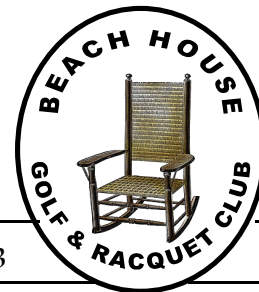


# THE BEACH HOUSE MESSENGER



A NEWSLETTER FOR THE HOMEOWNERS OF BEACH HOUSE GOLF & RACQUET CLUB



## President's Message

Your Board of Directors met with Management on September 7, 2007 to review and approve the Operating and Reserve budgets for 2008. We looked carefully at different options and projects for this coming year as well as future years. Every Board member is conscious of the need for reasonable fees while still providing a better vacation experience to look forward to each year.

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With that in mind, we approved a 10% increase in Annual Maintenance Fees with increases expected in most expenses, particularly in the following categories:

- 1) An increase of \$56,000 to begin offsetting cash shortfalls (Deficit Reduction) from prior years.
- 2) Salaries and Benefits for employees are increasing by \$22,097 for annual increases and health insurance increased costs.
- 3) A projected increase for Property Insurance of \$9,208 along with an Insurance Appraisal for \$945 to verify replacement costs for coverage.

In addition, we approved Reserve funding of \$255,000 from the Maintenance Fees and the following projects for 2008:

- 1) Sealing Stucco, waterproofing the brickwork and painting the building.
- 2) Intensive plumbing projects.
- 3) Lawn and Pool Furniture replacements.
- 4) A Study of Reserve replacements and costs.

We hope you are pleased with the appearance of the Beach House and we welcome your suggestions on how we can help make your vacation more enjoyable.

Have a wonderful holiday season!

Joe White, President

## DEFENDER REALTY'S MESSAGE BOARD



With the popularity of Myrtle Beach, summer red weeks are increasing in price at all resorts in Myrtle Beach. Developers are selling one and two bedroom summer weeks between \$15,500 and \$32,000. Real estate has been booming here for a number of years now and, with the Hard Rock Theme Park set to open the Spring of 2008, summer weeks will become even more popular. We currently have two one-bedroom summer weeks at an incredible price. Call us today, supplies are limited.

Most of you are using your week at The Beach House instead of trading and we would love to receive referral names from you. Remember, an increase in the number of owners paying the maintenance fees keeps the fees down. Contact Russ Swegan at (843) 449-7484 Ext. 3393 with those referral names.

**Point Of Information:** If you own one week and it is in the points program, you increase your vacation time by more than double the number of days. Let's say you own a week 15 and the point value is 24,000. Those points are equal to 2.6 weeks of vacation time each year and you are still only paying one maintenance fee each year. Information is power. Call today for information. Contact Russ Swegan at (843) 449-7484 Ext. 3393.

In January 2008, Defender Resorts will be unveiling an enhanced version of the Defender Flex® Program. Stay tuned, it is better than ever!!

Have a great fall and we look forward to seeing you at the resort.

Frank Baker  
Defender Realty, Inc.  
fbaker@defenderresorts.com

### Helpful Tips from Owner Services...

Maintenance Fee anxiety? Consider pre-paying your next year's bill.

- 1) Pay your Maintenance Fee for 2008.
- 2) Pay \$50.00 a month toward 2009 Maintenance Fees.

Send a check each month or use Online Bill Pay at your bank to do the job for you. For more information, call Katrina at 843-449-1354 x 231.

Sell your unit? We need the following information to make the change:

- 1) A copy of the new deed stamped by the Horry County Courthouse.
- 2) A \$32.00 transfer fee made out to Defender Resorts.

For more information, contact Katy Troestler at 843-449-1354 x 238.



**ANNUAL MEETING**  
**REMINDER**

**MARCH 15, 2008**  
**1:00 PM**

We'd love to see you there!

**BOARD OF DIRECTORS**



*Joe White, President*  
*Troy Williams, Vice President*  
*Frances Mundy, Secretary/Treasurer*  
*Elizabeth Hoffman*  
*Pat Johnson*

You may contact any board member by addressing your envelope to his/her attention and mailing to Defender Resorts, P.O. Box 3849, Myrtle Beach, SC 29578.



**Points to Remember**

**Parking** - Parking is limited to ONE parking space per unit. Please remember this rule is enforced due to limited space available.

**Pets** - No pets of any kind are allowed on property.

**Check-in** - After 4:00 P.M. Please make your plans accordingly, we cannot guarantee the unit will be ready until after 4:00 P.M.

**Check-out** - Before 10:00 A.M.

**2008**  
**Interval Calendar**

2008	Wk	Saturday - Saturday		
W	1	01/05/08	01/12/08	
B	2	01/12/08	01/19/08	
	3	01/19/08	01/26/08	
	4	01/26/08	02/02/08	
W	5	02/02/08	02/09/08	
	6	02/09/08	02/16/08	
	7	02/16/08	02/23/08	
	8	02/23/08	03/01/08	
R	9	03/01/08	03/08/08	
	10	03/08/08	03/15/08	
	11	03/15/08	03/22/08	
	12	03/22/08	03/29/08	
	13	03/29/08	04/05/08	
	14	04/05/08	04/12/08	
	15	04/12/08	04/19/08	
	16	04/19/08	04/26/08	
	17	04/26/08	05/03/08	
	18	05/03/08	05/10/08	
	19	05/10/08	05/17/08	
	20	05/17/08	05/24/08	
	21	05/24/08	05/31/08	
	22	05/31/08	06/07/08	
	23	06/07/08	06/14/08	
	24	06/14/08	06/21/08	
	25	06/21/08	06/28/08	
	26	06/28/08	07/05/08	
	27	07/05/08	07/12/08	
	28	07/12/08	07/19/08	
	29	07/19/08	07/26/08	
	30	07/26/08	08/02/08	
	31	08/02/08	08/09/08	
	32	08/09/08	08/16/08	
	33	08/16/08	08/23/08	
	34	08/23/08	08/30/08	
	35	08/30/08	09/06/08	
	36	09/06/08	09/13/08	
	37	09/13/08	09/20/08	
	38	09/20/08	09/27/08	
	39	09/27/08	10/04/08	
	40	10/04/08	10/11/08	
	41	10/11/08	10/18/08	
	42	10/18/08	10/25/08	
	43	10/25/08	11/01/08	
	44	11/01/08	11/08/08	
	W	45	11/08/08	11/15/08
		46	11/15/08	11/22/08
	R	47	11/22/08	11/29/08
	W	48	11/29/08	12/06/08
		49	12/06/08	12/13/08
	B	50	12/13/08	12/20/08
	R	51	12/20/08	12/27/08
		52	12/27/08	01/03/09

## BEACH HOUSE GOLF & RACQUET CLUB 2008 OPERATING BUDGET

	<u>2008 Budget</u>		<u>2008 Budget</u>
<b>OPERATING REVENUE</b>		<b>ADMINISTRATION &amp; GENERAL</b>	
MAINTENANCE FEES- CURRENT	\$ 1,429,332	MANAGEMENT FEES	\$ 138,265
MAINTENANCE FEES-PRIOR YEARS	\$ 21,600	ACCOUNTING	\$ 29,553
LATE CHARGES ON DELINQUENT FEES	\$ 11,700	DATA PROCESSING	\$ 10,120
INTEREST ON DELINQUENT FEES	\$ 4,000	ANNUAL AUDIT	\$ 5,100
TELEPHONE INCOME	\$ 1,000	LEGAL FEES	\$ 4,050
MERCHANDISE SALES	\$ 2,500	TAXES AND LICENSES	\$ 2,400
THEATRE TICKETS AND ACTIVITIES	\$ 16,500	DUES AND SUBSCRIPTIONS	\$ 2,840
VENDING COMMISSION	\$ 2,200	REGIME ACTIVITIES	\$ 4,000
HOUSEKEEPING FEES	\$ 6,500	BOARD OF DIRECTORS EXPENSE	\$ 4,050
RENTAL COMMISSION TO HOA	\$ 9,053	PRINTING	\$ 3,100
RENTAL OF HOA OWNED UNITS	\$ 11,700	POSTAGE	\$ 6,795
SALE OF HOA OWNED UNITS	\$ 4,000	BANK CHARGES	\$ 2,500
FLEX FEE INCOME	\$ 2,500	OFFICE SUPPLIES	\$ 2,000
BANK INTEREST	\$ 15,000	SECURITY/FRONT DESK COVERAGE	\$ 3,600
NIGHT AUDIT INCOME	\$ 3,314	NEWSLETTER	\$ 1,750
OCEAN FOREST - HOUSEKEEPING	\$ 45,390	DOCSTAR	\$ 500
OCEAN FOREST - ADMINISTRATION	\$ 4,332	COMPUTER EQUIPMENT	\$ 500
OCEAN FOREST - MAINTENANCE/BELLMAN	\$ 24,906	MISCELLANEOUS	\$ 2,008
MISCELLANEOUS INCOME	\$ 1,500	<b>TOTAL ADMINISTRATIVE &amp; GENERAL</b>	<b>\$ 223,131</b>
<b>TOTAL OPERATING REVENUE</b>	<b>\$ 1,617,027</b>		
<b>LESS:</b>		<b>SALARIES, WAGES, TAXES AND BENEFITS</b>	
MERCHANDISE COST OF SALES	\$ 2,000	SALARIES - ADMINISTRATIVE	\$ 200,435
ACTIVITIES COST OF SALES	\$ 11,764	SALARIES - HOUSEKEEPING	\$ 156,754
OPERATING DEFICIT REDUCTION	\$ 56,000	SALARIES - MAINTENANCE	\$ 112,397
TRANSFER TO RESERVE FOR REPLACEMENT	\$ 255,000	SALARIES - ACTIVITIES	\$ 21,484
<b>NET OPERATING REVENUE</b>	<b>\$ 1,292,263</b>	401K MATCHING CONTRIBUTION	\$ 3,151
		RESORT INCENTIVES	\$ 1,800
<b>UTILITY EXPENSE</b>		PAYROLL TAXES	\$ 48,411
ELECTRICITY	\$ 65,203	WORKERS COMPENSATION INSURANCE	\$ 19,519
NATURAL GAS	\$ 26,404	EMPLOYEE INSURANCE	\$ 63,739
TELEPHONE	\$ 6,682	HUMAN RESOURCES/PAYROLL FEE	\$ 13,902
WATER & SEWER	\$ 22,043	<b>TOTAL PAYROLL EXPENSES</b>	<b>\$ 641,592</b>
LANDFILL FEES	\$ 9,870		
CABLE TV	\$ 3,832	<b>LEASES &amp; CONTRACTS</b>	
<b>TOTAL UTILITY EXPENSE</b>	<b>\$ 134,034</b>	EXTERMINATING	\$ 2,930
		EQUIPMENT LEASE	\$ 2,372
<b>HOUSEKEEPING EXPENSE</b>		REFUSE COLLECTION	\$ 3,187
CLEANING SUPPLIES	\$ 16,407	INCOME TAX	\$ 8,400
ROOM PURCHASES	\$ 16,459	PROPERTY TAX (City/County)	\$ 82,568
CONTRACT LABOR	\$ -	GENERAL INSURANCE	\$ 98,437
<b>TOTAL HOUSEKEEPING EXPENSE</b>	<b>\$ 32,866</b>	INSURANCE APPRAISAL	\$ 945
		<b>TOTAL LEASES &amp; CONTRACTS</b>	<b>\$ 198,839</b>
<b>MAINTENANCE EXPENSE</b>			
TELEPHONE EQUIPMENT REPAIR	\$ 1,500	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 1,292,263</b>
APPLIANCE REPAIRS	\$ 2,000		
POOL MAINTENANCE AND REPAIR	\$ 1,500	<b>NET OPERATING INCOME</b>	<b>\$ -</b>
POOL SUPPLIES	\$ 4,126		
BUILDING MAINTENANCE & SUPPLIES	\$ 15,200		
MAINTENANCE - INTERIOR	\$ 13,000		
MAINTENANCE - RECREATION	\$ 2,550		
MAINTENANCE AGREEMENTS	\$ 19,100		
GROUPS AND LANDSCAPING	\$ 1,700		
UNIFORMS	\$ 1,000		
CONTRACT LABOR	\$ 125		
<b>TOTAL MAINTENANCE EXPENSE</b>	<b>\$ 61,801</b>		

### Maintenance Fee Per Unit/Week

One Bedroom	\$ 446
Two Bedroom	\$ 551
Three Bedroom	\$ 562
Penthouse	\$ 892