

Fall
2002

Newsletter



www.villagewestresort.com

www.sunrisecove.com

E-Mail Address: fun@villagewestresort.com

Dear Sunrise Cove Owner:

Pursuant to the Bylaws of the Sunrise Cove Time-Share Association, Inc., notice is hereby given of the Annual Meeting of the Membership to be held on Saturday, November 2, 2002, at 10:00 a.m. at Village West Resort, located at 16010 Highway 86, Spirit Lake, Iowa. At this meeting of the Membership, we will elect one (1) member (other than the Directors appointed by the Developer) to the Association's Board of Directors and will conduct such other business as may be properly brought before the meeting.

As a thank you to our owners on Friday, November 1, 2002, we are having a Dinner, followed with entertainment in the convention center. Dinner will be served from 6:00 PM to 7:30 PM with entertainment from 7:30 PM to 9:00 PM.

Bonus Time Rates for Sunrise Cove Units will be based on availability. Hotel Rooms will be offered for \$50.00 + tax per night. Credits may also be used for Sunrise Cove Units or the Hotel.

The following Annual Meeting materials are enclosed for your review and/or action: *Revocable Proxy* (allowing you to be represented at the meeting if you cannot attend); *Board of Director Candidate Profiles*.

A *Certificate Designating Official Voting Member* which should be requested from the Association and submitted to the Association Secretary to cover the following circumstances:

- 1) If a unit is owned by more than one (1) person, the person entitled to cast the vote for the Unit shall be designed in this certificate which must be signed by all of the recorded owners of the Unit, or
- 2) If a Unit is owned by other than a real person, e.g., a corporation or partnership, the officer, employee, or other individual thereof entitled to cast the vote of the Unit for such legal entity shall be designed in this certificate which must be signed by the President or Vice President, attested by the Secretary or Assistant Secretary in the case of a corporation or a general partner in the case of the general or limited partnership, or by the managing member in the case of a limited liability corporation.

(In the case where ownership is held by a husband and wife, one may sign as though he or she owns the unit individually without any need to establish the concurrence of the absent signature/person.)

Please contact Sunrise Cove at (712) 337-3223 extension 257 and request a *Certificate of Designating Official Voting Member* to be mailed. Remember, the certificate must be returned no later than 48 hours prior to election.

We look forward to seeing you on Friday evening November 1, 2002 for an evening of fun and then at the Annual Owners Meeting on Saturday November 2, 2002. If unable to attend please return your pre-addressed postage paid proxy card.

Sincerely,

Michael D. Hoepfner

Michael D. Hoepfner
President
Sunrise Cove Time-Share Association

Candidate Profiles

William C. (Bill) Herman - Ames, IA

Occupation: Retired Teacher/Real Estate Broker

Experience: Born in western Iowa and lived on a farm until college. Attended five different universities. Has BA and MA in Education. Taught in private and public schools for 15 years. Became a realtor in 1978, the last ten years managed a large real estate office. Served on numerous professional and community boards. Retired Dec. 31, 2000. Enjoy boating, snow skiing, gardening, music, traveling. Wife Barbara a retired teacher. Two grown children, 2.2 grandchildren.

Goals and Objectives: As owner of week 31, I am vitally interested in the continued improvement of services and facilities. The past year has been a great encouragement to our family. We feel Sunrise Cove is one of the most beautiful and functional resorts we have seen. I hope to work with the owner and staff to maintain quality managed growth. I have a number of positive ideas and would be pleased to serve as a Director.

Clarence W. Boote - Orange City, IA

Occupation: Semi-retired Farmer

Experience: Farmed in Welcome Township, Sioux County: 1 mile south, 2 ½ south of Hull, Iowa, Farm owner, livestock, registered Holstein dairy, hogs (farrow to finish, Crops included corn, soybeans, oats, alfalfa). Parents of five children, all college and post-college graduates and married. Eight grandchildren. Seven plus years experience in Apartment Management and maintenance in Minneapolis and Orange City. Farm Bureau member. Township director for 10 years. Served on church board, member of Gideon International served as local and state officer. Active in local and state political activities, precinct chairman for several years.

Goals and Objectives: My objective to serve on the board would be to strive to make Sunrise Cove the best resort in the interest of the owners and operated as efficient and reasonable as possible by using good business management standards. I would be very open and respectful and eager to hear ideas and see Sunrise Cove become a Gold Crown Resort. Now that I have moved off the farm and live in Orange City I will have enough time to devote to serving on this board.

Charleen Hawe - Canton, SD

Occupation: Self Employed/Marketing Rep./Housewife

Experience: Served on church board as Sunday school superintendent. A Member of the SD Dare to Dream conference for the disabled for 18 years. Lincoln County SD 4-H Clubs homemaker of the year in 1993. Married to Don for 48 years, mother of four grown children and Grandmother of 8. We have been foster parents to 50 children. Everything I've ever done has involved stretching money and making positive decisions. We own several units here at Village West. Wholesaler for Sioux Falls Argus Leader Newspaper.

Goals and Objectives: To make positive decisions for all tenant owners. To make Village West known for focusing on the family. To create the most reasonable priced resort/timeshare with the best amenities. Make on going improvements without excessive price increases to owners. As a woman, I can add to the ideas before the board. To be a positive sounding board for all.

Ms. Anne Kelly Hoel - Eau Claire, WI

Occupation: Assistant Professor/Business Management
University of Wisconsin -
Adjunct Professor / Business Management
Cardinal Stritch University

Experience: My background encompasses a career in social service administration and management education. Currently I am teaching graduate and undergraduate corporate planning and strategic management courses at the University of Wisconsin and Cardinal Stritch University. My diverse background in profit and nonprofit operations allows me to share both text knowledge and first hand managerial experience with students. I am pursuing a Doctorate degree, am married and the mother of four lovely girls.

Goals and Objectives: Strengthening communication takes a dedicated effort and continued awareness of the long term benefits of open communication. I would make this a priority. Publicizing the vacation opportunities available at the resort for families of all ages. Getting the word out as to the many types of relaxing activities on the grounds and throughout the local community adds value to our position as owners.

Gaylord I. Peters - Arnolds Park, IA

Experience: Accounting, 18 years Savings and Loan, Branch Manager, Vice President, 11 years as abstractor of my own business, appraisal work for 20 years, 6 years testing school children for National Assessment of Education Progress, and misc.

Goals and Objectives: My goals and objectives are to help with the present and future management goals for the well being of the present and future owners of Sunrise Cove. I have construction experience as well as mangement and would like to help plan for the future.

Tom Underwood - Spirit Lake, IA

Occupation: Owner of Cornell Abstract Company

Experience: Currently serving on the Board of Directors of Sunrise Cove; Member of Iowa Land Title Association, being regional vice-president from 1994-1995; Member of Spirit Lake Kiwanis Club; Board member of AGRI Industries in Des Moines, IA and a past president.

Goals and Objectives: To work diligently on behalf of the Association to ensure that your needs are met and that Sunrise Cove remains a well managed time-share property. Respond to concerns of members. Keep maintenance fees reasonable by providing positive input into the budget. I believe I can bring local knowledge to the position as well as experience and enthusiasm.

REPORT OF INDEPENDENT AUDITORS

Board of Directors
 Sunrise Cove Time-Share Association, Inc.

We have audited the accompanying balance sheet of *Sunrise Cove Time-Share Association, Inc.* as of December 31, 2001, and the related statements of revenues, expenses and changes in fund balances, and cash flows for the year then ended. These financial statements are the responsibility of the association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of *Sunrise Cove Time-Share Association, Inc.* as of December 31, 2001, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The supplementary information on future major repairs and replacements on Page 9 is not a required part of the basic financial statements, and we did not audit and do not express an opinion on such information. However, we have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. As a result of such limited procedures, we believe that the supplementary information on future major repairs and replacements is presented in conformity with guidelines established by the American Institute of Certified Public Accountants except it does not present estimates of the rate of return on investment of replacement funds or an assumed rate of inflation.

Goodman & Company

Newport News, Virginia
 June 18, 2002

739 Thimble Shoals Boulevard, Building 1000, Suite 1008, Newport News, VA 23606-3585
 ph: 757.873.1033 fax: 757.873.1106 www.goodmanco.com

SUNRISE COVE TIME-SHARE ASSOCIATION, INC.

BALANCE SHEET

December 31, 2001			
ASSETS	Operating Fund	Replacement Fund	Total
Cash	\$ 215,926	\$ 538,693	\$ 754,619
Certificates of deposit	-	550,002	550,002
Maintenance fees receivable - net of allowance for doubtful accounts of \$47,449	131,571	-	131,571
Prepaid expenses	18,037	-	18,037
Total assets	\$ 365,534	\$ 1,088,695	\$ 1,454,229
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accrued expenses	\$ 311,917	-	\$ 311,917
Income taxes payable	9,141	-	9,141
Deferred maintenance fees	165,087	-	165,087
Due to manager	9,534	-	9,534
Total liabilities	495,689	-	495,689
Fund balance (deficit)	(130,155)	1,088,695	958,540
Total liabilities and fund balances	\$ 365,534	\$ 1,088,695	\$ 1,454,229

The accompanying notes are an integral part of these financial statements.

SUNRISE COVE TIME-SHARE ASSOCIATION, INC.

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCES

Year Ended December 31, 2001			
	Operating Fund	Replacement Fund	Total
Revenue			
Maintenance fee assessments	\$ 1,571,423	\$ 183,174	\$ 1,754,597
Bonus time revenue	100,612	-	100,612
Interest income	66,059	-	66,059
Village Princess	20,709	-	20,709
Other income	12,962	-	12,962
Total revenue	1,771,765	183,174	1,954,939
Expenses			
Housekeeping and rooms	532,838	-	532,838
Utilities	328,363	-	328,363
Real estate taxes	242,617	-	242,617
Repairs and maintenance	241,316	-	241,316
Management fees	167,052	-	167,052
Activities	157,079	-	157,079
Administrative and general	77,288	-	77,288
Insurance	64,280	-	64,280
Village Princess	34,860	-	34,860
Telephone	15,958	-	15,958
Replacement property and equipment expenditures	-	152,638	152,638
Total expenses	1,861,651	152,638	2,014,289
Excess (deficiency) of revenue over expenses before income tax expense	(89,886)	30,536	(59,350)
Income tax expense	9,141	-	9,141
Excess (deficiency) of revenue over expenses	(99,027)	30,536	(68,491)
Fund balance (deficit) - beginning of year	(31,128)	1,058,159	1,027,031
Fund balance (deficit) - end of year	\$ (130,155)	\$ 1,088,695	\$ 958,540

The accompanying notes are an integral part of these financial statements.

SUNRISE COVE TIME-SHARE ASSOCIATION, INC.

STATEMENT OF CASH FLOWS

Year Ended December 31, 2001			
	Operating Fund	Replacement Fund	Total
Cash flows from operating activities			
Excess (deficiency) of revenue over expenses	\$ (99,027)	\$ 30,536	\$ (68,491)
Adjustments to reconcile to net cash from operating activities:			
Increase in allowance for doubtful accounts	13,727	-	13,727
Changes in:			
Certificates of deposit	-	(513,614)	(513,614)
Accounts receivable	(58,259)	-	(58,259)
Prepaid expenses	(4,646)	-	(4,646)
Accounts payable and accrued expenses	47,793	-	47,793
Income taxes payable	9,141	-	9,141
Deferred maintenance fees	28,461	-	28,461
Due to manager	(5,646)	-	(5,646)
Due to/from	(2,713)	2,713	-
Net cash from operating activities	(71,169)	(480,365)	(551,534)
Cash - beginning of year	287,095	1,019,058	1,306,153
Cash - end of year	\$ 215,926	\$ 538,693	\$ 754,619

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

December 31, 2001

1. DESCRIPTION OF THE ASSOCIATION AND RELATED PARTIES

The Association

Sunrise Cove Time-Share Association, Inc. (the "Association") is a not-for-profit Iowa corporation organized to operate, govern, administer and manage the property and affairs of the Sunrise Cove at Village West Resort (the Resort).

The Association is organized to act as the governing association, within the meaning of the Iowa Time-Share Act (Chapter 557A, Iowa Code, (1988)) for the Sunrise Cove at Village West Resort, located on West Lake Okoboji, Iowa. The Association is incorporated in the State of Iowa under the provisions of the Iowa Non-Profit Corporation Act (Chapter 504A, Iowa Code, (1988)) and, therefore, shall not be operated for profit and shall make no distribution of income to its members, directors or officers.

The members of the Association are the owners of the unit-weeks committed to Interval ownership. Each unit week shall be entitled to one vote in voting by the membership.

The time-share plan may be terminated at any time, if all time-share unit owners and holders of all liens and mortgages affecting any of the time-share property (as defined in the Declaration of Time-Share Program of Sunrise Cove) execute and record an instrument terminating the time-share program. In addition, the condemnation or destruction of the time-share property shall also automatically terminate the time-share plan. In the event the time-share plan is terminated, the owners of all unit-weeks become joint owners of the former time-share property.

The affairs of the Association shall be managed and conducted by a Board of Directors. The majority of the directors shall be elected by the Developer until three months after 85% of the time-share estates that have been, or ultimately could be, operated by the Association have been conveyed to purchasers of the unit-weeks. The remaining directors shall be elected to the Board of Directors by the membership in accordance with the Association's Articles of Incorporation and By-laws. As of December 31, 2001, the Developer had not yet turned over control to the Association's Board of Directors.

The Resort

The Resort consists of free standing and multi-unit timeshare unit buildings and there are timeshare units that were converted from hotel rooms. The Developer (as hereinafter defined) has committed several phases comprising 129 units (and representing 5,605 unit-weeks). The existing units are configured as studios, executive style suites, and as one, two, and three bedrooms. Each unit is subdivided into 45 use periods and 7 bonus weeks. All sales to date have been sold on a fixed-line use basis. Not all of the unit-weeks have been committed to vacation ownership. The Developer may add additional units on adjacent property.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Expense Allocations

With the exception of management fees, all expenses, including real estate taxes, are allocated to the Association from the Developer based on invoices it receives for the entire resort. These allocations were based on various methodologies depending on the type of expense.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities (and disclosure of contingent assets and liabilities) at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Real estate taxes accrued in the amount of \$238,533 are included in accounts payable and accrued expenses on the accompanying balance sheet. This accrual was estimated based on prior real estate tax bills. It is reasonably possible the actual real estate taxes will exceed the amount accrued.

Income Taxes

Property owners' associations may be taxed either as homeowners' associations or as federal corporations. For the year ended December 31, 2001, the Association filed its federal income tax return as a regular corporation.

As a regular corporation, in determining taxable income, non-membership income, net of related expenses is taxed at regular corporate rates. Maintenance fee expenses are deducted from maintenance fee revenues, and reserve assessments reserved for future replacements are not treated as taxable income in accordance with revenue rulings issued by the Internal Revenue Service.

As a homeowner's association, the Association is taxed on its non-exempt function income, such as interest income, a flat rate of 32%. Exempt function income, which consists primarily of member assessments, is not taxable.

3. CREDIT RISK

Financial instruments that potentially subject the Association to concentrations of credit risk consist principally of cash on deposit with various banks. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. At December 31, 2001, the Association had \$1,157,096 in excess of FDIC insured amounts.

With respect to trade accounts receivable, the Company establishes an allowance for doubtful accounts receivable based upon factors surrounding the credit of specific customers, historical trends and other information.

1. DESCRIPTION OF THE ASSOCIATION AND RELATED PARTIES (Continued)

The Developer

Iowa Resort Holding, L.L.C. (the "Developer"), an Iowa limited liability corporation is the Developer of the Resort and was formed to carry out the Resort's continued development pursuant to the time-share plan. The Developer maintains marketing and sales facilities on-site and has retained certain property located at the Resort. The Developer holds title to real estate on which all the existing townhouse units and hotel/motel units are built. The type of units added in any expansion will be in the discretion of the Developer. The time-share program may be terminated or amended at any time in the sole discretion of the Developer.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Association prepares its financial statements on the accrual basis of accounting. Separate fund balances are maintained for the Operating Fund and Replacement Fund based on different funding and statutory policies.

The Operating Fund reflects the operating assessments paid by unit week owners to meet the regular, recurring costs of operations. Expenditures from this fund are for those items connected with the Association's day-to-day activities and for real estate property taxes.

The Replacement Fund is comprised of all assessments paid by unit week owner to fund the future replacement, major repair and purchase of commonly owned assets. Expenditures from this fund are restricted to those items for which assessments were paid.

Accounts receivable at December 31, 2001, represents member assessments outstanding related to unit-weeks sold; collateral is not obtained. Unit week owners are the only members.

Property and Equipment

Real property and common areas and related improvements to such property are not recorded in the Association's financial statements because interests in these properties are conveyed to the individual unit week owners in common, and not to the Association. Additions to these assets are accounted for as expenditures in the Replacement Fund.

In accordance with prevailing industry standards and practices, personal property acquired by the Association, to which it has title, has not been capitalized in the accompanying financial statements. Accordingly, there is no provision for depreciation for these items in the Association's financial statements.

Revenues

The Association assesses an annual maintenance fee based on the annual budget as determined by the Board of Directors. Each Association member is a unit week owner and a proportionate amount of the maintenance fees is assessed for each unit week. Members are billed in December of each year for the succeeding year's fee. Any such billings collected prior to the beginning of the year are included in "deferred maintenance fees" on the balance sheet.

4. GRANT OF EASEMENT

The Association has entered into a recreational license with the developer. Recreational facilities and meeting space may be expanded or added without the consent of the Association. A fee is paid by time-share estate owners for the use of existing amenities at Village West Resort, and collected through the maintenance assessment. The fee will be calculated as the Association's share of costs, including capital costs, to operate and maintain the amenities. These amenities include a 9-hole miniature golf course, seasonal docking facilities and boat hoists, two tennis courts, two swimming pools, health club, beach and other common recreational space.

5. THE MANAGEMENT COMPANY, MANAGEMENT AGREEMENT AND OPERATIONS

Under the terms of the management agreement, Lane Hotels, Inc. has been granted the authority to provide all management services to the Association, through employees and experts retained by it, incidental to the management and operation of the Resort. The management fee paid under the terms of this agreement is 10% of all amounts.

6. OPERATING LEASES

The Company maintains various operating leases for office equipment with monthly payments of \$495. Annual expense under these leases was \$5,939 for 2001. Future minimum lease payments are as follows:

2002	\$4,219
2003	3,060
2004	3,060
2005	3,060
2006	765
	<u>\$14,164</u>

SUNRISE COVE TIME-SHARE ASSOCIATION, INC.

UNAUDITED SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS

December 31, 2001

Sunrise Cove Time-Share Association, Inc. conducted a study in September 1998, to estimate the remaining useful lives and the replacement costs of the components of common property. The estimates were based on future estimated replacement costs.

The Declaration of Time-Share Plan requires the Association to accumulate funds for the future major capital repairs and replacements of the Resort's common property. Accordingly, a portion of the annual maintenance fee is segregated to fund these future major repairs and replacements and is not available to be expended for normal operations.

The Board of Directors annually approves the budgeted amounts needed to fund the major repairs and replacement of the components of common property. The unit week owners are funding these repairs and replacements over the estimated remaining useful lives of the components. These estimates are based on the various industry experts' experience regarding such property and the estimated replacement costs. Actual expenditures may vary from the estimated future expenditures and these variations may be material. If additional funds are needed, the Association has the right, subject to the approval of the Board of Directors, to increase regular assessments to the extent permitted by law, pass special assessments, or delay major repairs and replacements until appropriate funds are available.

The following table is based on the study and presents significant information about the components of common property:

Components	Useful Lives (Years)	Replacement Costs	Reserves Required	Member's Equity
Roofs	14 - 19	\$ 296,301	\$ 13,438	\$ 23,574
Exterior painting	6	155,831	31,568	58,381
Unit furnishings, equipment and other capital expenditures	6 - 29	5,375,459	575,572	1,009,740
		<u>\$ 5,827,591</u>	<u>\$ 620,578</u>	<u>\$ 1,088,695</u>

Referral Program/Form

We have a Referral Program in place. If you make a referral who purchases, you will receive one of the following:

- \$200 Pre Red Week
- \$150 Shoulder Red Week
- \$100 White Week
- \$50 Blue Week

Owner Name _____ Owner Number _____

Friend's Name _____ Phone _____ E-mail _____

Friend's Name _____ Phone _____ E-mail _____

Friend's Name _____ Phone _____ E-mail _____

Sunrise Cove at Village West Resort

This 2003 usage card has been provided to you as a courtesy and convenience. Please read the information below and fill out your card appropriately. After it has been signed by all owners, please fold and mail back prior to any deadlines. Unit owners are responsible for notifying Village West and may do so through other formats if you elect not to use the usage card.

Bonus Time Pool

Your unit must be placed in the pool at least 2 weeks prior to the start of your week. You will be given credit depending upon how many nights you chose to bank. These credits will then be good for two years from the start date of that week. To utilize these credits (based on availability) please call Reservations no more than two weeks prior to your desired arrival date.

RCI Programs

RCI Requires a minimum of 2 weeks notice in order to deposit your week into their system. Sunrise Cove will not deposit your week for you. You need to call (800)337-7777 and have your RCI membership number available.

Sunrise Cove Rental Program

We suggest at least 2 months notice for Rental Agreements. Rental is not guaranteed. Rates depend on size and week number. You may call (712)337-3223 ext. 876 for more information

Private Rental

Owners are responsible for any damage.

2003 Usage Card

Name: _____
 Unit #: _____
 Week #: _____
 Owner #: _____

Please indicate below how you plan to use your

- 2003 week:**
- Staying for all 7 nights of our week.
- Staying for part of our week. We will be checking in on _____ and checking out on _____. The remaining # nights will be placed in the bonus time pool.
- Bonus time pool all 7 nights of our week in exchange for credits to be used at a later date.
- Our week has been banked with RCI.
- We want our week submitted into the Rental Program. Please send a Rental Management Agreement.
- We will be renting our week out privately. The renter's name, address and phone # is: _____

Signature or Owner(s) _____

----- Please fold here -----

----- Please detach here -----

2003

Week Number	Friday to Friday	Saturday to Saturday	Sunday to Sunday
1	Jan. 3-Jan. 10	Jan. 4-Jan. 11	Jan. 5-Jan. 12
2	Jan. 10-Jan. 17	Jan. 11-Jan. 18	Jan. 12-Jan. 19
3	Jan. 17-Jan. 24	Jan. 18-Jan. 25	Jan. 19-Jan. 26
4	Jan. 24-Jan. 31	Jan. 25-Feb. 1	Jan. 26-Feb. 2
5	Jan. 31-Feb. 7	Feb. 1-Feb. 8	Feb. 2-Feb. 9
6	Feb. 7-Feb. 14	Feb. 8-Feb. 15	Feb. 9-Feb. 16
7	Feb. 14-Feb. 21	Feb. 15-Feb. 22	Feb. 16-Feb. 23
8	Feb. 21-Feb. 28	Feb. 22-Mar. 1	Feb. 23-Mar. 2
9	Feb. 28-Mar. 7	Mar. 1-Mar. 8	Mar. 2-Mar. 9
10	Mar. 7-Mar. 14	Mar. 8-Mar. 15	Mar. 9-Mar. 16
11	Mar. 14-Mar. 21	Mar. 15-Mar. 22	Mar. 16-Mar. 23
12	Mar. 21-Mar. 28	Mar. 22-Mar. 29	Mar. 23-Mar. 30
13	Mar. 28-Apr. 4	Mar. 29-Apr. 5	Mar. 30-Apr. 6
14	Apr. 4-Apr. 11	Apr. 5-Apr. 12	Apr. 6-Apr. 13
15	Apr. 11-Apr. 18	Apr. 12-Apr. 19	Apr. 13-Apr. 20
16	Apr. 18-Apr. 25	Apr. 19-Apr. 26	Apr. 20-Apr. 27
17	Apr. 25-May 2	Apr. 26-May 3	Apr. 27-May 4
18	May 2-May 9	May 3-May 10	May 4-May 11
19	May 9-May 16	May 10-May 17	May 11-May 18
20	May 16-May 23	May 17-May 24	May 18-May 25
21	May 23-May 30	May 24-May 31	May 25-Jun. 1
22	May 30-Jun. 6	May 31-Jun. 7	Jun. 1-Jun. 8
23	Jun. 6-Jun. 13	Jun. 7-Jun. 14	Jun. 8-Jun. 15
24	Jun. 13-Jun. 20	Jun. 14-Jun. 21	Jun. 15-Jun. 22
25	Jun. 20-Jun. 27	Jun. 21-Jun. 28	Jun. 22-Jun. 29
26	Jun. 27-Jul. 4	Jun. 28-Jul. 5	Jun. 29-Jul. 6
27	Jul. 4-Jul. 11	Jul. 5-Jul. 12	Jul. 6-Jul. 13
28	Jul. 11-Jul. 18	Jul. 12-Jul. 19	Jul. 13-Jul. 20
29	Jul. 18-Jul. 25	Jul. 19-Jul. 26	Jul. 20-Jul. 27
30	Jul. 25-Aug. 1	Jul. 26-Aug. 2	Jul. 27-Aug. 3
31	Aug. 1-Aug. 8	Aug. 2-Aug. 9	Aug. 3-Aug. 10
32	Aug. 8-Aug. 15	Aug. 9-Aug. 16	Aug. 10-Aug. 17
33	Aug. 15-Aug. 22	Aug. 16-Aug. 23	Aug. 17-Aug. 24
34	Aug. 22-Aug. 29	Aug. 23-Aug. 30	Aug. 24-Aug. 31
35	Aug. 29-Sep. 5	Aug. 30-Sep. 6	Aug. 31-Sep. 7
36	Sep. 5-Sep. 12	Sep. 6-Sep. 13	Sep. 7-Sep. 14
37	Sep. 12-Sep. 19	Sep. 13-Sep. 20	Sep. 14-Sep. 21
38	Sep. 19-Sep. 26	Sep. 20-Sep. 27	Sep. 21-Sep. 28
39	Sep. 26-Oct. 3	Sep. 27-Oct. 4	Sep. 28-Oct. 5
40	Oct. 3-Oct. 10	Oct. 4-Oct. 11	Oct. 5-Oct. 12
41	Oct. 10-Oct. 17	Oct. 11-Oct. 18	Oct. 12-Oct. 19
42	Oct. 17-Oct. 24	Oct. 18-Oct. 25	Oct. 19-Oct. 26
43	Oct. 24-Oct. 31	Oct. 25-Nov. 1	Oct. 26-Nov. 2
44	Oct. 31-Nov. 7	Nov. 1-Nov. 8	Nov. 2-Nov. 9
45	Nov. 7-Nov. 14	Nov. 8-Nov. 15	Nov. 9-Nov. 16
46	Nov. 14-Nov. 21	Nov. 15-Nov. 22	Nov. 16-Nov. 23
47	Nov. 21-Nov. 28	Nov. 22-Nov. 29	Nov. 23-Nov. 30
48	Nov. 28-Dec. 5	Nov. 29-Dec. 6	Nov. 30-Dec. 7
49	Dec. 5-Dec. 12	Dec. 6-Dec. 13	Dec. 7-Dec. 14
50	Dec. 12-Dec. 19	Dec. 13-Dec. 20	Dec. 14-Dec. 21
51	Dec. 19-Dec. 26	Dec. 20-Dec. 27	Dec. 21-Dec. 28
52	Dec. 26-Jan. 2	Dec. 27-Jan. 3	Dec. 28-Jan. 4
53			

Please save for future reference.

Name: _____
 Address: _____
 City: _____ State: _____ Zip: _____

Place
 Postage
 Here

Village West ~ Home of the Sunrise Cove
Attn: Reservations Department
P.O. Box OR
Spirit Lake, IA 51360

Sunrise Cove

Welcomes all Owners, Guests and RCI Vacationers to a *FREE* . . .



Coffee & Donut Party every
 Monday at 9 a.m. in the
 Vacation Room (Level C)



Seasonal Rental Rates ~Sunrise Cove~

	<u>Prime Season</u>	<u>Off Season</u>
4 Bedroom Rustic (capacity 8)	\$2850 weekly \$440 nightly	\$1735 weekly \$250 nightly
4 Bedroom Lock Out (capacity 12)	\$3650 weekly \$550 nightly	\$2200 weekly \$315 nightly
2-3 Bedroom Townhouse (6/8)	\$1980 weekly \$310 nightly	\$1200 weekly \$175 nightly
Spa Studio or Executive Suite (4)	\$1150 weekly \$190 nightly	\$700 weekly \$100 nightly
3 Bedroom Mansion (capacity 8)	\$2750 weekly \$420 nightly	\$1670 weekly \$165 nightly
2 Bedroom Lock Out (capacity 12)	\$1300 weekly \$340 nightly	\$770 weekly \$165 nightly
1 Bedroom or 1 Bedroom Spa (4)	\$1300 weekly \$200 nightly	\$770 weekly \$600 nightly
Studio (capacity 4)	\$1000 weekly \$160 nightly	\$600 weekly \$86 nightly

Bonus Time Rates

Studio Suite	\$40 nightly
One Bedroom Spa	\$70 nightly
Executive Suite	\$60 nightly
2 Bedroom Townhouse	\$64 nightly
Studio Spa Suite	\$60 nightly
3 Bedroom Townhouse	\$90 nightly
L Row B	\$40 nightly
L Row AB	\$85 nightly
1 Bedroom Suite	\$55 nightly
L Row 14-15 A or B	\$85 nightly
L Row A	\$55 nightly
L Row 14-15 AB (4 Bdrm)	\$170 nightly
Mansion	\$110 nightly
Rustic	\$120 nightly

Owner Services & Maintenance ~ Roxanne Hoffman Ext. 882

Rentals ~ Theresa Black Ext. 876

MINUTES OF THE MEETING OF
THE SUNRISE COVE TIME-SHARE ASSOCIATION, INC.
BOARD OF DIRECTORS
AUGUST 8, 2002

A meeting of the Sunrise Cove Board of Directors was held at Village West Resort on the 8th day of August, 2002.

Directors in attendance were Mike Hoepfner, Rod Black, Dr. Jack Belitz, Tom Underwood and Dale Goodman. Representing management was Ellie Albrecht and recording the meeting was Danielle Osgerby.

The meeting was called to order by Mike Hoepfner at 4:00 p.m. in the Okoboji Room of Village West Resort.

Mr. Hoepfner stated that there was a quorum of the board of directors present.

Mr. Hoepfner presented the minutes for the approval of the board meeting held May 9, 2002. Motion made by Mr. Goodman and seconded by Dr. Belitz to approve minutes. Ayes: 5 Nays: 0. Motion approved.

Ellie Albrecht reviewed the resort operations and summarized the many resort improvements (two new washers, L Row complete, altering hotel smoking rooms to non-smoking rooms to meet high demand, elevator in working order, washing decks and siding on townhouses in fall). She also reviewed the RCI scores for July and noted that candidate profiles should start arriving in the mail.

Mr. Black stated that the results from RCI regarding Sunrise Cove Rating should arrive this month.

Mr. Hoepfner reported on difficult situations (fines imposed, parking tickets, boat docks, owners with pets) leading to the posting of several signs on the resort.

Mr. Hoepfner reported that the 2001 storm damage insurance claim has not been finalized but is working with a neutral insurance adjustor to get this claim reconciled. We are on the third adjustor from the insurance company.

Mr. Goodman reported that the financials and year-to-date look good and are improving. He also noted that the 2003 budget is currently being composed. Mr. Goodman stated that the Audit will be published in the upcoming newsletter.

Mr. Hoepfner reported on delinquent maintenance fees. At the last meeting Mr. Hoepfner brought forth the proposal to obtain legal assistance to foreclose on 2000 and prior years unpaid maintenance fees. The board discussed two options for the foreclosed weeks. One option would be to put the weeks into the bonus pool however they would become dead weeks with no future maintenance income. Second option would be to deed the weeks to IRH. IRH would deposit weeks into the bonus pool for use until sold. The sold weeks would generate maintenance fees in the future. Mr. Underwood made the motion to foreclose and go with the second option. Seconded by Dr. Belitz. Mr. Hoepfner commented even though he is the largest week owner at sunrise-cove he is also the owner of IRH. Also that Mr. Black runs the sales department for IRH and he felt they both should abstain from the vote. Mr. Goodman, Mr. Underwood and Dr. Belitz, Ayes. Mr. Hoepfner and Mr. Black abstain. Motion approved.

Mr. Hoepfner discussed a variety of issues and problems around the resort.

1. He reported on aged condition of units and how to refurbish them. He suggested we stop wasting money painting over the problems but fix them long term. To use a new product that will not rot and chip paint. Mr. Hoepfner will take board members on tour to illustrate the condition of units and discuss maintenance. Mr. Hoepfner made a motion to start restoring units correctly and refurbish grounds around units. Dr. Belitz seconded. All Ayes. Motion approved.

2. He reported on vandalism at the resort. It is much less than last year however it still exist. He intends to light up the dock area and invest in cameras to catch those responsible. Those responsible if caught will be prosecuted.

3. He reports that the cost of our current property insurance has increased too much since 9/11. He has provided our information to two additional insurance brokers for cost comparisons. He is also considering other aspects to contract for long-term electricity due to another increase from Alliant. He further stated that if additional storage space was available it would afford us the opportunity to purchase in quantity to qualify for discounts.

4. He stated that IHR has had the wire buried and the lighting equipment for the boat and trailer parking area since spring. The lights cannot be installed until Alliant provides a hookup next to the main power box.

5. He up-dated on the tax appeal. As you recall the assessment was appealed last year. The board of adjustment did not agree with the assessor. The assessor would not change the assessment to what he felt it should be. IRH has filed a lawsuit against Dickinson County in order to get the taxes lowered.

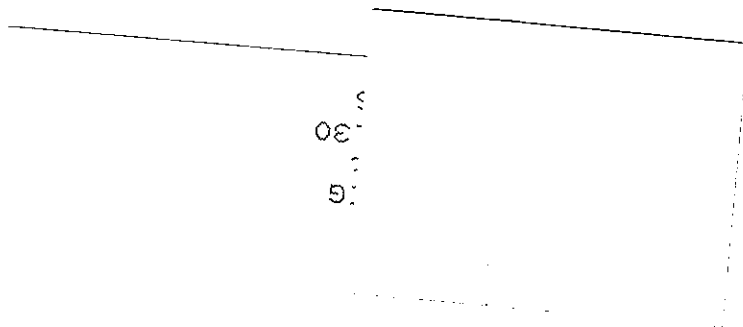
6. He discussed at the last meeting moving the next annual meeting to a weekend and to have an informal get together the night before. Mr. Hoepfner made the motion to have picnic type buffet and entertainment the night before the Saturday annual meeting. Seconded by Mr. Underwood all Ayes. Motion Approved

7. He discussed the lack of summer employees in the entire lakes area this year. The problem has affected Village West along with many other business in the area.

Mr. Goodman stated that the Annual Meeting will be held Saturday, November 2, 2002 at 10:00 a.m. The next board of directors meeting will be held Friday, November 1, 2002 at 4:00 p.m. with a gathering for owners to follow.

Motion to adjourn by Mr. Hoepfner, seconded by Mr. Underwood. Motion approved. Meeting adjourned 5:20 p.m.

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Sunrise Cove at Village West Resort
P.O. Box OR
Spirit Lake, IA 51360

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NOTICE OF ANNUAL MEETING

Village West Resort requests the honor of your presence at the Annual Meeting of the Sunrise Cove Timeshare Association, which will be held at the Resort on Saturday, November 2, 2003 at 10:00 a.m. As a thank you to our owners, on Friday, November 1, 2002, we are having a Dinner followed with entertainment in the convention center. Dinner will be served from 6:00 PM to 7:30 PM with entertainment from 7:30 PM to 9:00 PM

Please RSVP before October 31, 2002 by contacting the Administrative Office at 712-337-3223 ext. 257. We look forward to your attendance and participation.

For more information about the lakes area, log on to IOWAGREATLAKES.com