

Mountainside Villas Owners Association



July 15, 2022

Dear MVOA Timeshare Owner:

Your MVOA Board of Directors has been working to enhance your timeshare experience and to increase the value of your MVOA timeshare. We have created the Time Period Exchange (TPX) and the Time Period Pickup (TPP) Programs to add flexibility to your vacations. The website has also been revamped to increase the flow of information.

Our next big project is to amend and update the MVOA Governing Documents. The Policy Committee has been working with our attorney who revised our Statement of Mutual Ownership Agreement (as revised to use the modern term "Declaration"), the Articles of Incorporation and Bylaws. These amended documents have been approved by the MVOA Board of Directors. The next step in the process is to collect owner signatures to the Declaration and then obtain the required votes the owners to approve the amendments to the Articles of Incorporation and Bylaws.

The Amended Governing Documents can be found at www.mountainside-villas.com Currently, we are requesting that all record owners of your timeshare sign the Signature Page for the Declaration of Timeshare Covenants and Restrictions and return the signed page via email, in person, or US mail. The signed copy of the signature page to the Declaration should be returned as indicated below:

Email—docs@mountainside-villas.com

In Person — Mountainside Villas Reception Desk

Mail —Mountainside Villas Owners Association

P.O. Box 1351

Harrisonburg, VA. 22803

Your Association Is Working For You!

MOUNTAINSIDE VILLAS OWNERS ASSOCIATION P.O. BOX 1351, HARRISONBURG, VIRGINIA 22803-1351 540/289-6003

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Why do the MVOA Governing Documents need amendment and updating?

The MVOA Declaration was recorded in 1978 and has not been amended since. It predates the Virginia Timeshare Act and many other laws under which MVOA must now legally operate. Because the Declaration was recorded before the Virginia Timeshare Act was enacted, it does not contain provisions required by the Act. As such it is antiquated and does not reflect current operations and practices which MVOA must follow to comply with applicable laws.

When the MVOA Bylaws were amended in 2004, the Declaration was not amended. Now MVOA has a situation where the Declaration and the Bylaws conflict with each other. These internal inconsistencies have been eliminated in the Amended Governing Documents. Thus, by approving these new Governing Documents, MVOA Governing Documents will be harmonized.

The inconsistencies and shortcomings of the current documents create ongoing risk management challenges for the Association and the need to incur legal fees to resolve questions and issues created by these older documents.

Since the Declaration was created in 1978, and the Bylaws in 2004, they do not address many technological changes and Best Practices for board operations and meetings.

The proposed Amended Governing Documents reflect the way MVOA and its BoD currently operate. They do not change the title to your timeshare, nor do they change any substantive rights that you acquired when you purchased your timeshare.

What are the Governing Documents?

Declaration — The Declaration is the foundational document that was recorded in the land records of the Circuit Court of Rockingham County in 1978 and establishes the timeshare ownership structure for the land and the units and the corporate structure of MVOA. It runs with the land and the title to all the timeshare units. It describes the land, units, property and common elements subject to the Governing Documents. The Declaration is deemed a contract among the owners and MVOA.

Articles of Incorporation — The Articles of Incorporation is the corporate charter for MVOA and is on file with the Virginia State Corporation Commission.

Bylaws — The Bylaws describe in more detail the operating structure and procedures relating to how MVOA is run.

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Currently, due to the lead time involved in collecting the required signatures to the Declaration, we are beginning the amendment process by collecting signatures only for the Declaration. This requires the prior written approval of the owners of 75% of the units and will not become effective until the Amended and Restated Declaration, certified as to required signatures having been obtained, is recorded in the Clerk's Office. Once the requisite signatures to the Declaration have been obtained, we will refrain from recording the Declaration in the Clerk's Office pending the requisite membership vote to approve the Articles of Incorporation and Bylaws. Fortunately, the Amended Articles of Incorporation and the Bylaws can be approved by a vote of the owners at the MVOA Annual Meeting.

Please review, sign the Signature Page for the Declaration, and return the signed Declaration Signature Page so that we can move forward with the remainder of the amendment process and improve MVOA for everybody.

Thank you for being a highly valued member of MVOA!

A handwritten signature in blue ink, appearing to read "R. Wayne Ford Jr.", written over a light blue horizontal line.

R. Wayne Ford Jr.

President

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