the Association is not compensated for being the Master Association's collection Agent. (This is addressed by Amendment 4.) We also do not think it is fair for our association to be asked to pay on 100% of our weeks when we do not collect on 100% of our weeks. This will increase your cost if we have to pay for all non paying weeks including association owned weeks.

Amendments 1 and 3 are simply clarifications since our Declaration which has not been amended in over 15 years still uses "P.O.A." to refer to the Master Association and the "Developer" has long since ceased to exist.

Amendment 2 makes certain that the Master Association assessment for Recreation Fees is separated from our maintenance fee.

Amendment 4 also makes certain that the Master Association's only real means of collecting Recreation Fees is to suspend use of amenities on an owner by owner basis. Obviously, as long as you pay the Recreation Fee when you receive a bill, you will have use of the amenities.

Amendment 5 means that our Association will pay our owners' share of the common road maintenance as part of our Association's maintenance fees. This, after all, is a small amount of money compared to the Recreation Fees and is based on 1/50 per owner.

Amendment 6 is a "technical" amendment to make certain that the Master Association's Recreational Fee assessment is not part of our Association's common expenses.

Please join the Board in voting YES (for) these Amendments. If you have any questions please call one of the below listed numbers.

Thank you,
Fairway Forest Townhouse Association, Inc.
Board of Directors

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| Vincent Zarzaca – President | 770-503-9355 |
| John (Jack) Adams – Vice President | 864-246-6383 |
| Frank Walker – Secretary | |
| Burton Bloom – Treasurer | 914-946-2091 |
| Larry Morgan – Director | 843-836-1005 |

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|---------------------------------|--------------|
| Sapphire Management Company | 828-743-3956 |
| Dwight Carithers or Lisa Tuggle | |