



VILLA MYKONOS NEWS

THE NEWSLETTER FOR CONCEPT IN TIME OWNERS ASSOCIATION

KEITH BROWN, EDITOR

FALL 2011

DESH DESCHLER, PRESIDENT

LARRY SILVERMAN, CFO

BRANDY JONES, SECRETARY

KEITH BROWN, VP - MARKETING

MAT WEISS, VP - OWNER RELATIONS



PRESIDENTIAL NEWS...Desh

Deschler, President

Hi, Everyone!

As usual, I will start my article for our fall newsletter with holiday wishes for you and your family. It seems early, but the Winter Newsletter is sent out at the end of December, so this is the only pre-season time to extend our holiday greetings.

WISHING YOU A HAPPY AND HEALTHY HOLIDAY SEASON WITH FAMILY AND FRIENDS TO CELEBRATE THE MERRIEST TIME OF THE YEAR AND GOOD HEALTH, FORTUNE AND MUCH HAPPINESS TO ALL IN 2012! HOPEFULLY, IT WILL BE A BETTER, MORE PEACEFUL YEAR FOR EVERYONE.

Michael and I spent August at Villa Mykonos, taking over management duties while Ken and Mat were on vacation. This also helped us avoid homelessness while our new home was in escrow. Goodbye, Lancaster – Hello, Palm Springs!! Michael and I are now official, permanent residents of Palm Springs.

As a general rule, we avoid moving like the plague. This time felt even worse. Fortunately, our home in Lancaster sold in 4 days, but we only had 26 days to move out. Therefore, we had no time to get rid of things we did not want. So, we plan a whopping garage sale in October.

The Villa Mykonos Board of Directors on-site Fall meeting is almost here. We have a gazillion things to discuss and make decisions

on. In addition, we must address a vexing issue relative to some very scathing comments in an email from an owner that, quite frankly, unfairly criticized the Board and individuals on the Board.

Essentially, we were blamed for decisions made by unanimous vote of all the owners at the time of the bankruptcy of the original developer back in 1994. This is prior to any of the current Board members being elected to the Board. And subsequent Boards have always sought the input of all owners for any major change in policy or the governing documents with approval and ratification by the requisite majority vote of all the owners. Indeed, that is a principal purpose of the annual Owners' Meeting and why every owner is invited to participate.

As an all-volunteer board, it is frustrating when such harsh criticism is received from fellow owners. It is only human nature to initially take such criticisms personally when we are doing our best and dedicate our own time and efforts to keep Villa Mykonos in an inviting and welcoming condition and true to its original vision of being an inclusive community for gay and lesbian owners—and their children, family and friends.

Generally, when the actual facts are known, such criticisms are unfounded. However, we must still examine the circumstances and determine if there is a problem that should be addressed—or that can be addressed under our CCRs, the applicable law, and our admittedly

lean financial resources in these tough economic times.

While we may never be able to satisfy every owner, we do appreciate constructive criticism and welcome your comments and suggestions to continue maintaining and improving our “Jewel in the Desert.” And, I am happy to report the majority of the comments we receive have all been positive concerning the many improvements made throughout the property—from the new flooring and bathroom remodels to the lush and well-manicured landscaping. Plus, the many, largely unseen, but expensive maintenance and replacement items—like the new heating and air-conditioning units and roofing—that are a necessary expense to maintain the value and operation of the resort.

Did I mention this is an all-volunteer Board? We are now at that time of the year to ask those who are interested in a position on the Board of Directors to submit their name and the required paperwork to be listed as a candidate on the ballot. The forms—including a short biography, along with a brief statement of interest for serving on the Board—must be completed and returned by December 1, 2011 in order to prepare the election ballot. You can request the forms from Ken Jacobi, our General Manager, or any Board member. The contact information appears at the back of the newsletter.

I feel the progress made at the resort has been exceptional the past few years, but for any owner that disagrees, this is your chance to be part of the future operations by stepping forward to serve on the Board. It was not until I was elected to the Board that I realized the full extent of the many, many hours that our Chief Financial Officer, Dr. Larry Silverman, and our General Manager, Ken Jacobi (and his partner, Mat Weiss), dedicate above and

beyond any call to duty to keep Villa Mykonos alive and thriving—against some pretty daunting challenges, at times, it seems.

Under the staggered terms of office for board members, Brandy and I are both up for re-election. So there are two positions to fill. As is true in any endeavor, there are a couple headaches along the way. But, despite my earlier comments, the majority of the time serving on the Board is fun, exciting and leaves me with a feeling of pride and accomplishment. So, I encourage all of you to consider serving on the Board.

The candidacy information you submit will be sent to all owners with the end-of-year mailing. Election results will be announced at the Annual Owners Meeting at Villa Mykonos on Sunday, February 19, 2012.

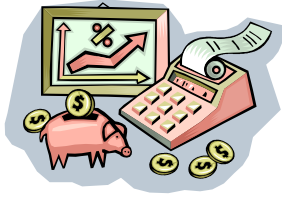
As 2011 draws to an end, it is a good time to re-examine your Will or Trust to leave your Villa Mykonos interval interests to someone that will continue to enjoy and appreciate our “Jewel in the Desert”. Our owner base includes many of the original purchasers, so the average age of our owners has progressed with the passage of time. So, now would be a wonderful opportunity to introduce your younger friends and acquaintances to Villa Mykonos so they can appreciate the ambience and all it has to offer.

Wishing you a wonderful Fall and a most joyous holiday season!

Take care,

--Desh

“Being assertive does not mean attacking or ignoring others feelings. It means that you are willing to hold up for yourself fairly—without attacking others.”--Albert Ellis, Michael Abrams, Lidia Dengeleg



FINANCIAL UPDATE...
Larry Silverman, MD,
Chief Financial Officer

The economy has failed to respond as we all hoped, yet Villa Mykonos continues to not only exist, but to continually improve. We must be doing something right!

Because of the lower expectations for revenue (and, sadly, the increasing number of delinquencies in assessment payments), we budgeted to minimize our reserve spending for this fiscal year.

Although we did budget to re-plaster the spa (with a new Pebble-Sheen surface), and we did modify the pool and spa drains and pool pump and balancing valves to comply with new federal pool safety requirements. These modifications are necessary to prevent an individual from becoming entrapped on the return grates.

Unfortunately, reality has not cooperated with our plans. We have had to make a number of unexpected, significant expenditures for necessary repairs and replacements. We also needed to replace another HVAC heat pump in Unit #4 and the HVAC heat pump for the Lounge-Laundry Room areas when the original, nearly 22-year old units failed. This expense was significant (approximately \$4,800 per HVAC heat pump), but we will see a return on this investment because of the increased efficiency of these units and all of the other HVAC units replaced recently.

We continue to get many compliments on the landscaping and unit improvements, both large and small. Please continue to let us know if we are or are not meeting your expectations. And help spread the word to invite your friends and others who might be interested in purchasing an interval. Bring them out to see and experience the new look at Villa Mykonos.

A common interest owners' association such as ours can only be effective if we have great people on the Board of Directors. A committed Board of Directors is a necessity to keep the resort running smoothly and on a sound fiscal basis. Therefore, PLEASE consider running for a Board of Directors position at the Annual Owners Meeting on Sunday, February 19, 2012.

There are two board positions that are up for election. Both Dese Deschler and Brandy Jones, incumbent board members, intend to run for re-election, but the ballot is open to any owner who is in good standing. The Nominating Committee needs to hear from you by December 1st so that we can put your name on the ballot. Contact Ken Jacobi or any Board member for details. We need your help to keep Villa Mykonos great!

Have a fantastic Fall and a wonderful holiday season!
--Larry

“Against criticism a man can neither protest nor defend himself; he must act in spite of it, and then it will gradually yield to him.” -- Johann Wolfgang von Goethe



**MANAGING THE VILLAS...Ken
Jacobi, General Manager**

Autumn in the desert is here!

As 2011 draws to a close, so is the time you have to reserve your interval time at the resort.



The good news is that more owners are using their time here at the property. The bad news is that means there are very few times available through the remainder of the year for those owners who have not already reserved their time.

So, if you have not used your time this year, you should check the website for availability. This October through December period is one of the busiest times at the resort, with many owners reserving their holiday intervals and times for the cooler weather and many Fall activities here in the Palm Springs area. In fact, we are already booked full for Pride in November. December still has some availability, but going quick.

Also, we are just about out of time to book through RCI. Remember that RCI likes a minimum 3-month lead time on bookings. So if you have not used your time or banked your time with RCI, you need to act very quickly.

Since 2011 is coming to an end and 2012 beginning, do not forget to book early for the coming year. Remember, you can always cancel or change a reservation. But you may be out of luck if you have not reserved your time and the available time is filled up.

I know this have been in almost all of our recent newsletters, however, I still get

questions and calls for our website information. So, here is the information:

**Logging on to the Owner's Section
of the**

Villa Mykonos website:

villamykonos.com

User Name: mykonos

Password: greece

*(All lowercase letters. Same user name and
password for all owners.)*

**Information displayed on the Owner's Login
page:**

- Making Reservations
- Unit Names and Telephone numbers
- **Current Gate and Lockbox Codes**
- Monthly Financial Report
- Board of Director's Contact List
- Quarterly Newsletters
- Minutes from the Monthly Board of Directors Meeting's
- Governing Documents (Including: Rules & Regulations and CC&R's)

On the website, you can view the 2011 Reservations calendar. The 2012 calendar is also now available.

The Reservations Calendar allows you to see what dates might be available and submit a reservation request.

Current gate and lockbox codes are also available through the website if you happen to forget your confirmation details. You just have to remember the log-in information provided and have internet access available.

If you have any suggestions for items you would like to see on the website, please let me know since we are now controlling the website in-house.

At the Property

The modifications necessary to bring the spa and pool into compliance with a new federal child safety act are completed.

Unit 4, the Mae West suite, just had a new air conditioner/heat pump installed. The AC/heat pump for the Lounge-Laundry Room also had to be replaced. Both were replaced a little ahead of when we planned to replace them, but now there are only three of the original, nearly 22-year old units left to replace. The energy efficiencies of the newer units are much better than the old units, so hopefully we can better manage our electricity usage.

The new “Desert Palms Recovery Center” is still undergoing renovation. The opening originally scheduled for October will probably be delayed, although we do not how long.

Elevations Night Club, above Upper Crust Pizza, has been sold. The space was purchased by Upper Crust Pizza, so no more GLBT night club across the road. So, a lot of changes in our little area, it seems.

Here’s hoping everyone has a Happy and Healthy Holiday season!

--Ken

“Gratitude is not only the greatest of virtues, but the parent of all others.”--Cicero



**OWNER RELATIONS... Mat Weiss,
Owner Relations**

Hi, all!

I just wanted to give you an update on what has been happening at the resort.

We just replaced the AC/heat pumps in the Lounge-Laundry Room and for Unit 4. While we had planned on eventually replacing these units over the next few years, as we could afford them, the failure of these units caused us to accelerate that schedule.

Re-plastering the Jacuzzi was completed and the pool drain is now compliant with the new child safety code requirements. The pool pump and valves also needed modification to comply with the new code requirements.

These large, unexpected capital expenditures are why it is important to have adequate reserve funds. Fortunately, we had enough reserve funds to cover the expenses, but it means we have to postpone other projects we intended to do.

One reminder...PLEASE close the umbrellas when you are done at the pool. We frequently get gusts of strong winds here in the desert that can damage the umbrellas, as well as the tables. If you see an umbrella open and nobody around, please close the umbrella. This will help prolong their life. (While a smile may have worked as Perry Como’s umbrella, that alone does not work so well out here by the pool (Okay, you have to know some obscure song lyrics & trivia to get that one.-Ed.)

Anyone with questions about RCI can also contact me. As mentioned in Ken's article, remember that we are running out of available space for the rest of this year and the ability to bank your week with RCI. Your trading power is increased when you reserve earlier in the year.

As some of you may know, I am handling delinquent accounts for the Board. If you are having any difficulties or need any assistance in staying current with payment of your assessments, I will be working with those owners to reach an amicable arrangement and terms so everyone can once again enjoy the use of the resort.

One last item. We have received a couple of inquiries about owners wanting to sell their intervals. We do not offer a resale program at Villa Mykonos. However, you can let Ken know you have an interest in selling your interval. Ken keeps a list of those wanting to sell and will pass on your information to a potential buyer and you handle it from there. PLEASE do not attempt to sell or dispose of your interval through these so called "easy out" companies that guarantee you to be dues free. From our experience, they are mostly not legitimate and it will cost you money. Also remember that, under the CCRs, any sale has to be approved by the Board before the transfer can be completed.

With that said, I again want everyone to know they can contact me anytime with any questions or concerns. I am at the resort almost daily and available via email at ownerrelations@villmykonos.com. So again, if you have any questions, comments, or compliments, please do not hesitate to contact me.

Hope everyone has a great Holiday Season!

--Mat



AN OWNER'S PERSPECTIVE ... Brandy Jones, Board Secretary

Dear Fellow Owners,

As the current Board Secretary of Villa Mykonos, I would like to share with you a little of my adventure as an owner. I have been an owner almost from the beginning. I was approached while I was in Palm Springs on a business trip. I did not know anything about timeshares, but I was intrigued with the thought of "taking a vacation" knowing that I did not have to worry about the largest expense -accommodations. So I made the commitment and purchased.

It was a great investment on paper and I really enjoyed it with my friends. However, my finances soon caught up with me and the economy started doing its thing. I found myself in that old familiar place of sacrificing one bill for another, so Villa Mykonos became my sacrificial lamb.

This situation was not working out for me. The reason I bought the timeshare was to have a vacation spot but, as long as I was behind in my assessments, I was not able to use it. The idea of selling it back or to anyone else was not an option either. Catching up and staying current was the best plan.

It was at this point that our CFO at the time, Dr. Larry Silverman (Oh, yes! Dr. Larry Silverman is still our CFO), helped me to tackle my financial problems. It was not easy to admit that I needed help, but once I did, Larry helped me with a plan that fit my budget. A plan that got me to the point where not only

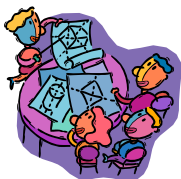
did I catch up on my assessment, but I was also able to keep current. That experience helped me decide I wanted to run for election for the Villa Mykonos Board of Directors, so I could also help fellow owners and contribute back to the resort.

Now, for me, that was many years ago. For some of you owners, a similar rough spot may be happening now. I want to express how much YOUR whole board is here to help. We are willing to listen and help you anyway we can, but you--the owner--must make the first step. I know it seems scary and a tough decision to make, but I can say from my own experience, it can work if willing to make that effort. So, LET US KNOW HOW WE CAN HELP

We are all in this together and we all carry responsibility for the financial soundness of our little paradise in the desert, Villa Mykonos. The Board is here to help keep everything here pleasant for everyone.

Have a great fall and lovely holiday season!

Brandy



MARKETING... Keith Brown, VP Marketing

Recent unexpected expenses have negatively impacted the modest advertising budget approved for the 2011-2012 fiscal year.

As Desh mentioned in his article, we really could use help from owners with contact information for other markets where we can promote Villa Mykonos. So, please feel free to give us your ideas for additional outreach—even if it is just the name of LGBT publications or websites where we might place a listing or a contact name and information. We already took up one owner’s suggestion for a listing at *PurpleRoofs.com* and are exploring advertising possibilities in the Pacific Northwest. Unfortunately, those listings can be expensive and a bit beyond our current austerity plans.

Remember, you can submit your comments, questions, articles, jokes, quotes, et cetera, to me at VP.Marketing@villamykonos.com.

Also remember we still would like submittals for our *Spotlight On Owners*. No need to be bashful. Let us celebrate and share in your unique hobbies or accomplishments and contributions at work or in your community. Send your stories to:

VP.OwnerRelations@villamykonos.com or to VP.Marketing@villamykonos.com.

Wishing you all a wonderful Fall and holiday season!

– Keith

“Human beings, by changing the inner attitudes of their minds, can change the outer aspects of their lives.”--William James

PALM SPRINGS 2011 EVENTS CALENDAR

| | |
|------------------------------|-------------------------------------------------------------|
| October 22 ----- | Annual Desert AIDS Walk |
| October 23 ----- | Annual Palm Desert Golf Cart Parade |
| October 23 ----- | K.D. Lang- McCallum Theatre |
| November 5-6 ----- | Palm Springs Pride |
| November 12-14 ----- | Palm Springs Leather Pride |
| November 23-December 31----- | Wildlife Lights Festival-Indian Wells |
| November 26 ----- | Palm Desert 11 th Annual Animal Samaritans' Walk |
| December 3 ----- | Palm Springs Festival of Lights Parade |

DIRECTORS & MANAGEMENT

| | |
|---------------------------------------------------|-------------------------------------------|
| Desh Deschler, President ----- | <i>President@villamykonos.com</i> |
| Brandy Jones, Secretary ----- | <i>Secretary@villamykonos.com</i> |
| Keith Brown, V.P. of Marketing ----- | <i>VP.Marketing@villamykonos.com</i> |
| Lawrence Silverman, Chief Financial Officer ----- | <i>CFO@villamykonos.com</i> |
| Mat Weiss -, VP Owner Relations----- | <i>VP.OwnerRelations@villamykonos.com</i> |
| Ken Jacobi, General Manager----- | <i>Manager@villamykonos.com</i> |

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