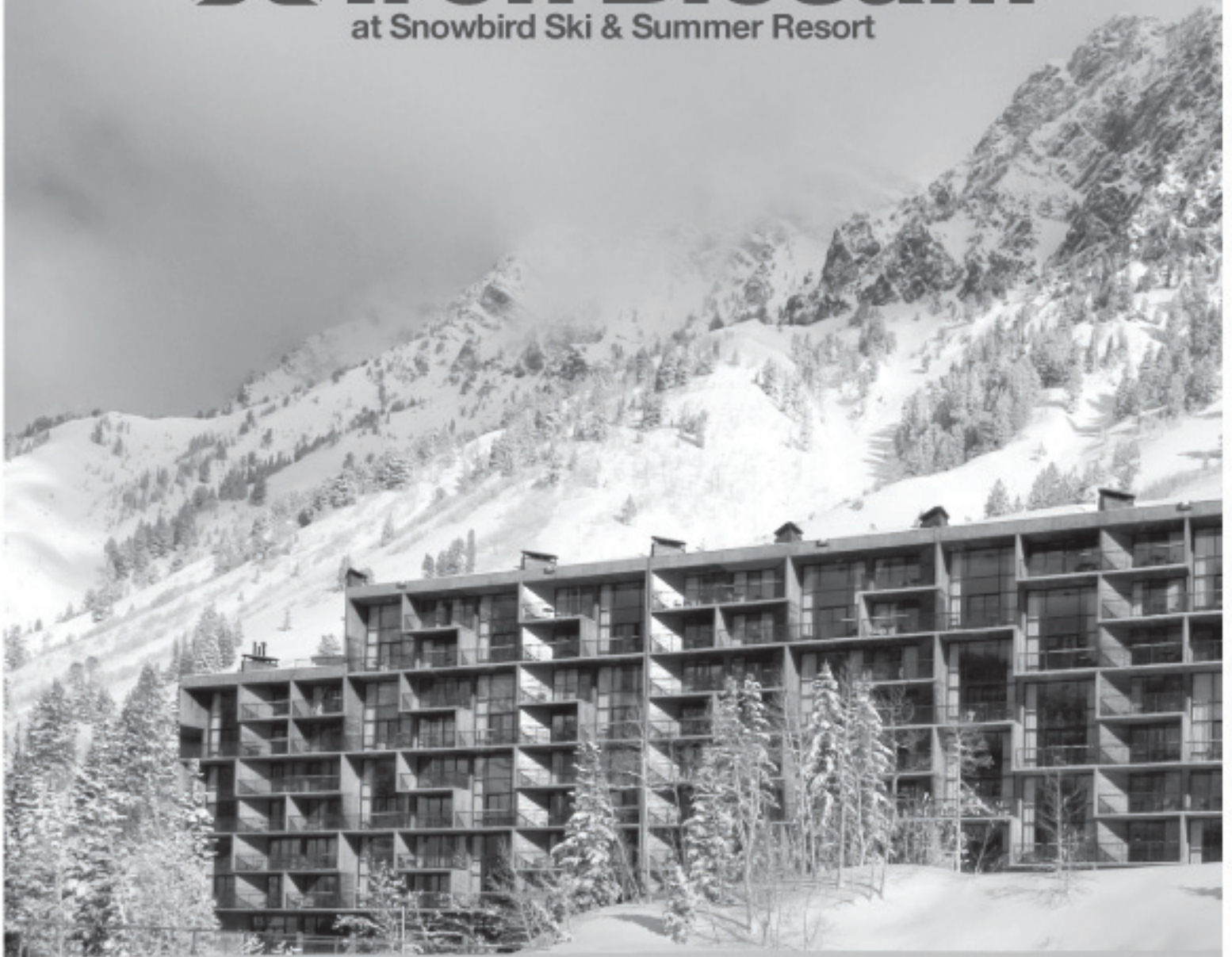




Iron Blossam

at Snowbird Ski & Summer Resort



ANNUAL UPDATE 2012

Greetings.

Another year has flown by and we are moving into our summer season here at the Iron Blossam. Although our 2011/12-winter season had the lowest snowfall in Snowbird's 40-year history, the year was highlighted by our retention of RCI's Silver Crown Award and Interval International's Select Resort Ranking. The Iron Blossam's tradition of creating special times with friends and family continues on.

As Iron Blossam Lodge enters its 37th year of operation, we find that we are facing challenging times. One of the significant concerns as a mature facility is compliance with the federally mandated ADA (Americans with Disabilities Act) requirements. The Iron Blossam Owners Association is committed to the long-range goal of compliance with the mandated requirements.

We are excited to see each of you again during your upcoming weeks.

Best regards,

Jim Maxwell
Lodge Manager

ANNUAL MEETING RECAP

Mother Nature smiled on all of those in attendance of the 36th Annual Meeting of the Iron Blossam Owner's Association on September 24th which proved to be one of the more beautiful fall days this season!

Among those in attendance, owners had the opportunity to hear from Tom Jones, Snowbird's VP of Finance, who presented a review of the Owner's financial status (owners desiring a copy of the Independent Auditor's Financial Report may contact the Iron Blossam Owner Services department to receive a copy). Jim Maxwell, Lodge Manager of the Iron Blossam Lodge, delivered updates on many great improvements and renovations at the lodge. He ended by reminding owners to register their email addresses online at www.ironblossam.net in order to receive regular updates about the Iron Blossam.

The meeting was then turned over to the James Hadfield, Iron Blossam Board President, to give the President's Report which included the Iron Blossam's receipt of the Silver Crown Award from RCI and awards from Interval International for being a Select Resort and for Superior Service. He updated owners on current events and thanked everyone for their loyalty and support for the Association. He then reported on the owner voting results whereby

Don Betenson was elected to the Board of Directors.

James then recognized Sandi Merrick, retiring board member, with an award and thanked her for her longtime service to the Iron Blossam.

James ended the meeting by reminding the Owners that their participation is important and that the Board appreciates the opportunity to hear directly from owners with concerns, positive commentary, and suggestions. Overall, it was a very productive and informative event!

WILDFLOWER NEWS

The Wildflower Restaurant and Lounge will be closed for the 2012 Summer Season.

These areas, which are leased to Snowbird, are scheduled for some much needed upgrades and renovations, primarily in the kitchen area.

At this time, we are also taking an opportunity to review the menu concept and are excited to present the new concept to all our owners and guests this November. The Wildflower will continue its tradition of friendly service and great food, but it will be enhanced with a value-priced Italian themed menu featuring pizzas, pastas, soups and salads. It promises to be a fun and tasty family-oriented dining experience!

GO GREEN Save Trees & Money!

Our Go Green efforts continue to reduce paper printing and mailing costs. In these challenging economic times, it is important to help us fight rising costs.

If you are able and have not yet registered your email address with us, please visit our website and sign up today!

Our online services include:

- For-Sale-by-Owner and Internal Exchange Listings and subscriptions
- Owner Reservation Processing
- Credit Card Payment Center
- Proxy voting for Annual Meeting

Registration of your e-mail address also provides these additional money saving services:

- Courtesy upcoming weeks confirmation/reminder notification
- Iron Blossam Trustee Sale notification
- Annual Meeting of Owners notification
- Owner newsletters
- Notifications of special opportunities, events and activities that will enhance your ownership and aid you in planning for your upcoming week

Register now at www.ironblossam.net

SCAM ALERT Owners Beware

Your timeshare ownership is a public recorded deed. Unethical businesses that offer fraudulent timeshare sales opportunities are prolific. These companies use scare tactics, false promises of unrealistic purchase prices and opportunities to con you out of your money and your timeshare ownership.

With any timeshare re-sell transaction, please make sure you carefully verify the legitimacy of the buyer.

ADA RENOVATIONS

The Iron Blossam has a long-range goal for bringing our facilities into compliance with federally mandated requirements for the Americans with Disabilities Act (ADA). The Board of Directors has researched this issue and feels it is in the best interest of the Association to plan and implement the required ADA renovations on an achievable schedule, based upon the finances of the Association.

We have recently completed some modifications to our third level entrance to the West Pool to allow ADA access. Additionally, we have added an ADA lift for the West Pool and modified our Exercise Room to meet ADA requirements.

This September we will renovate the Family Pool to comply with ADA. This project will include ADA access to the pool, starting from the 2nd floor entrance. We will also comply with the ADA requirements by adding an ADA accessible restroom and a cleansing shower area to the Family Pool area.

IRON BLOSSAM CONTACTS:

We value the opportunity to hear from you. Your suggestions, compliments, and concerns are important! We have a variety of staff and departments ready to assist you.

For general inquiries, internal exchange listings, for-sale-by-owner listings and exchange information and assistance:

Owner Services:

Abigail Cardwell
ibownerservices@snowbird.com (801) 933-2097

Website Administration:

Lizzy Osborne
losborne@snowbird.com (801) 933-2059

Questions regarding owner assessments and payments:

Timeshare Accountant:

Candace Shugart
cshugart@snowbird.com (801) 947-7927

Questions regarding deed or ownership changes:

Real Estate Agent:

Heather Tolbert
htolbert@snowbird.com (801) 933-2258

Iron Blossam Administration:

Jim Maxwell
Lodge Manager
jmaxwell@snowbird.com (801) 933-2090

Mary Baker

Assistant Manager
mbaker@snowbird.com (801) 933-2093

Jessica Breitling

Front Desk Manager
jbreitling@snowbird.com (801) 933-2098

The Board of Directors may also be contacted at:

Iron Blossam Board of Directors
P.O. Box 929000
Snowbird, Utah 84092
ibboard@snowbird.com

SAVE THE DATE

The 37th Annual Meeting will take place on September 22, 2012.

MAINTENANCE WEEK UPDATES

Each May and November we have a week dedicated to repairs, cleaning and renovations. We realize that your vacation time is valuable; therefore we try to limit projects and major repairs during the weeks of occupancy. Over the last two maintenance periods, we have worked on the following renovation projects:

November 2011

- Completed installation of new dining room chairs in all rooms
- Renovated the Women's Change Room showers
- Replaced bathroom stalls in the public restroom and change rooms

May 2012

ADA compliance requirements were completed in the West Pool and Spa Area including:

- ADA accessible entrance and key lock system was installed
- ADA compliant pool lift was installed for West Pool access
- ADA compliant changes were made to the exercise room
- The older multi-station weight machine was replaced with free weights and benches
- Tennis courts were renovated including repaired concrete areas and new wind screens

Additionally, outside of the designated maintenance weeks we have completed a few other important renovation projects:

- Prior to maintenance week the roof sections over the East 10th floor and 8th Floor roof levels were replaced
- Coin operated public washer and dryers were replaced in the 2nd floor laundry room
- A new lodge Suburban was purchased

PAYMENT OPTIONS

Prompt payments and efficient processing enable the Association to reduce expenses. The annual assessments are due on or before **July 31st, 2012**.

Payment by check (preferred method) - owner payments by check are processed at a lower cost to the association than credit card payments:

- Return your check in the enclosed envelope to our bank processing center
- If you are visiting Iron Blossam prior to July 31st, you may pay directly at the Iron Blossam Front Desk. **Please be sure to bring your statement.**

Credit Card Payments:

To protect the security of your account, our credit card security protocol allows for online credit card payments ONLY. Credit card payments must be made via the online payment center. Credit card payments cannot be processed by telephone.

For credit card payments please access the Iron Blossam Payment Center at www.ironblossam.net. Be sure to have your owner statement available as you will need to reference your owner number and payment amount.

Payments received after July 31st will be assessed interest charges.

UNITS AVAILABLE

The Iron Blossam Owners Association has units for sale. The remaining inventory from previous Trustee Sales is available at special pricing. Contact LaNae at (801) 933-2059 or lmcan@snowbird.com for unit listings.

FINANCIAL REPORT

The 2011/2012 fiscal year brought challenges, from the ongoing economic conditions, to Snowbird's lowest snowfall in its 40-year history. These challenges created shortfalls in revenue that the Iron Blossam Owners Association historically earns from a variety of sources including the Wildflower lease, Resort Fee Income, etc. Operating expenses were impacted by increased credit card processing from Owner Assessments paid online and additional expenditures related to owner delinquencies and foreclosures. We were able to respond to business levels and reduce operating payroll and expenses. Overall, we are pleased to have ended the 2011/2012 fiscal year with a budget surplus of \$157,324.00.

In recent years, the Association has incurred significant costs to update facilities and maintain aging mechanical systems and roof areas. Looking forward, we anticipate significant expenses for necessary renovations and compliance with ADA requirements. The Board of Directors recommends that the Operating Budget surplus be transferred to the Common Area Reserve Fund, which will help ensure that we are adequately funded. The budget for the 2012/2013 fiscal year begins on June 1, 2012 and continues until May 31, 2013. The economic outlook remains challenging for the upcoming fiscal year. We anticipate that revenue will continue to be lower by a projected 2.75%. Payroll expenses will increase by only 1.05%, operating expenses will increase by 4.09% in anticipation of higher expenditures for Bad Debts from owner delinquencies and costs associated with units the Iron Blossam Owners Association currently owns. We continue to see savings from our "GO GREEN" initiative, as more owners are opting to go paperless. Although, natural gas expenses are declining, other utilities are increasing. Additionally, the usage of wireless services is increasing significantly, thereby adding cost to maintain and increase the capacity of Internet services. Overall, the total utility budget has increased by 2.4%. Areas of the budget that have changed significantly are: (1) an 8.32% increase in the Common Area Maintenance account due to the Owners Association assuming ownership of delinquent units. (2) Fees related to the increased use of credit cards as payments for annual assessments are projected to increase 9.6%. (3) The Bad Debt Reserve allocation has increased 200% due to the expense of owner delinquencies and bankruptcies. (4) The Common Area Reserve Allocation has increased 18.75% as we plan for significant future Common Area expenses for compliance with federally mandated ADA requirements. (5) Other inflationary increases will also affect the budget. As a result, the average total assessment increase is 2.88%. The impact on each owner's individual assessment varies depending upon the percentage of ownership. The 2012/2013 assessment includes a per-unit Furniture Reserve Assessment of \$49.08, a Housekeeping Assessment of \$86.24, and a shared Common Area Operating Expense cost of \$3,042,498.

Assessments are made following the policies established in Exhibit A of the Iron Blossam Lodge Documentation. The Board of Directors would like to thank our Budget and Finance Committee for their excellent work in reviewing the expenditures and budget. We also want to thank our management and staff at the Iron Blossam for their continued efforts.

The annual assessment payment is due on or before July 31, 2012. Your prompt payment helps minimize additional billing costs and interest charges (21% per annum).

The occupancy or rental of units is restricted to owners current on payment of their assessments. Owners depositing units with an exchange company must pre-pay the assessment for the fiscal year being exchanged. The pre-payment must be received prior to the Iron Blossam verifying the space bank request. Liens and lien charges for past due assessments will be added during September of 2012. If you have questions regarding your statement(s), please write Candace Shugart at 3165 E. Millrock, Suite 150, Holladay, Utah 84121 or email her at cshugart@snowbird.com.

Please do not include correspondence or reservation confirmations with your payment.

IRON BLOSSAM OWNERS ASSOCIATION

Fiscal Year 2012/2013 Budget - June 1, 2012 - May 31, 2012

	Budget 06/01/12-05/31/13	Budget 06/01/11-05/31/12
Revenue		
Vending Revenue	\$19,910	\$23,310
Space Rental Commercial	21,750	22,290
Interest Income	41,190	35,050
Resort Fee Income	11,064	13,697
Other Income	41,250	44,640
Total Revenue	135,164	138,987
Expenditures		
Payroll		
Bellman	32,880	32,447
Clerical	327,489	334,531
Custodians	132,856	122,056
Houseperson	101,338	99,597
Employee Benefits & Taxes	184,315	182,183
Total Payroll	778,878	770,814
Other Operating Expenses		
Accounting and Auditing	14,100	14,600
Bad Debts	36,000	12,000
Credit Card/Bank Fees	51,450	47,000
Common Area Maintenance	235,426	217,339
Contract Services	22,000	23,055
Director Expenses	18,700	19,900
Dues & Assessments	2,020	2,500
Elevator Maintenance	26,520	25,440
Equipment Rental	7,000	6,000
General & Administrative	142,838	139,130
Owner/Guest Supplies	94,000	92,600
Hospitality Bar	25,800	25,800
Janitorial	15,900	15,900
Landscaping	6,200	5,200
Laundry & Linen	36,400	35,800
Legal Fees	1,800	1,800
Management Fees	233,592	227,124
Office Supplies/Printing	17,000	18,600
Operating Supplies	43,700	47,400
Postage	11,400	12,000
Public Safety	46,548	45,192
Recreation	37,840	36,847
Repairs & Maintenance	162,000	162,000
Sauna & Swimming	18,900	18,300
Silver/Glass/China	13,000	13,200
Snownight Expense	2,000	2,000
Travel & Auto	9,200	9,450
Uniforms	5,500	8,150
Vending	480	480
Total Other Operating Expenses	1,337,314	1,284,807
Utilities		
Electricity	213,504	211,346
Natural Gas & Propane	80,981	83,747
Refuse Removal	12,756	12,384
Snow Removal	29,552	28,692
Telephone/Internet Service	61,235	55,835
TV Hookup & Cable Service	26,080	24,745
Water & Sewer	103,287	98,280
Total Utilities	527,394	515,031
Fixed Expenses		
Insurance	68,760	68,760
Property Taxes	338,700	331,200
Common Area Reserve	38,000	32,000
Total Fixed Expenses	445,460	431,960
Expense Contingency	88,616	85,917
Total Expenditures	3,042,498	2,949,542
Housekeeping Assessment (per unit)	\$86.24	\$84.76
Furniture Reserve Assessment (per unit)	\$50.17	\$49.08