



Following comments and suggestions from some owners and after the debate at the recent AGM, the Board decided to carry out a full review of its policy on relinquishment of holiday weeks by owners. We looked at what is sometimes offered elsewhere, along with examining suggestions from owners and ideas from Board members themselves. It is clear that for a few owners, the continuation of their ownership of a holiday week may be a burden rather than a benefit to them, for whatever reason.

In an ideal world, the Board would like to be in a position to assist anyone who wishes to sell or relinquish their holiday weeks to do so. However, the other side of this is that, for any relinquishment that takes place, where UOCL takes back ownership of a week from an owner, the liability for the annual management fee transfers from the individual owner to the rest of the membership.

The result is that the cost of that fee has to be spread amongst all other owners by an increase in all management fees to compensate for the lost revenue.

Clearly the company makes every effort to sell on any unsold week and until that occurs we always actively attempt to rent out the week. However, the fact remains that such 'stock weeks' are an increased burden on all owners.

We are very lucky at Underscar to have a very small number of unsold weeks but, equally, we would not be acting responsibly, or in line with our duty to secure the best for the whole membership, if we allowed this number to increase significantly. Considering the above our review has reluctantly concluded that we are not able to change our policy on relinquishment at this time.

Owners who wish to terminate their ownership should do so by re-sale of their week, either through Heart of the Lakes or via other resale organisations. When doing so, we would strongly encourage owners to be realistic when setting a sale price for their week. As several members said during the discussion at the AGM, when you buy a week at Underscar, you secure a regular holiday in an unforgettable location, but you do not buy an asset.

We are also aware that a few owners are concerned about passing on their holiday week, and the responsibility for payment of the management fee, to their heirs. While we have sympathy with their concerns, the position we have to take is the same as above. We would encourage any owner with these concerns to use the re-sale route. Having said all of the above, we are keenly aware that there are occasional cases of real hardship and distress.

Whilst the Board can never offer a guaranteed solution in such cases, we would strongly advise any owner in such a situation to contact the Board to discuss. In individual, specific circumstances, the Board may be able to suggest a way forward.