

# Holiday Island

## Suburban Improvement District

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Holiday Island, AR 72631  
(479) 253-9700  
hisid@holidayislandark.org

**TO:** HISID Board of Commissioners

**FROM:** Kevin Crosson, District Manager *hc*

**DATE:** August 13, 2010

**SUBJ:** *Table Rock Landing – Assessment and Amenity Usage Information*

Table Rock Landing (TRL) consists of 28 timeshare units:

Unit 107	Townhomes 1-10
Unit 109	Townhomes 11-22
Unit 113	Townhomes 31-34
Unit 124	Townhomes 29 & 30
	(Townhomes 27 & 28 are whole ownership)

Each timeshare unit reserves one week for maintenance, leaving 51 weeks per unit available for ownership. TRL bills for their maintenance fee which includes HISID's assessment (calculated: R-1 Assessment x 10 ÷ 51 use week assessment). TRL collects and remits unto HISID the applicable portion of the HISID assessment (\$87.02 per week) on or before the due date. The District has the potential for 2,856 timeshare owners using Holiday Island amenities (28 townhome units x 51 weeks per unit x 2 people per unit).

For 2010, Table Rock Landing's assessment is estimated as follows:

$(\$443.79 \times 10 = \$4,437.90)$  multiplied by 28 units = \$124,261.20

Based on \$4,437.90 per timeshare unit, each timeshare week is billed \$87.02. Because TRL owners pay an assessment at 10 times the amount an R-1 property owner pays, they are provided 14 days of free usage per timeshare week owned (7 days of Holiday Island amenities x 2 listed owners per timeshare week). By comparison, a Holiday Island R-1 home site owner pays an Assessment of \$443.79 and is subject to daily use fees unless they purchase an Access Card. TRL owners may also purchase either an annual access card or punch card if utilizing Holiday Island amenities beyond their 14 days of free usage (currently, 10 TRL owners have purchased 2010 annual access cards).

Year-to-date 2010 (thru 8/11/10), TRL owners have utilized HISID amenities the following number of times without paying any fees:

	<u># of Uses</u>
18 Hole Golf Course	368
9 Hole Golf Course	276
Recreation Center	192

By way of comparison, R-1 property owners would be required, at a minimum, to pay the daily use fee for the same usage, as shown below:

	<u># of Uses</u>	<u>Daily Use Fee</u>	<u>Amount if Daily Use Fee Paid</u>
18 Hole Golf Course	368	\$15	\$5,520
9 Hole Golf Course	276	\$10	\$2,760
Recreation Center	192	\$ 5	\$ 960

For your information, we have attached an agreement between HISID, the Holiday Island Development Corporation, and the Table Rock Landing Owners Association. Renewal of this agreement, entered into in November, 1998 for a 5-year term, was never pursued by any of the three entities.

Feel free to contact me with any additional questions or comments regarding this information. Thank you.

## AGREEMENT

This Agreement made and entered into this 24th day of November, 1998, by and between Holiday Island Suburban Improvement District No. 1 (HISID), an Arkansas corporation, Holiday Island Development Corporation (HIDC), an Arkansas corporation, and Table Rock Landing Owners Association (TRL), an Arkansas corporation.

### **WITNESSETH:**

**WHEREAS**, HISID is the owner of certain amenity facilities within the area commonly known as Holiday Island and is further charged and directed with the authority to levy taxes for the use and maintenance of said amenities (these taxes hereinafter referred to assessments); and,

**WHEREAS**, HIDC is the owner of certain undeveloped land and timeshare units within the jurisdiction of HISID, subject to the aforesaid taxing authority, and is entitled to use of said amenities; and

**WHEREAS**, TRL is the duly incorporated non-profit corporation representing all existing Holiday Island timeshare owners, with authority to levy and collect maintenance fees and assessments upon all existing timeshare units, within the boundaries of Holiday Island; and,

**WHEREAS**, the parties hereto are desirous of adjusting, codifying and memorializing their existing agreement and practices regarding the assessment of present and future timeshare owners, the collection procedure for such assessments, and the rights of timeshare owners as pertain to the amenities provided by HISID;

**NOW, THEREFORE**, for and in consideration of one dollar (\$1.00) and other good and valuable consideration in hand paid, each unto the other, the receipt and

sufficiency of which is hereby mutually acknowledged, the covenants, agreements, and promises herein contained, the parties hereto agree as follows:

1. That HISID will continue to strive to provide amenities to the residents and property owners of Holiday Island, Arkansas.

2. That all timeshare units now existing or created hereafter, which are governed and controlled by TRL, shall be entitled to the full use of all amenities provided by HISID, without limitation, provided the assessment for the respective individual usage time as hereinafter set forth shall be paid.

3. That all timeshare units now existing or hereinafter established on property owned by HISC within the borders of Holiday Island, Arkansas, and whether or not such units shall be governed by TRL, shall enjoy full property rights and thus be entitled to the full use of all amenities provided by HISID, without limitation, provided the assessment as described hereinafter, for the respected individual usage time shall be paid.

4. That the amenities available for use by timeshare unit owners pursuant to this Agreement shall be those amenities now or hereafter owned or operated by HISID and shall specifically include, but not be limited to, the golf courses, club house, recreation center, campground, swimming pools and any other amenity service owned or operated by HISID.

5. That the assessment paid to HISID for all existing and future timeshare units shall be calculated based upon the following described formula:

$R-1 \text{ Assessment} \times 10 \div 51 \text{ use week assessment}$

That all timeshare units planned after the date of this Agreement shall be assessed for purposes of HISID amenities, based upon the aforesaid formula.

6. That HISID shall have the right to refuse the use of HISID amenities to any timeshare owner whose individual usage time assessment remains unpaid. The collector of these assessments shall have the right to add the reasonable costs of collection, including attorney fees, to the individual assessment which becomes delinquent in its payment or for which collection efforts are initiated.

7. Notwithstanding anything herein to the contrary, HISID shall have the right to establish reasonable user fees and/or greens fees for any and all of the amenities owned and/or operated by HISID. User fees and green fees, if established, shall apply to individual timeshare owners in the same manner, and at the same cost, as established for R-1 residential lot owners.

8. The entity which operates the timeshare association is allowed to collect these timeshare assessments. These associations shall be responsible for collecting and remitting unto HISID the applicable portion of the HISID assessment on or before the due date thereof, and shall be responsible for placing liens, if applicable, and initiating appropriate collection proceedings, including the filing of applicable legal process, in the event such HISID assessment shall remain unpaid when due. HISID may, however, upon notice of one year to collecting entity, elect to collect such assessments itself.

9. It is specifically understood and agreed by and between the parties hereto that HICD shall have the right, but not the obligation, to plat, establish, and create additional timeshare units and associations within the boundaries of Holiday Island, Arkansas on lands owned, or hereafter acquired, by HICD, and that such timeshare units and associations shall have the same rights, privileges, and responsibilities as those timeshare units presently existing at the time of this Agreement, whether or not

such future units shall be placed under the association known as TRL, and that all such units now or hereafter created shall be governed by the terms of this Agreement.

10. HISID shall be deemed for all purposes to include Holiday Island Suburban Improvement District, its successors and assigns or any entity which shall subsequently be created for the purpose of governing, assessing, and taxing property owners within Holiday Island, Arkansas.

11. HIDC shall be deemed for all purposes to include Holiday Island Development Corporation, its successors and assigns and any entity created by the above for the purpose of maintaining, managing, and assessing individual timeshare owners.

12. TRL shall be deemed for all purposes to include Table Rock Landing its successors and assigns.

13. This Agreement shall be in effect from the date hereof for a period of five (5) years unless terminated by written notice given to each of the parties hereto not less than one (1) year prior to the expiration date. Upon agreement of the parties, the agreement may be renewed for successive like periods.

14. This Agreement, when signed, together with any documents referred to herein, approved in writing by both parties and made a part hereof, contains all the agreements and conditions made between the parties hereto and may not be modified orally, or in any other manner than by an agreement in writing, signed by all parties hereto or their respective successors in interest.

15. This Agreement has been executed and delivered in the State of Arkansas, shall be construed under the laws of Arkansas and any action to enforce or interpret the provisions hereof shall be brought in a court of appropriate jurisdiction of Arkansas.

16. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which, taken together, shall constitute one and the same instrument representing the agreement of the parties hereto.

17. The parties agree that facsimiles of executed original documents shall be considered the same as original documents and shall be binding on both parties until such time as the original documents can be obtained.

18. Whenever used in this Agreement, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders. The parties acknowledge, understand and agree that each party and its counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or of any amendments or exhibits hereto.

19. Each and every provision of this Agreement shall bind and inure to the benefit of the parties hereto, their legal representative, heirs, successors and assigns.

**IN WITNESS WHEREOF**, the parties hereto have set their hand and seals as of the date first set forth above, each by their signature and certify that they are the duly authorized and designated agent of the respective corporation with full authority to sign and enter into this Agreement and that such shall be binding upon their respective principals.

HOLIDAY ISLAND SUBURBAN  
IMPROVEMENT DISTRICT

HOLIDAY ISLAND  
DEVELOPMENT CORPORATION

By: Marvin D. Hoffmann  
Marvin Hoffmann - D. Hoffmann  
Chairman, Board of Commissioners

By: Tom Dees  
Tom Dees

Attest: Howard Wallace  
Howard Wallace  
Secretary, Board of Commissioners

Attest: Kathy B. Dees  
Secretary

TABLE ROCK LANDING OWNERS ASSOCIATION

By: Tom Dees  
Tom Dees  
President

Attest: Willie Nemece  
Secretary

STATE OF ARKANSAS )  
                                  )SS.  
COUNTY OF CARROLL )

ACKNOWLEDGMENT

BE IT REMEMBERED that on this day came before the undersigned, a Notary Public, within and for the aforesaid county and state duly commissioned and acting, personally appeared Tom Dees, as President of Holiday Island Development Corporation, to me well known as the person executing the foregoing document; stating that they had so executed for the consideration and purpose therein mentioned and set forth.

WITNESS my hand and seal as Notary Public this 30 day of Nov., 1998.

Shirley Zimmer  
Notary Public

My Commission Expires:  
Feb. 8, 2006

Shirley Zimmer      Notary Public  
Carroll County      State of Arkansas  
My Commission Expires Feb. 8, 2006

ACKNOWLEDGMENT

STATE OF ARKANSAS )  
 )SS.  
COUNTY OF CARROLL )

BE IT REMEMBERED that on this day came before the undersigned, a Notary Public, within and for the aforesaid county and state duly commissioned and acting, personally appeared KATHY B. DEES, as Secretary of Holiday Island Development Corporation, to me well known as the person executing the foregoing document; stating that they had so executed for the consideration and purpose therein mentioned and set forth.

WITNESS my hand and seal as Notary Public this 30 day of Nov., 1998.

Shirley Zimmer  
Notary Public

My Commission Expires:  
Shirley Zimmer Notary Public  
Carroll County State of Arkansas  
My Commission Expires Feb. 8, 2006

ACKNOWLEDGMENT

STATE OF ARKANSAS )  
 )SS.  
COUNTY OF CARROLL )

BE IT REMEMBERED that on this day came before the undersigned, a Notary Public, within and for the aforesaid county and state duly commissioned and acting, personally appeared Tom Dees, as President of Table Rock Landing Owners Association, to me well known as the person executing the foregoing document; stating that they had so executed for the consideration and purpose therein mentioned and set forth.

WITNESS my hand and seal as Notary Public this 30 day of Nov., 1998.

Shirley Zimmer  
Notary Public

Shirley Zimmer Notary Public  
Carroll County State of Arkansas  
My Commission Expires Feb. 8, 2006

ACKNOWLEDGMENT

STATE OF ARKANSAS )  
 )SS.  
COUNTY OF CARROLL )

BE IT REMEMBERED that on this day came before the undersigned, a Notary Public, within and for the aforesaid county and state duly commissioned and acting, personally appeared WILLIE NEMEC, as Secretary of Table Rock Landing Owners Association, to me well known as the person executing the foregoing document; stating that they had so executed for the consideration and purpose therein mentioned and set forth.

WITNESS my hand and seal as Notary Public this 30 day of Nov., 1998.

Shirley Zimmer  
Notary Public

Shirley Zimmer Notary Public  
Carroll County, State of Arkansas  
My Commission Expires Feb. 8, 2006

ACKNOWLEDGMENT

STATE OF ARKANSAS )  
 )SS.  
COUNTY OF CARROLL )

BE IT REMEMBERED that on this day came before the undersigned, a Notary Public, within and for the aforesaid county and state duly commissioned and acting, personally appeared Marvin Hoffman, as Chairman of the Board of Holiday Island Suburban Improvement District, to me well known as the person executing the foregoing document; stating that they had so executed for the consideration and purpose therein mentioned and set forth.

WITNESS my hand and seal as Notary Public this 24th day of November, 1998.

Carrie Buchanan  
Notary Public

My Commission Expires:

July 15, 2004

ACKNOWLEDGMENT

STATE OF ARKANSAS     )  
                                  )SS.  
COUNTY OF CARROLL    )

BE IT REMEMBERED that on this day came before the undersigned, a Notary Public, within and for the aforesaid county and state duly commissioned and acting, personally appeared Howard Wallace, as Secretary of the Board of Commissioners for Holiday Island Suburban Improvement District, to me well known as the person executing the foregoing document; stating that they had so executed for the consideration and purpose therein mentioned and set forth.

WITNESS my hand and seal as Notary Public this 24th day of  
November, 1998.

Carrie Buchanan  
Notary Public

My Commission Expires:

July 15, 2004