

Dear Teal Landing Owner,
 2007 maintenance fee is set at \$3.71 per 1000 points which represents a 9% increase over last year.
 The increase is due to hikes in the cost of energy, insurance, maintenance, and housekeeping.

**Teal Landing
 Annual Budget
 For the year ended December 31, 2007**

	TOTAL	Cost Per 1000 Points
Revenue		
Maintenance Fee Revenue	1,615,895	3.71
Housekeeping Revenue	37,100	0.09
Interest Income	2,500	0.01
Other Revenue	13,800	0.03
Total Association Revenues	1,669,295	3.83
Expenses		
Laundry & Linen service	53,100	0.12
Housekeeping	298,680	0.69
Recreation & Amenities	60,272	0.14
Telephone	23,064	0.05
Repair & Maintenance	137,704	0.32
Grounds & Landscaping	16,200	0.04
Common Area Expenses	25,000	0.06
Trash Removal	12,720	0.03
Utilities - Fuel	61,841	0.14
Utilities - Water & Sewer	24,800	0.06
Utilities - Electricity	67,700	0.16
Cable Television	30,696	0.07
Real Estate and Property Taxes	69,700	0.16
Federal & State Income Tax	2,000	0.00
Insurance	20,531	0.05
Management Fees	140,277	0.32
Reservation & Inventory Management	65,180	0.15
Bad Debt Expense	30,000	0.07
Audit & tax prep	5,600	0.01
Accounting & Data Processing	23,244	0.05
Other Unit Expenses	31,710	0.07
Professional fees	240	0.00
Master Association Dues	25,920	0.06
Fairshare Operations	112,153	0.26
Resort Management	28,391	0.07
SUBTOTAL	1,366,722	3.13
Replacement Reserves	302,573	0.69
Total Replacement Reserves	302,573	0.69
Total Association Expenses	1,669,295	3.83
Less all Other Revenues	(53,400)	(0.12)
Total Maintenance Fee	1,615,895	3.71

The information contained herein is based on historical records, forecasted data and other sources believed to be reliable, but which are not guaranteed as to accuracy, adequacy or completeness. Further, any revenue projections presented herein are being furnished for informational purposes only, and remain subject to market fluctuations, Acts of God and other extrinsic and uncontrollable factors. Neither Fairfield Resorts, Inc., nor any of its parents, affiliates or subsidiaries, makes any guarantees, promises or other representations as to the revenues that may be generated from either rental operations or any other means in the future.