

April 30, 2018

Dear Marriott's Summit Watch Owner,

Please find the 2017 Audit Report summaries for Summit Watch Condominium Owners Association, Inc., and Summit Watch Resort Owners Association, Inc. The reports are being distributed to Owners as outlined in Summit Watch Condominium Owners Association, Inc., Bylaws, Article 8. Accounting, 8.5; and Summit Watch Resort Owners Association Inc., Bylaws, Article 8. Accounting, 8.4.1.

For questions or to obtain a complete copy of the Audits, please contact Brandon Weilenmann, Director of Finance, by email at Brandon.Weilenmann@vacationclub.com or by phone at 435-647-4155.

Please also consider opting-in to receive mailings required by the Association's governing documents or applicable law via electronic transmission through an e-mail address. Examples of required mailings may include: notices of meetings, financial statements, budgets and amendments to the governing documents.

In order to receive these items by electronic transmission, Owners must first explicitly provide consent (or "opt-in"). Consent to receive required mailings by electronic transmission is effective unless it is revoked at a later time.

To opt-in, log into your Owner account on MarriottVacationClub.com. Click on "Account", click on "Profile", click on "Register for Online Document Notification". Edit Settings.

For questions, please contact me by phone at 435-647-4019 or by e-mail at Wendy.Carney@vacationclub.com.

Sincerely,

Wendy Carney
General Manager
Marriott's Summit Watch

Summit Watch Condominium Association, Inc.
Summary Report on Audit of Financial Statements
Years Ended December 31, 2017 and 2016

Balance Sheet

	<u>Operating</u>	<u>Reserves</u>	<u>2017 Total</u>	<u>2016 Total</u>
Assets:				
Cash and cash equivalents	\$ 76,961	\$ -	\$ 76,961	\$ 1,222,249
Other Assets	295,771	178,392	474,163	633,709
Total Assets	<u>\$ 372,732</u>	<u>\$ 178,392</u>	<u>\$ 551,124</u>	<u>\$ 1,855,958</u>
Liabilities and Fund Balances:				
Accrued Expenses	\$ 36,039	\$ 153,225	\$ 189,264	\$ 53,409
Other Liabilities	189,095	-	189,095	189,425
Fund Balances	147,598	25,167	172,765	1,613,124
Total Liabilities and Fund Balances	<u>\$ 372,732</u>	<u>\$ 178,392</u>	<u>\$ 551,124</u>	<u>\$ 1,855,958</u>

Operating Fund - Income Statement

	<u>2017 Total</u>	<u>2016 Total</u>
Total Revenues	\$ 1,086,491	\$ 1,120,082
Total Expenses	(1,049,183)	(1,031,079)
Excess (Deficit) of Revenues over Expenses	37,308	89,003
Fund Balance - Beginning of Year	110,290	21,287
Fund Balance - End of Year	<u>\$ 147,598</u>	<u>\$ 110,290</u>

Reserve Fund - Income Statement

	<u>2017 Total</u>	<u>2016 Total</u>
Total Revenues	\$ 886,517	\$ 848,473
Total Expenses	(2,364,184)	(297,315)
Excess (Deficit) of Revenues over Expenses	(1,477,667)	551,158
Fund Balance - Beginning of Year	1,502,834	951,676
Fund Balance - End of Year	<u>\$ 25,167</u>	<u>\$ 1,502,834</u>

For a complete copy of the audited financial statement, please contact the Director of Finance, Brandon Weilenmann, at Brandon.Weilenmann@vacationclub.com. Summit Watch Condominium Association financial statement were audited by Cherry Bekaert LLP .

Summit Watch Resort Owners Association, Inc.
Summary Report on Audit of Financial Statements
Years Ended December 31, 2017 and 2016

Balance Sheet

	Operating	Reserves	2017 Total	2016 Total
Assets:				
Cash and cash equivalents	\$ 1,855,986	\$ 1,226,363	\$ 3,082,349	\$ 4,221,905
Other Assets	2,491,122	3,241,554	5,732,676	2,182,897
Total Assets	\$ 4,347,108	\$ 4,467,917	\$ 8,815,025	\$ 6,404,802
Liabilities and Fund Balances:				
Accrued Expenses	\$ 176,168	\$ 28,312	\$ 204,480	\$ 158,597
Other Liabilities	3,386,710	1,123,408	4,510,118	3,900,059
Fund Balances	784,230	3,316,197	4,100,427	2,346,146
Total Liabilities and Fund Balances	\$ 4,347,108	\$ 4,467,917	\$ 8,815,025	\$ 6,404,802

Operating Fund - Income Statement
--

	2017 Total	2016 Total
Total Revenues	\$ 8,074,294	\$ 7,924,272
Total Expenses	(7,933,087)	(7,653,738)
Excess (Deficit) of Revenues over Expenses	141,207	270,534
Fund Balance - Beginning of Year	643,023	372,489
Fund Balance - End of Year	\$ 784,230	\$ 643,023

Reserve Fund - Income Statement
--

	2017 Total	2016 Total
Total Revenues	\$ 2,686,073	\$ 2,599,571
Total Expenses	(1,072,999)	(1,553,646)
Excess (Deficit) of Revenues over Expenses	1,613,074	1,045,925
Fund Balance - Beginning of Year	1,703,123	657,198
Fund Balance - End of Year	\$ 3,316,197	\$ 1,703,123

For a complete copy of the audited financial statement, please contact the Director of Finance, Brandon Weilenmann, at Brandon.Weilenmann@vacationclub.com. Summit Watch Resort Owners Association financial statement were audited by Cherry Bekaert LLP.

Summit Watch Resort Owners Association, Inc.
Board of Directors

Name	Office Held	Term
Robert Crawford	President	2017-2019
Ann Hurbanis	Vice President	2016-2018
Lynn Gilbert	Secretary	2016-2018
Charles Compton	Treasurer	2016-2018
Robert Heagy	Director	2017-2019