

LAW OFFICES
PHELPS & MOORE
PROFESSIONAL LIMITED LIABILITY COMPANY
4045 EAST UNION HILLS DRIVE
SUITE A-102
PHOENIX, ARIZONA 85050
(602) 788-2089

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Co-Counsel for Plaintiff Norman Zwicky

THE SUPERIOR COURT OF THE STATE OF ARIZONA
IN AND FOR THE COUNTY OF MARICOPA

NORMAN ZWICKY,

Plaintiff,

vs.

PREMIERE VACATION COLLECTION
OWNERS ASSOCIATION, f.k.a. Premiere
Vacation Club, an Arizona nonprofit
corporation,

Defendant.

CASE NO. CV2015-051911

NOTICE OF ERRATA

(ASSIGNED TO HON. JOHN HANNAH)

Plaintiff, Norman Zwicky ("Zwicky"), by and through undersigned counsel, respectfully submits this Notice of Errata with attachments. On June 11, 2018, Plaintiff filed his Response to Defendant's Motion to Preserve Confidential Designation. On June 15, 2018, Defendant filed its Reply. The Reply included the documents Defendant seeks to

1 remain confidential. Undersigned counsel had previously understood that all documents
2 would be included and therefore did not initially attach the other documents to the
3 Response. All the documents are needed to provide the context as to why documents at
4 issue should not be subject to an ongoing protective order.

5 **RESPECTFULLY SUBMITTED** this 18th day of June, 2018.

6 

7 Jon L. Phelps
8 Shannon A. Lindner
9 Phelps & Moore, PLC
4045 East Union Hills Drive, Suite A-102
Phoenix, Arizona 85050
Counsel for Plaintiff

10 ORIGINAL of the foregoing e-filed on
11 this 18th the day of June, 2018;

12 COPY of the foregoing delivered via azturbocourt.gov
13 on this day of, to:

14 The Honorable John Hannah
15 Northeast Regional Center
16 18380 N. 40th Street
Phoenix, Arizona 85032

17 COPY of the foregoing delivered via email
18 on this 18th the day of June, 2018, to:

19 John E. DeWulf
20 Katherine DeStefano
21 COPPERSMITH BROCKELMAN PLC
22 2800 North Central Avenue, Suite 1200
Phoenix, Arizona 85004
Counsel for Defendant

23
24 By 
25
26

**Premiere Vacation Collection Owners Association, Inc.
2015 Budget**

REVENUES

Assessment Revenue - Owners	\$ 21,300,359
Assessment Revenue - Developer	9,843,646
Other Income	503,896
TOTAL REVENUES	31,647,901

EXPENSES

Maintenance Fee Obligation	23,744,074
Management Fees	3,881,630
Bad Debt Expense	5,751,097
Developer Delinquency Contribution	(3,450,658)
Assessment, Billing & Accounting Fees	1,247,348
General & Administrative	357,798
TOTAL EXPENSES	31,531,289

SURPLUS/(DEFICIT)

116,612

Fund Balance/(Deficit), prior years	(954,356)

PROJ. FUND BALANCE/(DEFICIT), end of year

\$ (837,744)

2015 Assessments					
	Points Values	3001 - 3500	4251 - 6000	6501 - 8500	8501+
Base Standard Assessment	\$	400.00	\$ 400.00	\$ 400.00	\$ 350.00
Point Standard Assessment	\$	0.13943	\$ 0.13943	\$ 0.13943	\$ 0.13943

2015 Assessments - Every Other Year					
	Points Values	1-1750	1751 - 3000	3501 - 4250	6001 - 6500
Base Standard Assessment	\$	200.00	\$ 200.00	\$ 200.00	\$ 175.00
Point Standard Assessment	\$	0.13943	\$ 0.13943	\$ 0.13943	\$ 0.13943

Books and records of the Association are currently being maintained at 10615 Park Run Drive, Las Vegas, NV 89144.

PVCOA0005

CHECKLIST FOR PAID IN FULL PROCESSING
PROPERTY: Premiere Vacation Club
LENDER: Concord

Owner Name: Zwicky, Norman H and

Membership #: PL-A-P-00262

Processing Status: PIF 04/05

I PREPARE PAID PAPERS FOR PENDING DRAWERS:

- ☒ Make sure we have the original Purchase Agreement and Deed of Trust
- ☒ Stamp Purchase Agreement "Paid"
- ☒ Make a note in HOA of the date the loan was Paid in Full
- ☒ Log in the necessary information into the Access Paid in Full Database
- ☒ Prepare the Releases, Paid in Full Letters, and Checklists from Access/Word
- ☒ Make one set of copies of the original PA
- ☒ Clip copy of PA to Checklist along w/any other docs provided by lender
- ☒ Send Releases to Margaret for Signature and Notary
- ☒ Mark the Index Cards PIF
- ☒ File pending paid papers in the pending drawers until Release comes back Recorded.

II WHEN RELEASE COMES BACK FROM RECORDERS OFFICE:

- ☐ Log recording information into the Recording database in Access
- ☐ Pull paid packet from pending drawers
- ☐ Print out PIF Letter with release recording information and mail to owner
- ☐ Staple checklist and copy of PA to the remaining paid papers and give to Kay for files

If Release it is a **BLANKET RELEASE** the recorded info is:

Date recorded: 7/13/05 Recording Number: 3331844

NOTES: Processing Group Number:



August 15, 2005

Norman H Zwicky
5514 N. 5th Lane
Phoenix, AZ 85013

RE: Premiere Vacation Club - Membership Number # PL-A-P-00262

PIF 04/05

Dear Vacation Club Owner,

Thank you very much for the payoff on your Vacation Club membership. We appreciate the attention you have paid to your account and look forward to serving you at the ILX Resorts soon. *(If you are an owner who has recently upgraded your membership, the enclosed documents are referring to your returned unit and do not reflect the status of your new membership, unless otherwise stated above.)*

Enclosed is your original Deed of Trust and Purchase Agreement you signed at the time of purchase. A Deed of Release and Reconveyance was recorded on 7/13/05 at document number 3331844. If you should need a copy of this Release for any reason, please feel free to call and request one at 1.800.822.2589. However, if you should require a certified copy of the Release, you may request it directly from the Coconino County Recorder's Office.

PLEASE NOTE THAT THESE DOCUMENTS ARE THE ORIGINAL DOCUMENTS YOU SIGNED ON THE DATE OF PURCHASE AND WILL NOT REFLECT ANY CHANGES YOU MAY HAVE MADE TO THE TITLE.

Please keep these documents in a safe place as they represent the paid papers for your loan.

We thank you again and remain available to assist you with all your vacation needs!

Sincerely,

Loan Administration Department
ILX Resorts Incorporated



VACATION CLUB MEMBERSHIP PURCHASE AGREEMENT

511412
Contract Number

This Purchase Agreement (the "Agreement") is entered into as of the 25th day of October, 2004, by and between **Premiere Development Incorporated** (as "Developer" and "Seller," each term being inclusive of the other below unless otherwise stated or the context requires otherwise); and **Norman H. Zwicky** (the "Buyer" sometimes referenced by "you" or "your").

1. Agreement to Purchase: Buyer agrees to buy from Seller and Seller agrees to sell to Buyer, the vacation club membership (the "Membership") described as follows:

Name of Resort/Program: **ILX Premiere Vacation Club**
Location: **Phoenix, Arizona**
Membership No.: **Membership number to be assigned at closing**
Unit Type or Number: **Platinum Membership**
Duration of Occupancy/Occupancy Period: **Full Week**
Seasonal Priority/Membership Category: **Prime**
Annual Frequency: **Every Year (Annual)**
Type and Duration of Ownership: **Deed**
Maximum Occupancy/Occupancy Right: **not less than four (4) persons**
Current Exchange Company and Color: **Interval International - Red**
Club/Owner's Association: **ILX Premiere Vacation Club**
Developer: **Premiere Development Incorporated**

Subject to certain terms and conditions, Buyer's purchase of the Membership entitles Buyer to periodically occupy lodging accommodations and affords Buyer various other benefits. Buyer understands that the various rights and obligations associated with Buyer's purchase are set forth in this Agreement as well as in the Membership Plan, Articles, Bylaws, Rules & Regulations and other governing documents associated with the Membership and the other documents executed concurrently or in connection herewith, all of which are incorporated herein by this reference and all of which are collectively referred to as the "Membership Documents." Capitalized terms used in this Agreement and not defined herein shall have the same meanings as set forth in the other Membership Documents.

2. Purchase Price and Itemization of Amounts: The Purchase Price for the Membership shall be **\$26,395.00**, payable by Buyer as follows:

Total Purchase Price	\$26,395.00	PAID IN FULL
Cash at execution (Deposit)	\$0.00	APR 04 2005
Cash by	N/A	
Net Value of Other Consideration	\$18,900.00	P.C.
Total Down Payment	\$7,495.00	
Balance Due and Amount Financed, if any		

Receipt of the Deposit is hereby acknowledged by Seller. The Deposit and any other funds paid by Buyer, if any, prior to the expiration of the cancellation period referred to below, will be held in trust in the ILX Resorts Incorporated Sales Account at Wells Fargo (Arizona). Such funds shall be released: (a) to Seller (subject to the requirements of any applicable governmental authority or Seller's lender) upon expiration of the cancellation period, if any; or (b) to Buyer, without interest, if Buyer has exercised any such right of cancellation. Seller shall pay all closing costs.

3. Promissory Note. The undersigned Buyer promises to pay to the order of Seller, its successors and assigns, the principal sum of **Seven Thousand Four Hundred Ninety-five Dollars** (\$7,495.00) with interest that shall accrue on the unpaid principal balance commencing 30 days prior to the first scheduled date of payment as set forth in the Federal Truth-In-Lending Disclosures. The principal sum is paid in full. Interest shall accrue at the rate of **16.900** % per annum. The principal and interest shall be payable to Seller, 2111 East Highland Ave., Suite 210, Phoenix, Arizona 85016, or such other place as the holder may designate in writing, in consecutive monthly installments of **\$152.74** commencing on **December 14, 2004** and continuing on the same day of each month thereafter until the entire indebtedness evidenced hereby is fully paid, except that any remaining indebtedness, if not sooner paid, shall be due and payable on **November 14, 2011**.

Interest will be calculated and charged on the balance of the Amount Financed which is outstanding as of the due date of each payment. If a payment is late, you will be charged the lesser of 15.00% of your monthly payment, or the maximum amount allowed by law. If you pay off early, you will not have to pay a penalty. Except as otherwise required by law, each payment shall be applied first to late charges or collection charges, next to interest, and then to principal. In the event of a default or dishonor, and protest are hereby waived by all makers, guarantors, and endorser hereof. This Agreement shall be the joint and several obligation of all those listed as Buyer above, sureties, guarantors and endorser and shall be binding upon them and their heirs, personal representatives, successors and assigns. Section 3.0 of this Agreement, concerning defaults and remedies is incorporated herein by this reference. This Section 3 shall be deemed and defined as the "Promissory Note," which is a material part of this Agreement. Seller reserves the right to sell, assign, hypothecate, pledge or otherwise dispose of the Promissory Note without Buyer's consent.

4. Federal Truth-In-Lending Disclosures. The disclosures below are made by Seller as of the date of this Agreement.

FEDERAL TRUTH-IN-LENDING DISCLOSURES				
ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost you.	AMOUNT FINANCED The amount of credit provided to you on your behalf.	TOTAL OF PAYMENTS The amount you will have paid after you have made all payments as scheduled.	TOTAL SALE PRICE The total cost of your purchase on credit, including your down payment of
16.900%	\$5,335.16	\$7,495.00	\$12,830.16	\$18,900.00 \$31,730.16
Your payment schedule will be:				
NUMBER OF PAYMENTS 84	AMOUNT OF PAYMENTS \$152.74 per month		WHEN PAYMENTS ARE DUE On the 14th of each month beginning December 14, 2004	
SECURITY: YOU ARE GIVING A SECURITY INTEREST IN THE MEMBERSHIP DEED YOU PURCHASED.				
LATE CHARGES: IF A PAYMENT IS LATE, YOU WILL BE CHARGED THE LESSER OF 15.00% OF YOUR MONTHLY PAYMENT OR THE MAXIMUM AMOUNT ALLOWED BY LAW.				
PREPAYMENT: IF YOU PAY OFF EARLY, YOU WILL NOT HAVE TO PAY A PENALTY.				
THE AMOUNTS SHOWN AS THE TOTAL OF PAYMENTS AND THE FINANCE CHARGE ARE ESTIMATES BASED UPON THE ASSUMPTION THAT THE SCHEDULE OF PAYMENTS WILL BE MADE AS AGREED.				
REFER TO THE MEMBERSHIP DOCUMENTS FOR ANY ADDITIONAL INFORMATION ABOUT NONPAYMENT, DEFAULT, RIGHT TO ACCELERATE, THE MATURITY OF THE OBLIGATIONS, AND PREPAYMENT REBATES AND PENALTIES.				



VACATION CLUB MEMBERSHIP
PURCHASE AGREEMENT
ADDITIONAL TERMS AND CONDITIONS

511412
Contract Number

5. **PERSONAL USE.** BUYER HEREBY REPRESENTS AND WARRANTS THAT THE PURCHASE OF THIS MEMBERSHIP IS MADE FOR BUYER'S PERSONAL USE, AND NOT FOR ANY RENTALS, RETURNS OR INVESTMENT POTENTIAL.
6. **Annual Maintenance Fees and Other Assessments.** According to the terms and conditions of the Membership Documents, Buyer shall pay to the Club annual maintenance fees and other assessments for each Membership purchased, which maintenance fees may be increased, pursuant to the terms and conditions of the applicable Membership Documents.
7. **Amendments to Governing Documents.** The Club and Developer shall have the right to amend the Membership Documents, the Bylaws, and the Rules and Regulations in their discretion at any time for reasons described in such documents or to comply with the regulatory requirements of any jurisdiction in which the Club or Developer plan to conduct activities. Any such amendment shall be binding upon Buyer and a copy thereof will be provided to Buyer upon request.
8. **Membership vs. Lease.** Buyer understands and hereby agrees that the interest created by the Membership Documents shall not be deemed a lease or a rental agreement, nor shall it be subject to the provisions of state law governing residential landlord/tenant relations or landlord/tenant matters in general.
9. **Default by Buyer.** Buyer shall be deemed to be in default of this Agreement if Buyer (i) fails to make any payment under this Agreement when it is due, (ii) fails to perform any of Buyer's obligations under this Agreement when and as due, or (iii) fails to make any payment or perform any other obligation to the Club or Seller when and as due under any of the Membership Documents. If Buyer fails to pay the Club any part of the annual maintenance fees or other assessments when it is due, it shall become due and payable shall create a default. Buyer may not occupy a Unit while a default exists. Upon default, the holder hereof may, in its sole discretion, declare the entire balance of unpaid principal, all accrued and unpaid interest, and all other sums due under this Agreement to be immediately due and payable. If the holder's failure to exercise such option shall not constitute a waiver of its right to do so as long as Buyer is in default under this Agreement. In addition, Seller may also take any or all of the following actions, as well as all others available to it in law and equity: (a) terminate this Agreement; (b) retain all payments made by Buyer hereunder; and (c) elect to retain all payments made by Buyer hereunder as liquidated and agreed damages (the parties acknowledge that damages may be difficult to ascertain) to cover administrative costs, marketing costs, the cost of taking occupancy rights off the market and other reasonable costs incurred by Seller as payment for services rendered; and (d) pursue any remedy or remedies available to it in law or equity. Except as otherwise required by state law, the parties hereby acknowledge that neither Seller, the Club nor any holder hereof shall be under any obligation to extend any cure period to Buyer. No failure to enforce any covenants against Buyer shall waive the right to demand strict compliance with this Agreement from Buyer.
10. **Evidence of Ownership.** Provided no default or cancellation shall have occurred, and provided that Buyer's financing (if applicable) has been approved by Seller (and in such event, until subject to the provisions of Section 16 below), Seller, as soon as practicable shall cause formal written transfer of the ownership of the Membership into Buyer's name by recorded deed, membership certificate or otherwise, as described in the Membership Documents. All provisions contained in this Agreement shall survive the execution and delivery of such evidence of ownership.
11. **Transfer of the Membership.** IS TRANSFERABLE ONLY IN ACCORDANCE WITH THE MEMBERSHIP DOCUMENTS AND IS NOT SEPARABLE FROM THE DEED.
12. **Notices.** All notices provided for in this Agreement shall be in writing. Notice to Buyer shall be deemed given when hand delivered (in which event such notice shall be deemed effective upon delivery) or by certified mail, return receipt requested, or by first class registered mail, return receipt requested, postage prepaid. Notices to Seller shall be hand delivered or sent by certified mail, return receipt requested, and shall be deemed effective upon actual receipt. Notices to Seller shall be addressed to ILX, Incorporated, Attention: General Counsel, 2111 East Highland Ave., Suite 210, Phoenix, Arizona 85016. The addresses for purposes of this Section may be changed by giving written notice in the manner herein provided for giving notice. Unless and until such written notice is received, the last address set forth by written notice shall be deemed to continue in effect for all purposes hereunder.
13. **Attorneys' Fees.** In any action or proceeding to enforce or interpret this Agreement, the prevailing party or parties shall be entitled to reimbursement of its reasonable attorneys' fees and litigation expenses from the non-prevailing party or parties to this Agreement, as the court or arbitrator may determine.
14. **Entire Agreement.** This Agreement supersedes any previous understandings and agreements between Buyer and Seller and together with the Membership Documents, represents the entire agreement between Buyer and Seller. No previous representations or inducements not included in this Agreement shall be of any force or effect and Buyer acknowledges that Buyer is not relying on representations or inducements not included in this Agreement and the Membership Documents. This Agreement may be amended or modified only by a writing signed by both Buyer and Seller. If there is any conflict between this Agreement and the Membership Documents, the Membership Documents shall control. The Membership is subject to prior sale. This Agreement is binding only on what is signed by Seller.
15. **Miscellaneous.** The waiver by any party of the performance of any provisions of this Agreement shall not constitute a waiver of any other remedy, subject to the restriction on transfer set forth in the Membership Documents, this Agreement shall be binding upon and enforceable by the successors and assigns of Buyer and Seller. If there is more than one person shown above as Buyer, then each of such persons shall be jointly and severally liable for the obligations under this Agreement. This Agreement shall be enforced and interpreted in accordance with the laws of the State of Arizona. Time is the essence of this Agreement. This Agreement, and both Seller's and Buyer's rights and obligations hereunder, are subject to the requirements of all applicable governmental authorities and Seller's covenants, if any.
16. **Financing.**
(a) If any portion of the purchase price of the Membership is to be financed by Seller, then Seller's obligations hereunder are contingent upon approval of financing for Buyer. If, upon investigation, Seller is not satisfied with Buyer's credit standing, Seller may by notice to Buyer given within sixty (60) business days of the date hereof (plus such additional period of time as may be reasonably necessary for Seller to investigate Buyer's credit standing) cancel this Agreement in which event Seller shall refund to Buyer all sums paid by Buyer, and each party shall be relieved of all further obligations hereunder. Buyer hereby agrees to cooperate with any investigation regarding Buyer's credit standing. Failure of Buyer to promptly provide documents or authorize release of credit information shall constitute a breach of this Agreement by Buyer and shall, without requirement of notice or cure period, result in forfeiture by Buyer of the Deposit and any other sums paid to Seller by Buyer hereunder, as liquidated damages.
(b) If this is a financed sale, Buyer hereby grants to Seller a lien and security interest against the Membership to secure Buyer's obligations under the Promissory Note and all other sums due under the terms of this Agreement (collectively referred to hereinafter as "Buyer's Obligations"). For such purposes, simultaneously herewith, and as a condition to Seller's obligations, Buyer shall execute and deliver to Seller and record a deed of trust and such other instruments that may be reasonably required by Seller due to the location or nature of the Membership or otherwise. Buyer agrees and acknowledges that Seller may record and/or file such instruments against Buyer's interest in the Membership in the applicable public records.
- Seller may in addition require that Buyer execute and deliver to Seller an Agreement for Sale Addendum hereto which Seller may instead use to secure Buyer's Obligations. In such event, until all amounts are paid hereunder, such document will not appear in any public record but will nonetheless solely constitute Buyer's evidence of ownership (equitable) in lieu of any deed, membership certificate or other document. Seller may elect to cancel said Agreement for Sale Addendum at any time and to substitute therefor as security for Buyer's Obligations the Deed of Trust or Mortgage promissory instrument executed simultaneously herewith.
17. **Further Acts.** Buyer agrees to promptly cooperate with Seller and any lender in the completion or correction of all documents reasonably requested or necessary in order to effectuate Buyer's purchase, provided that such documents are consistent with, and do not materially and negatively alter, the basic terms of the underlying transaction. Buyer understands that this may include, but not be limited to, the execution of a new Purchase Agreement or security documents or providing Buyer's initials on additions, deletions or other modifications.

ILX
RESORTS



VACATION CLUB MEMBERSHIP
PURCHASE AGREEMENT

511412
Contract Number

VACATION CLUB MEMBERSHIP PURCHASE AGREEMENT (CONT.)
ARIZONA SIGNATURE PAGE

ILX PREMIERE VACATION CLUB

ADDENDUM TO OWNER'S UNDERSTANDING AND ACKNOWLEDGMENT

1. The undersigned Buyer understands and acknowledges the following:

18. For health and safety reasons, pets are not permitted at a Tintoshare Resort, except for Kohl's Ranch Lodge advance kennel arrangements.

19. References in the separate Owner's Understanding of Paragraph 12 to "Club facilities," and in Paragraph 13 to "Resort," both mean Tintoshare Resort and on the Club.

SELLER'S NOTICES

1. READ THIS AGREEMENT BEFORE SIGNING IT.
2. DO NOT SIGN THIS AGREEMENT IF IT CONTAINS ANY BLANK SPACES.
3. THIS IS AN ORIGINAL DOCUMENT AND CONTAINS A PROMISSORY NOTE. YOU AS BUYER SHOULD SIGN ONLY ONE SUCH AGREEMENT.
4. YOU ARE ENTITLED TO AN EXACT COPY OF EACH DOCUMENT YOU SIGN.

Buyer acknowledges by initialing here () that Buyer has, prior to the execution hereof, received copies of any and all membership documents.

NOTICES REQUIRED BY STATE LAW

The Purchaser (Buyer) has the legal right to rescind (cancel) this agreement without cause or reason of any kind by sending or delivering a written notice of rescission to the seller by mailing it by registered mail, return receipt requested, to the seller at ILX Resorts, Incorporated, 210 East Highland Avenue, Suite 210, Phoenix, Arizona 85015, Telephone 602-957-2777.

THE PURCHASER SHALL BE GIVEN A COPY OF THE PUBLIC REPORT BEFORE SIGNING THIS DOCUMENT.

Seller:

PREMIERE DEVELOPMENT INCORPORATED
an Arizona Corporation

By: Norman H. Zwicky
Authorized Representative

Buyer:

Signature

Date

Norman H. Zwicky
Typed or Printed Name

By:

Jalynn Crawford
Sales Agent's Signature

Signature

Date

Jalynn Crawford

Sales Agent's Name (type or print)

Typed or Printed Name

Address:

5514 N. 5th Lane

Phoenix, AZ 85013

PHONE: (602) 631-9444

Taking Title

☐ Community Property with Right of Survivorship

☐ Community Property

☐ Joint Tenants with Right of Survivorship

☐ Tenants in Common

☐ A Married Person as Their Sole and Separate Property
(agreement and document(s) required)

☐ An Unmarried Person

☐ Other

Broker's Initials

Date

10/25/04

13060373

Candace Owens - RECORDER
 OFFICIAL RECORDS OF COCONINO COUNTY
 ILX RESORTS INC

3296461

12/03/2004 03:58P

14.00



3296461

Page: 1 of 3

M

When recorded return to:
 ILX Resorts Incorporated
 Attention: Secretary
 2111 East Highland Ave., Suite 210
 Phoenix, AZ 85016

ILX PREMIERE VACATION CLUB DEED OF TRUST

This Deed of Trust is made this 25th day of October, 2004 by _____

Norman H. Zwicky AN UNMARRIED MAN

whose mailing address is 5514 N. 5th Lane Phoenix, AZ 85013

("Trustor") to Security Title Agency, an Arizona corporation, whose mailing address is 3620 North 3rd Avenue, Phoenix, AZ 85013 ("Trustee") for the benefit of Premiere Development Incorporated, an Arizona corporation, whose mailing address is 2111 East Highland, Suite 210, Phoenix, AZ 85016 ("Beneficiary").

WITNESSETH:

That Trustor conveys, transfers and assigns to Trustee in Trust, with Power of Sale, the following described real property:

an 1 81,500 Undivided Fractional Interest in and to the real property described in Docket No. 1738, Page 236 et seq., in the official records of the Coconino County Recorder, Coconino County, Arizona, as corresponds to a 1 Membership Share(s) as described in the Membership Plan for ILX Premiere Vacation Club, as such plan may be amended from time to time (the "Plan"), recorded on January 6, 1998, at Instrument No. 98-0007090, official records of the Maricopa County, Arizona, Recorder, which Plan is incorporated herein by this reference.

Together with all buildings, improvements and fixtures thereon.

Subject to the terms and conditions set forth in the Plan with respect to the following type of Membership:

Seasonal Priority: Prime
 Unit Type: PLATINUM
 Annual Frequency: Every Year (Annual)
 Occupancy Period: Seven days including one weekend
 Membership No.: PL-A-P-00262

That Trustor irrevocably grants and conveys to Trustee in Trust, with Power of Sale, the above described real property, together with leases, rents, issues, profits, and income thereof (all of which are hereinafter called "property income"); subject, however, to the right, power, and authority hereinafter given to and conferred upon Beneficiary to collect and apply such property income; and subject to current taxes and other assessments, reservations in patents, and all easements, rights of way, covenants, conditions, restrictions, obligations, liabilities and all other matters as may appear of record.

FOR THE PURPOSES OF SECURING:

- Performance of each agreement of Trustor herein contained.
- Payment of the indebtedness evidenced by a Purchase Agreement of even date herewith and any extension or renewal thereof in the principal sum of \$ \$7,495.00 executed by Trustor in favor of Beneficiary or order.
- Payment of additional sums and interest thereon that may hereafter be loaned to Trustor, or Trustor's successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.
- All indebtedness, expenses or liabilities incurred by the Beneficiary of this Deed of Trust for the protection of this security or for the collection of this Deed of Trust.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

To keep said property in good condition and repair; not to damage it or any building thereon; to pay for or, at Beneficiary's option, restore promptly in good and workmanlike manner any such damage by the Trustor, its agents, invitees, licensees or Permitted Users (collectively "Users"); and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property; not to commit or permit waste thereof; not to commit, suffer, or permit any act upon said property in violation of law by any Users; and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice.

To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses of Beneficiary and Trustee, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear or be named, and in any suit brought by Beneficiary or Trustee to foreclose this Deed of Trust.

Consistent with the Plan, to pay: before delinquent, all taxes and assessments affecting said property; when due, all encumbrances, charges, and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees, and expenses of this Trust, including, without limiting the generality of the foregoing, the fees of Trustee for issuance of any Deed of Partial Release and Partial Reconveyance or Deed of Release and Full Reconveyance, and all lawful charges, costs and expenses in the event of reinstatement of, following default in, this Deed of Trust or the obligations secured hereby.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest, or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior to or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel, and pay such counsel's reasonable fees.

To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, together with interest from date of expenditure at the same rate as is provided for in the note secured by this Deed of Trust or at such rate plus five (5) percentage points, whichever be the greater rate. Any amounts so paid by Beneficiary or Trustee shall become a part of the debt secured by this Deed of Trust and a lien on said premises or immediately due and payable at option of Beneficiary or Trustee.

IT IS MUTUALLY AGREED:

That any award of damages in connection with any condemnation or any such taking, or for injury to the property by reason of public use, or for damages for private trespass or injury thereto, is assigned and shall be paid to Beneficiary as further security for all obligations secured hereby (reserving unto the Trustor, however, but subject to the Plan, the right to sue therefor and the ownership thereof subject to this Deed of Trust), and upon receipt of such moneys Beneficiary may hold the same as such further security, or apply or release the same in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

That time is of the essence of this Deed of Trust, and that by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

That Trustor may not further encumber the property that is subject to this Deed of Trust without Beneficiary's prior written consent, which may be withheld in its sole discretion. That any extension of time on this Deed of Trust, whether with or without the consent of any junior lienholder, shall not affect the priority of this Deed of Trust over such junior lien. If any action is instituted by a junior lienholder, or if Trustor is in default with respect to a debt or obligation secured by a junior lien, then Beneficiary may declare the Deed of Trust and the indebtedness and obligations secured by it, as accelerated and immediately due and payable.

That at any time or from time to time, and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said Purchase Agreement and note(s) for endorsement, and without liability therefor, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, and without affecting the security hereof for the full amount secured hereby on all property remaining subject hereto, and without the necessity that any sum representing the value or any portion thereof of the property affected by the Trustee's action be credited on the indebtedness, and upon payment of its fees, the Trustee may (a) release and reconvey all or any part of said property; (b) consent to the making and recording, or either, of any map or plat of the property or any part thereof; (c) join in granting any easement thereon; (d) join in or consent to any extension agreement or any agreement subordinating the lien, encumbrance, or charge hereof.

That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said Purchase Agreement and note(s) to Trustee for cancellation and retention, and upon payment of its fees, Trustee shall release and reconvey, without covenant or warranty, express or implied, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as the "person or persons legally entitled thereto."



514412
Contract Number

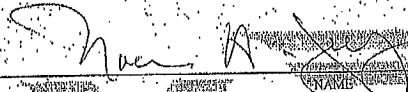
ILX Premiere Vacation Club

ILX
RESORTS

REQUIRED RECEIPT FOR

"Settlement Costs: A HUD Guide" Booklet

This is to acknowledge that I have received the booklet "Settlement Costs: A HUD Guide"


Norman H. Zwicky

INCORPORATED

ILX
RESORTS

HAMB

INCORPORATED

ILX
RESORTS

INCORPORATED

REC/R001

511412
Contract Number

ILX Premiere Vacation Club

PUBLIC REPORT RECEIPT

The developer shall furnish you, as a prospective customer, with a copy of the Public Report required by the Arizona Department of Real Estate. It is recommended that you read the report before you make any written offer to purchase an interest in the development, and before you pay any money or other consideration toward the purchase of an interest in the development.

FOR YOUR PROTECTION, DO NOT SIGN THIS RECEIPT UNTIL YOU HAVE RECEIVED A COPY OF THE REPORT AND HAVE HAD THE OPPORTUNITY TO READ IT. BY SIGNING THIS RECEIPT, THE BUYER HAS ACCEPTED THE PUBLIC REPORT AND ACKNOWLEDGES THE INFORMATION IT CONTAINS.

DM98-014798

PUBLIC REPORT REGISTRATION NO.

ILX Premiere Vacation Club

DEVELOPMENT RECORDED NAME

I understand that the report is not a recommendation or endorsement of the development by the Department of Real Estate, but is for information only.

BUYER'S NAME

Norman H. Zwicky

6514 N. 5th Lane

Phoenix, AZ 85013

CURRENT ADDRESS

BUYER'S NAME

October 25, 2004

DATE

PRE/RPR/R0202

[illegible]

1. I understand that the information I provide through this application will be used to determine my eligibility for admission to the program. I understand that the information I provide will be used to determine my eligibility for admission to the program. I understand that the information I provide will be used to determine my eligibility for admission to the program.

1. To: Name and Address of employer

1. Name and address of employer	2. From (month and year) to (month and year)
118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500 501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524 525 526 527 528 529 530 531 532 533 534 535 536 537 538 539 540 541 542 543 544 545 546 547 548 549 550 551 552 553 554 555 556 557 558 559 560 561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607 608 609 610 611 612 613 614 615 616 617 618 619 620 621 622 623	

I certify that this verification has been sent directly to the employer and has not passed through the hands of the applicant or any other interested party.

5. Signature of Applicant	6. Date	7. Order Number (Optional)

I have applied for a mortgage loan and stated that I am now or was formerly employed by you. My signature below authorizes verification of this information.
 Name and Address of Applicant (include employee or badge number) _____ Signature of Applicant _____

9. Applicant's Date of Employment	10. Present Position	11. Probability of Continued Employment

[illegible]

12A. Current Gross Pay: Pay (Enter Amount and Check Payroll)		13. For Military Personnel Only	14. i) Overtime or Bonus is Applicable is it a Continuation of Pay?
☐ Annual	☐ Hourly	Pay Grade	
☐ Monthly	☐ Other (Specify)	Monthly Amount	Overtime ☐ Yes ☐ No (Bonus)
☐ Weekly		Base Pay	15. If paid hourly - average hours per
☐ Seasonal	Off-Site		

2B. Gross Earnings				Year	
Year	Year To Date	Past Year To Date	Past Year To Date	Ratio	
Base Pay	\$	\$	\$		16. Date of applicant's next pay increase
Overtime	\$	\$	\$		17. Projected amount of next pay increase
Cost of Living	\$	\$	\$		18. Date of applicant's next pay increase
Signus	\$	\$	\$		19. Amount of pay increase
Total	\$	\$	\$		

20. Remarks (If employee was off work for any length of time, please indicate time period and reason)

20. Date Hired: _____

23. Salary/Wage at Termination Per Year/Month (by check) _____

Counselor(s)

Bonus _____

23	Date of Discharge	1998	24	Reason for Leaving	25. Position Held

Part IV - **Authorized Signature** - Federal entities provide severe penalties for any fraud, intentional misrepresentation, or criminal conduct or conspiracy purposed to influence the issuance of any quantity or in-lieu fee by the VA Secretary, the U.S. P.O.A., the VA/PA Commissioner, or the HUD/PA Assistant Secretary.

28. Surname of Employee	29. Title (Please print or type)
29. Print or type name signed in item 28	30. Phone No.

NOTICE TO MORTGAGE LOAN APPLICANTS

The Right to Collect Your Mortgage Loan Payments may be Transferred. Federal Law Gives you Certain Related Rights. Read This Statement and Sign It Only if you Understand Its Contents.

Because you are applying for a mortgage loan covered by the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. 2601 et seq.) you have certain rights under that Federal law. This statement tells you about those rights. It also tells you what the chances are that the servicing for this loan may be transferred to a different loan servicer. "Servicing" refers to collecting your principal and interest and escrow account payments, if any. If your loan servicer changes, there are certain procedures that must be followed. This statement generally explains those procedures.

Transfer Practices and Requirements

If the servicing of your loan is assigned, sold or transferred to a new servicer, you must be given written notice of that transfer. The present loan servicer must send you notice in writing of the assignment, sale or transfer of the servicing no less than 15 days before the effective date of the transfer. The new loan servicer must also send you notice within 15 days after the effective date of the transfer. The present servicer and the new servicer may combine this information in one notice as long as the notice is sent to you 15 days before the effective date of transfer. The 15 day period is not applicable if a notice of prospective transfer is provided to you at settlement. If the law allows a delay in the time (not more than 30 days) after transfer of servicing to notify you under certain limited circumstances, when your servicer is changed abruptly. This exception applies only if your servicer is fired or cause, in bankruptcy proceedings, is involved in a conservatorship or receivership initiated by a Federal agency.

Notices must contain certain information. They must contain the effective date of the transfer of the servicing of your loan to the new servicer, the name, address, and toll-free or collect call telephone number of the new servicer, and toll-free or collect call telephone numbers of a person or department for both your present servicer and your new servicer to answer your questions about the transfer of servicing. During the 60-day period following the effective date of the transfer of the loan servicing, a loan payment received by your old servicer before its due date may not be treated by the new loan servicer as late, and a late fee may not be imposed on you.

Complaint Resolution

Section 6 of RESPA (12 U.S.C. 2605) gives you certain consumer rights, whether or not your loan servicing is transferred. If you send a "qualified written request" to your loan servicer concerning the servicing of your loan, your servicer must provide you with a written acknowledgment within 20 Business Days of receipt of your request. A "qualified written request" is a request in writing, by mail or electronic means, other than notice on payment coupon or other payment medium supplied by the servicer, which includes your name and account number, and your reasons for the request. Not later than 60 Business Days after receiving your request, your servicer must make any appropriate efforts to your account, or must provide you with a written clarification regarding any dispute during this 60 Business Day period. Your servicer may not provide information to a consumer reporting agency concerning any overdue payment related to such period or qualified written request.

A Business Day is any day, excluding public holidays (State or Federal), Saturday and Sunday.

Damages and Costs

Section 6 of RESPA also provides for damages and costs for individuals or classes of individuals in certain instances where servicers are shown to have violated the requirements of that Section.

Servicing Transfer Estimated by Lender

1. The following is the best estimate of what will happen to the servicing of your mortgage loan.

We do not service mortgage loans, and we presently intend to assign, sell or transfer the servicing of your mortgage loan. You will be informed about your servicer.

2. For all the mortgage loans that we make in the 12 month period after your mortgage loan is funded, we estimate that the percentage of mortgage loans for which we will transfer servicing is between:

- ☐ 0 to 25%
- ☐ 26 to 50%
- ☐ 51 to 75%
- ☒ 76 to 100%

(This estimate does include assignments, sales or transfers to affiliates or subsidiaries.) This is only our best estimate and it is not binding. Business conditions or other circumstances may affect our future transferring decisions.

3. This is our record of transferring the servicing of the mortgage loans we have made in the past:

Percentage of Loans Transferred	
(Rounded to nearest quartile)	
Year	0% 25% 50% 75% or 100%
1999	100%
2000	100%

(This information does include assignments, sales or transfers to affiliates or subsidiaries.)

Acknowledgment of Mortgage Loan Applicant

I/We have read this disclosure form, and understand its contents (as evidenced by my/our signature(s) below)

Normari H. Zwicky

APPLICANT'S SIGNATURE

CO-APPLICANT'S SIGNATURE



Contract# 511412

October 25, 2004

I, Norman H. Zwicky, will be starting use of my ILX Premiere Vacation Club unit in the year 2005.

Norman H. Zwicky



Date 10/25/04

2111 EAST HIGHLAND AVENUE SUITE 210 • PHOENIX, AZ 85016 • (602) 957-2777 • FAX (602) 957-2780 • www.ilxresorts.com



Contract#: 511412

October 25, 2004

We are happy to respond to your interest to upgrade your current membership to a PLATINUM Annual membership through the ILX Premiere Vacation Club.

As part of your upgrade, you will continue to receive Unlimited Passport Weeks as per your original agreement included in Contract # 402979.

Norman H. Zwicky

Date: 10/25/04

2111 EAST HIGHLAND AVENUE SUITE 210 • PHOENIX, AZ 85016 • (602) 967-2777 • FAX (602) 957-2780 • www.ilxresorts.com

TO ALL CONSUMER REPORTING AGENCIES, EMPLOYERS
AND CREDITORS OF THE UNDERSIGNED:

Norman H. Zwicky and

has/have made application to ILX Resorts Incorporated requesting an extension of credit. Therefore, the above named applicant(s) authorize ILX Resorts Incorporated, their employees, agents or assignees to; obtain a consumer credit report, verify my/our employment and checking and/or savings balances. I/we authorize you to exchange credit information with others in connection with this application.

I/we hereby agree to allow ILX Resorts Incorporated and any of its Representatives the right to review my/our credit history and to discuss with me/us any credit concerns that may affect my application for vacation ownership.

A photographic or facsimile of this authorization bearing my/our signature(s) may be deemed to be the equivalent of the original hereof and may be used as a duplicate original.

10/28/04
Date

Applicant

Norman H. Zwicky

CO-Applicant

Contract Number 511412



Contract# 511412

October 25, 2004

To ILX Resorts Customer: Norman H. Zwicky

As required by federal law, banks, investment companies and other financial institutions must provide consumers with information about how personal information provided to them is used and protected. Because ILX Resorts Incorporated and/or its subsidiaries provide financing to certain buyers of our vacation ownership interests, we are providing our customers this disclosure notice:

- A. We collect nonpublic personal information from customers from the following sources:
- 1) Information we receive on credit applications, purchase documents and other forms.
 - 2) Information about transactions with us, our affiliates, or others, and
 - 3) Information we receive from consumer reporting agencies.
- B. We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law.
- C. We restrict access to nonpublic personal information to those employees who need to know that information to provide products or services for customers. We maintain physical, electronic and procedural safeguards that comply with federal regulations to guard our customers' nonpublic personal information.

We appreciate the opportunity to serve you, and look forward to welcoming you soon at one of the ILX Resorts.

Received:



Norman H. Zwicky

Premiere Vacation Club and ILX Resorts Incorporated and its affiliates have my/our permission to contact us for promotional or other purposes by telephone, email, or facsimile at the addresses and telephone numbers we have provided or may provide in the future.

(602) 631-9444

Telephone Number

(602) 225-3030

Telephone Number


Norman H. Zwicky

Owner Understanding and Acknowledgement

Maintenance, Interval International and Interval Preferred Fees

I, the undersigned BUYER, understand and acknowledge the following current annual fees, which have been explained to me by our Sales Executive

Talyn Crawford

Maintenance Fees

We have purchased a PLAT - A suite and the maintenance fees are \$775 per year.

Interval International Fees

- optional*
1. Annual Membership is \$79.00 (multiple year discount available).
 2. Interval Preferred (which is optional at \$54.00).
 3. Exchange Fee: \$121.00 Domestic and \$149.00 International per exchange.

I/we, the undersigned buyer, understand that specific unit amenities and floor plans as well as property features will vary at all ILX Premiere Vacations Club locations.

X Ann D. Jones
Buyer

10/25/04
Date

Buyer

Date

When recorded return to:
ILX Resorts Incorporated
Attention: Secretary
2111 East Highland Ave., Suite 210
Phoenix, AZ 85016

ILX PREMIERE VACATION CLUB
SPECIAL WARRANTY DEED

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Premiere Vacation Club, an Arizona nonprofit corporation ("Grantor"), hereby conveys to _____

Norman H. Zwicky AN UNMARRIED MAN
("Grantee") an 1 / 81,500 Undivided Fractional Interest in and to the real property described at Docket No. 1738, page 236 et seq. in the official records of the Coconino County Recorder, Coconino County, Arizona, as corresponds to a 1 Membership Share(s) as described in the Membership Plan for ILX Premiere Vacation Club, as such plan may be amended from time to time (the "Plan"), recorded on January 6, 1998, at Instrument No. 98-0007090, official records of the Maricopa County, Arizona, Recorder, which Plan is incorporated herein by this reference.

Together with all rights and privileges appurtenant thereto.

Subject to the general terms and conditions set forth in the Plan and subject to the specific terms and conditions set forth in the Plan with respect to the following type of Membership:

Seasonal Priority: Prime
Unit Type: Platinum Membership
Annual Frequency: Every Year (Annual)
Occupancy Period: Seven days including one weekend
Membership No.: PL-A-P-00262

Subject further to current taxes and other assessments, reservations in patents and all easements, rights of way, covenants, conditions, restrictions, obligations, liabilities and all other matters as may appear of record. Subject to the foregoing, the Grantor warrants the title against its acts, and none other, against all persons whomsoever.

Dated this 25th day of October, 2004

PREMIERE VACATION CLUB,
an Arizona nonprofit corporation

By: Margaret Eardley
Its: Vice President



STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 15 day of November 2004
by Margaret Eardley, the Vice President
of PREMIERE VACATION CLUB, an Arizona nonprofit corporation, on behalf of the corporation.

My Commission Expires:

4-17-08



Alicia Fabian
Notary Public

ACCEPTANCE

If the above conveyance is to Grantee as community property with right of survivorship or as joint tenants with right of survivorship, then Grantee by signing the acceptance below evidence their intention to acquire said premises as such and not as tenants in common or any other form of ownership.

ACCEPTED AND APPROVED:

State of _____)
) ss.
County of _____)

The foregoing instrument was acknowledged before me this _____ day of _____
by _____

My Commission Expires:

Notary Public



VACATION CLUB MEMBERSHIP

611412
Contract Number

OWNER'S UNDERSTANDING AND ACKNOWLEDGEMENT

Name Norman H. Zwicky

The Seller would like to minimize the possibility that either an unauthorized representation or misunderstanding of the facts could have occurred during the sales presentation that may have influenced my decision to purchase. For that reason, I have been provided this summary highlighting some of the more significant details concerning my purchase. I, the undersigned Buyer, understand and acknowledge the following:

Initials

- ____ 1. I am purchasing a Membership of the type described in the Vacation Club Membership Purchase Agreement ("Purchase Agreement") that I signed today.
- ____ 2. There are various terms, conditions and obligations associated with my Membership as set forth in the Membership Documents. I have been given a copy of and opportunity to review forms of all of the Membership Documents, including but not limited to the Membership Plan, Rules & Regulations, Bylaws, and/or other governing documents associated with the Membership. In general, I understand the concepts of timesharing and exchange programs.
- ____ 3. Members are required to pay annual dues or maintenance fees ("Maintenance Fees") and may be subject to other types of special assessments. The current Maintenance Fees for my Membership are set forth on the Budget I was provided today. Maintenance Fees are established annually by the Club and are subject to change.
 - A. If I have purchased an "Every Year" Membership, the full amount of the Maintenance Fees for this year is payable shortly after my purchase. For each full year thereafter, Maintenance Fees are due in advance by January 1 of such year.
 - B. If I have purchased an "Every Other Year" Membership, special rules apply concerning Maintenance Fees for this year, and for the years thereafter.
 1. Regarding this year, if I have occupancy rights this year, the entirety of what would be the annual amount of Maintenance Fees is payable shortly after my purchase. If I do not have occupancy rights until next year, one-half (1/2) of the Maintenance Fees will be payable shortly after my purchase and the remaining one-half (1/2) prior to December 31 of this year.
 2. Following this year (including next year), in each year I will pay one-half (1/2) of what would be the annual amount of Maintenance Fees for my year of use, in advance by December 31 of each year.If as part of my purchase the requirement of paying any particular year's Maintenance Fees has been waived in writing I am also agreeing to waive the occupancy right associated with that Maintenance Fee. If I decide I still wish to use or exchange my waived occupancy right, I will be required to pay the waived Maintenance Fees.
- ____ 4. All of my rights as a Member are conditioned upon my being current in my obligations to the Club and to Seller (if any). If I fail to timely pay my Maintenance Fees or other special assessments or amounts owed to Seller, my Membership may be suspended or terminated, and I would forfeit all monies I have paid to date. If I violate any provision of the Membership Documents, the Club may impose other sanctions against me in accordance with the Membership Documents.
- ____ 5. If Seller has provided financing of a portion of my purchase price, I have executed a Deed of Trust, Mortgage or other security instrument that secures the payment of my obligations to Seller pursuant to the Purchase Agreement. If I fail to honor any of my obligations, Seller has the right to institute foreclosure proceedings. If I purchased my membership pursuant to an Agreement for Sale Addendum to my Purchase Agreement, I will not receive full legal title until such time as my Membership has been paid for in full.
- ____ 6. The Club currently has an agreement with the Exchange Company named on the Purchase Agreement wherein it has agreed to offer exchange services to Members of the Club. Exchange Company is an independently owned and operated service company. Seller is not an agent for the Exchange Company, and no representations or promises made by Seller or its agents are binding on the Exchange Company. The Exchange Company's responsibility for representations regarding its exchange program, as well as its current or future services, is limited to those made in written materials furnished by it. The agreement between the Club and the Exchange Company remains subject to change.
- ____ 7. My purchase entitles me to apply for membership in the Exchange Company, unless I have purchased less than a full week membership. Seller will pay my initiation fee and first year membership fee for exchange company membership. Thereafter, if I wish to remain a member, I must pay the Exchange Company's annual membership fee. For each exchange I make, I must also pay the exchange fee imposed by the Exchange Company. The annual membership fee and the exchange fee are subject to change as determined by the Exchange Company. I understand that I am not required to be or remain a member of the Exchange Program.
- ____ 8. I specifically understand that desired exchanges are subject to reservation availability and that the more lead time and flexibility I have, the more likelihood of a successful exchange. There are various rules and procedures I must follow in order to make an exchange. The minimum exchange is one week. Weeks deposited with the Exchange Company are considered used at the date of deposit. The Club's current rules are that deposits to the Exchange Company must be made on or before October 15 of the use year, notwithstanding any later date allowed by the Exchange Company. In order to make a deposit to the Exchange Company, I must have paid my Maintenance Fees for the deposited year, and be current in any obligations to the club and/or to the seller.
- ____ 9. No representations have been made to me that my Membership can be resold or rented in the future at a profit. No resale, repurchase or rental services are provided by the Club or Seller. I have acquired my Membership for personal vacation use and enjoyment and not as a potential source of investment or tax benefits. As part of my purchase, I may have been granted special privileges that are personal to me and not transferable upon resale. If I elect to transfer my Membership, I must do so in accordance with the procedures described in the Plan.
- ____ 10. I understand the occupancy rights and reservation procedures associated with my Membership as set forth in the Plan, the Rules & Regulations and the other Membership Documents. I understand that the availability of weekends and holidays may be limited. My use at any ILX Resort is limited to the occupancy right of my unit. Benefits which may be offered to me at ILX owned and operated resorts may not be available at resorts affiliated with, but not owned and operated by, ILX Resorts Incorporated.
- ____ 11. Even if I do not intend to use or exchange my time during any year, I still must pay Maintenance Fees for that year and am not entitled to any refunds regarding or carryover of, such unused time.
- ____ 12. I am liable for damage or destruction of Club facilities beyond normal wear and tear caused by me, my co-owners, my guests or my other Permitted Users, and for any personal charges we incur, such liability being joint and several if there is more than one Buyer of this Membership.
- ____ 13. Seller or its affiliates or other third parties will operate the Resort as a hotel to the extent of unsold or unused Memberships, conduct other revenue generating activities at or near the Resort and provide management and other services to the Club under long term contracts, the financial benefits of which will accrue to them and to which I am not entitled in any way.
- ____ 14. If in connection with my purchase I have received "Bonus Weeks," travel certificates or similar items, I understand that the benefits thereunder are subject to various terms and conditions and are provided by third party vendors independent of Seller and its affiliates. I understand that Seller has no control over such third parties and therefore cannot be held responsible relative to said benefits.
- ____ 15. Resort amenities, programs, activities and common area facilities are subject to change over time. Future improvements to the Resort facility may vary from drawings, floor plans and site plans shown to me. The Unit I occupy on a particular visit may vary in some details from the model unit or drawings I was shown (if any), and Units may be subject to future modification or renovation.
- ____ 16. Everything important to me in deciding to purchase is either in writing or has been visually inspected by me. I am not relying on any verbal statements, representations or promises except those that are also in writing. I have been given the opportunity to review the Membership Documents to determine the existence in writing of any such verbal statements, representations or promises, or have requested and received a separate written confirmation of any such verbal statement, representation or promise upon which I am relying. All terms must be in writing and cannot be modified verbally in any way. The agreements contained in my Purchase Agreement, the other Membership Documents and any such separate written confirmation represent the sole and entire agreement between me and the Club and Seller.
- ____ 17. I have read and understand the section of the Signature Page to the Purchase Agreement entitled "Addendum to Owner's Understanding and Acknowledgment," which contains important additional information about the specific Membership I am purchasing.

Capitalized terms used in this document have the meanings set forth in the other "Membership Documents" as such term is defined in the Purchase Agreement

October 26, 2004

Date

Representative of Seller

Buyer

Buyer

ILX/OU/R0202

PVCOA0023

NOTICE TO MORTGAGE LOAN APPLICANTS

The Right to Collect Your Mortgage Loan Payments may be Transferred. Federal Law Gives you Certain Related Rights. Read This Statement and Sign It Only if you Understand Its Contents.

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Notices must contain certain information. They must contain the effective date of the transfer of the servicing of your loan to the new servicer, the name, address, and toll-free or collect call telephone number of the new servicer, and toll-free or collect call telephone numbers of a person or department for both your present servicer and your new servicer to answer your questions about the transfer of servicing. During the 60-day period following the effective date of the transfer of the loan servicing, a loan payment received by your old servicer before its due date may not be treated by the new loan servicer as late, and a late fee may not be imposed on you.

Complaint Resolution

Section 6 of RESPA (12 U.S.C. 2603) gives you certain consumer rights, whether or not your loan servicing is transferred. If you send a "qualified written request" to your loan servicer concerning the servicing of your loan, your servicer must provide you with a written acknowledgment within 20 Business Days of receipt of your request. A "qualified written request" is any written correspondence, other than notice on payment coupon or other payment medium supplied by the servicer, which includes your name and account number and your reasons for the request. Not later than 60 Business Days after receiving your request, your servicer must make any appropriate corrections to your account, or must provide you with a written clarification regarding any dispute. During this 60 Business Day period, your servicer may not provide information to a consumer reporting agency concerning any overdue payment related to such period or qualified written request.

A Business Day is any day, excluding public holidays (State or Federal), Saturday and Sunday.

Damages and Costs

Section 6 of RESPA also provides for damages and costs for individuals or classes of individuals in circumstances where servicers are shown to have violated the requirements of that Section.

Servicing Transfer Estimated by Lender

1. The following is the best estimate of what will happen to the servicing of your mortgage loan:
- We do not service mortgage loans, and we presently intend to assign, sell or transfer the servicing of your mortgage loan. You will be informed about your servicer.
2. For all the mortgage loans that we make in the 12 month period after your mortgage loan is funded, we estimate that the percentage of mortgage loans for which we will transfer servicing is between:

0 to 25%
26 to 50%
51 to 75%
☒ 76 to 100%

(This estimate does include assignments, sales or transfers to affiliates or subsidiaries.) This is only our best estimate and it is not binding. Business conditions or other circumstances may affect our future transferring decisions.

3. This is our record of transferring the servicing of the mortgage loans we have made in the past:

Year	Percentage of Loans Transferred (rounded to nearest quartile) 0% 25% 50% 75% or 100%
1999	00%
2000	00%

(This information does include assignments, sales or transfers to affiliates or subsidiaries.)

Acknowledgment of Mortgage Loan Applicant

I have read this disclosure form, and understand its contents as evidenced by my/our signature(s) below.

Norman H. Zwicky
APPLICANT'S SIGNATURE

Norman H. Zwicky

10/28/04
DATE

CO-APPLICANT'S SIGNATURE

HUD-1 UNIFORM SETTLEMENT STATEMENT

(Rev. August 1987)

A. U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				SETTLEMENT STATEMENT	
B. TYPE OF LOAN 1. FHA 2. FmHA 3. X CONV. UNINS. 4. VA 5. CONV. INS.			6. File Number: 511412		7. Loan Number:
			8. Mortgage Insurance Case Number:		
C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals. NOTE: TIN=Taxpayer's Identification Number					
D. NAME AND ADDRESS OF BORROWER: Norman H. Zwicky 5514 N. 5th Lane Phoenix, AZ 85013		E. NAME, ADDRESS AND TIN OF SELLER: ILX Resorts Incorporated, Agent 2111 East Highland Ave. Suite 210 Phoenix, AZ 85016 86-0564171		F. Name and Address of Lender ILX Resorts Incorporated, Agent 2111 East Highland Ave. Suite 210 Phoenix, AZ 85016	
G. Property Location: 160 Portal Lane Sedona, AZ 86336		H. Settlement Agent Name, Address and TIN: Place of Settlement Offices of ILX Incorporated		I. Settlement date	

J. SUMMARY OF BORROWER'S TRANSACTION	
100. Gross Amount Due From Borrower:	
101. Contract sales price	\$26,395.00
102. Personal property	0.00
103. Settlement charges to borrower (line 1400)	\$0.00
104.	
105.	
<i>Adjustments for items paid by seller in advance</i>	
106. City/town taxes to	0.00
107. County taxes to	0.00
108. Assessments to	0.00
109.	
110.	
111.	
112.	
120. GROSS AMOUNT DUE FROM BORROWER	\$26,395.00
200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:	
201. Deposit or earnest money	\$0.00
202. Principal amount of new loan(s)	\$7,495.00
203. Existing loan(s) taken subject to	0.00
204. Administrative Fee:	\$0.00
205. Trade In	\$18,900.00
206.	
207.	
208.	
209.	
<i>Adjustments for items unpaid by seller</i>	
210. City/town taxes to	0.00
211. County taxes to	0.00
212. Assessments to	0.00
213.	
214.	
215.	
216.	
217.	
218.	
219.	
220. TOTAL PAID BY/FOR BORROWER	
300. CASH AT SETTLEMENT FROM/TO BORROWER	
301. Gross amount due from borrower (line 120)	\$26,395.00
302. Less amounts paid by/for borrower (line 220)	\$26,395.00
303. Cash (From) (To) Borrower	0.00

K. SUMMARY OF SELLER'S TRANSACTION	
400. Gross Amount Due To Seller:	
401. Contract sales price	\$26,395.00
402. Personal property	0.00
403.	
404. Administrative Fee:	\$0.00
405.	
<i>Adjustments for items paid by seller in advance</i>	
406. City/town taxes to	0.00
407. County taxes to	0.00
408. Assessments to	0.00
409.	
410.	
411.	
412.	
420. GROSS AMOUNT DUE TO SELLER	\$26,395.00
500. REDUCTION IN AMOUNT DUE TO SELLER:	
501. Excess deposit (see instructions)	
502. Settlement charges to seller (line 1400)	\$0.00
503. Existing loan(s) taken subject to	0.00
504. Payoff of first mortgage loan	0.00
505. Payoff of second mortgage loan	0.00
506.	
507.	
508.	
509.	
<i>Adjustments for items unpaid by seller</i>	
510. City/town taxes to	0.00
511. County taxes to	0.00
512. Assessments to	0.00
513.	
514.	
515.	
516.	
517.	
518.	
519.	
520. TOTAL REDUCTION AMOUNT DUE SELLER	
600. CASH AT SETTLEMENT TO/FROM SELLER	
601. Gross amount due to seller (line 420)	\$26,395.00
602. Less reductions in amount due seller (line 520)	\$26,395.00
603. Cash (To) (From) Seller	0.00

SUBSTITUTE FORM 1099 SELLER STATEMENT

The information contained in Blocks E, G, H and I and on line 401 (or, if line 401 is asterisked, line 403 and 404) is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction will be imposed on you if this item is required to be reported and the IRS determines that it has not been reported. If this real estate is your principal residence, file Form 2119, Sale or Exchange of Principal Residence, for any gain, with your income tax return; for other transactions, complete the applicable parts of Form 4797, Form 6252 and/or Schedule D (Form 1040). You are required to provide the Settlement Agent (named above) with your correct taxpayer identification number. If you do not provide the Settlement Agent with your correct taxpayer identification number, you may be subject to civil or criminal penalties imposed by law. Under penalties of perjury, I certify that the number shown on this statement is my correct taxpayer identification number.

(Seller's Signature)

HUD/SS1/R1201

PVCOA0025

HUD-1
1401-Page 2 SETTLEMENT STATEMENT

HUD-1

L. SETTLEMENT CHARGES

700. TOTAL SALES/BROKER'S COMMISSION based on price \$ @ % =		PAID FROM BORROWER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
Division of Commission (line 700) as follows:			
701. \$	to		
702. \$	to		
703. Commission paid at Settlement			
704.			
800. ITEMS PAYABLE IN CONNECTION WITH LOAN			
801. Loan Origination Fee	% \$250.00		POC
802. Loan Discount	%		
803. Appraisal Fee to	to		
804. Credit Report to	to		
805. Lender's Inspection Fee			
806. Mortgage Insurance Application Fee to			
807. Assumption Fee			
808. ADMINISTRATIVE PROCESSING FEE		\$0.00	
809.			
810.			
811.			
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE			
901. Interest from	to @ \$ / day		
902. Mortgage Insurance Premium for	months to		
903. Hazard Insurance Premium for	years to		
904.	years to		
905.			
1000. RESERVES DEPOSITED WITH LENDER			
1001. Hazard Insurance	Months @ \$ Per month		
1002. Mortgage Insurance	Months @ \$ Per month		
1003. City property taxes	Months @ \$ Per month		
1004. County property taxes	Months @ \$ Per month		
1005. Annual assessments	Months @ \$ Per month		
1006.	Months @ \$ Per month		
1007.	Months @ \$ Per month		
1008.	Months @ \$ Per month		
1100. TITLE CHARGES			
1101. Settlement or closing fee	to		
1102. Abstract or title search	to		
1103. Title examination	to		
1104. Title Insurance binder	to		
1105. Document preparation	to		
1106. Notary fees	to		
1107. Attorney's fees	to		
(includes above items numbers:)			
1108. Title Insurance	to		
(includes above items numbers:)			
1109. Lender's coverage	\$		
1110. Owner's coverage	\$		
1111.			
1112.			
1113.			
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES			
1201. Recording fees	Deed \$ 15.00 ; Mortgage \$ 13.00 ; Releases \$ 22.00		POC
1202. City/county tax/stamps:	Deed \$; Mortgage \$		
1203. State tax/stamps:	Deed \$; Mortgage \$		
1204.			
1205.			
1300. ADDITIONAL SETTLEMENT CHARGES			
1301. Survey	to		
1302. Pest Inspection	to		
1303.			
1304.			
1305.			
1400. TOTAL SETTLEMENT CHARGES (enter on lines 103, Section J and 502, Section K)		\$0.00	\$0.00

CERTIFICATION

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

..... Seller

..... Borrower

..... Seller

..... Borrower

To the best of my knowledge the HUD-1 Settlement Statement which I have prepared is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.

..... Settlement Agent

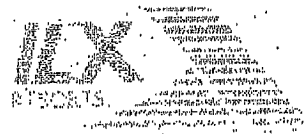
October 25, 2004 Date

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

HUD/SS2/R1201

PVCOA0026

When recorded return to:
ILX Resorts Incorporated
Attention: Secretary
2111 East Highland Ave., Suite 210
Phoenix, AZ 85016



ILX PREMIERE VACATION CLUB

DEED OF TRUST

This Deed of Trust is made this 25th day of October, 2004 by _____
Norman H. Zwicky AN UNMARRIED MAN

whose mailing address is 5514 N. 5th Lane Phoenix, AZ 85013
("Trustor") to Security Title Agency, an Arizona corporation, whose mailing address is 3620 North 3rd Avenue, Phoenix, AZ 85013 ("Trustee") for the benefit of Premiere Development Incorporated, an Arizona corporation, whose mailing address is 2111 East Highland, Suite 210, Phoenix, AZ 85016 ("Beneficiary").

WITNESSETH:

That Trustor conveys, transfers and assigns to Trustee in Trust, with Power of Sale, the following described real property:

an 1 81,500 Undivided Fractional Interest in and to the real property described in Docket No. 1738, Page 236 et seq., in the official records of the Coconino County Recorder, Coconino County, Arizona, as corresponds to a 1 Membership Share(s) as described in the Membership Plan for ILX Premiere Vacation Club, as such plan may be amended from time to time (the "Plan"), recorded on January 6, 1998, at Instrument No. 98-0007090, official records of the Maricopa County, Arizona, Recorder, which Plan is incorporated herein by this reference.

Together with all buildings, improvements and fixtures thereon.

Subject to the terms and conditions set forth in the Plan with respect to the following type of Membership:

Seasonal Priority: Prime
Unit Type: PLATINUM
Annual Frequency: Every Year (Annual)
Occupancy Period: Seven days including one weekend
Membership No.: _____

That Trustor irrevocably grants and conveys to Trustee in Trust, with Power of Sale, the above described real property, together with leases, rents, issues, profits, and income thereof (all of which are hereinafter called "property income"); subject, however, to the right, power, and authority hereinafter given to and conferred upon Beneficiary to collect and apply such property income; and subject to current taxes and other assessments, reservations in patents, and all easements, rights of way, covenants, conditions, restrictions, obligations, liabilities and all other matters as may appear of record.

FOR THE PURPOSES OF SECURING:

- A. Performance of each agreement of Trustor herein contained.
- B. Payment of the indebtedness evidenced by a Purchase Agreement of even date herewith and any extension or renewal thereof in the principal sum of \$ \$7,495.00 executed by Trustor in favor of Beneficiary or order.
- C. Payment of additional sums and interest thereon that may hereafter be loaned to Trustor, or Trustor's successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.
- D. All indebtedness, expenses or liabilities incurred by the Beneficiary of this Deed of Trust for the protection of this security or for the collection of this Deed of Trust.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

To keep said property in good condition and repair; not to damage it or any building thereon; to pay for or, at Beneficiary's option, restore promptly in good and workmanlike manner any such damage by the Trustor, its agents, invitees, licensees or Permitted Users (collectively "Users"), and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property; not to commit or permit waste thereof; not to commit, suffer, or permit any act upon said property in violation of law by any Users; and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice.

To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses of Beneficiary and Trustee, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear or be named, and in any suit brought by Beneficiary or Trustee to foreclose this Deed of Trust.

Consistent with the Plan, to pay: before delinquent, all taxes and assessments affecting said property; when due, all encumbrances, charges, and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees, and expenses of this Trust, including, without limiting the generality of the foregoing, the fees of Trustee for issuance of any Deed of Partial Release and Partial Reconveyance or Deed of Release and Full Reconveyance, and all lawful charges, costs and expenses in the event of reinstatement of, following default in, this Deed of Trust or the obligations secured hereby.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest, or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior to or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel, and pay such counsel's reasonable fees.

To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, together with interest from date of expenditure at the same rate as is provided for in the note secured by this Deed of Trust or at such rate plus five (5) percentage points, whichever be the greater rate. Any amounts so paid by Beneficiary or Trustee shall become a part of the debt secured by this Deed of Trust and a lien on said premises or immediately due and payable at option of Beneficiary or Trustee.

IT IS MUTUALLY AGREED:

That any award of damages in connection with any condemnation or any such taking, or for injury to the property by reason of public use, or for damages for private trespass or injury thereto, is assigned and shall be paid to Beneficiary as further security for all obligations secured hereby (reserving unto the Trustor, however, but subject to the Plan, the right to sue therefor and the ownership thereof subject to this Deed of Trust), and upon receipt of such moneys Beneficiary may hold the same as such further security, or apply or release the same in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

That time is of the essence of this Deed of Trust, and that by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

That Trustor may not further encumber the property that is subject to this Deed of Trust without Beneficiary's prior written consent, which may be withheld in its sole discretion. That any extension of time on this Deed of Trust, whether with or without the consent of any junior lienholder, shall not affect the priority of this Deed of Trust over such junior lien. If any action is instituted by a junior lienholder, or if Trustor is in default with respect to a debt or obligation secured by a junior lien, then Beneficiary may declare the Deed of Trust and the indebtedness and obligations secured by it, as accelerated and immediately due and payable.

That at any time or from time to time, and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said Purchase Agreement and note(s) for endorsement, and without liability therefor, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, and without affecting the security hereof for the full amount secured hereby on all property remaining subject hereto, and without the necessity that any sum representing the value or any portion thereof of the property affected by the Trustee's action be credited on the indebtedness, and upon payment of its fees, the Trustee may (a) release and reconvey all or any part of said property; (b) consent to the making and recording, or either, of any map or plat of the property or any part thereof; (c) join in granting any easement thereon; (d) join in or consent to any extension agreement or any agreement subordinating the lien, encumbrance, or charge hereof.

That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said Purchase Agreement and note(s) to Trustee for cancellation and retention, and upon payment of its fees, Trustee shall release and reconvey, without covenant or warranty, express or implied, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as the "person or persons legally entitled thereto."

That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of this Trust, to collect the property income. Upon any such default, Beneficiary may at any time, without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in its own name sue for or otherwise collect such property income, including that past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such property income, and the application thereof as aforesaid, shall not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice.

That upon default by Trustor in the payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice thereof, setting forth the nature thereof, and of election to cause to be sold said property under this Deed of Trust. At the time of giving such written notice, Beneficiary (or its nominee) also shall deposit with Trustee this Deed of Trust, said Purchase Agreement and/or note(s), and all documents evidencing expenditures secured hereby.

Trustee shall record and give notice of Trustee's sale in the manner required by law, and after the lapse of such time as may then be required by law, Trustee shall sell, in the manner required by law, said property at public auction at the time and place fixed by it in said notice of Trustee's sale to the highest bidder for cash in lawful money of the United States, and may postpone or continue the sale by giving notice of postponement or continuance by payable at time of sale. Trustee may postpone or continue the sale by giving notice of postponement or continuance by public declaration at the time and place last appointed for the sale. Trustee shall deliver to such purchaser its Deed conveying the property so sold, but without any covenant or warranty, expressed or implied. Any persons, including Trustor, Trustee, or Beneficiary (including Beneficiary's credit bid), may purchase at such sale.

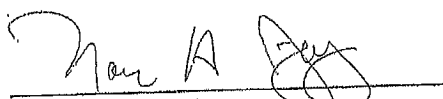
After deducting all costs, fees, and expenses of Trustee and of this Trust, including cost of evidence of title in connection with the sale and reasonable attorneys' fees, Trustee shall apply the proceeds of sale to payment of: All sums then secured hereby and all other sums due under the terms hereof, with accrued interest; and the remainder, if any, to the person or persons legally entitled thereto, or as provided in A.R.S. § 33-712. To the extent permitted by law, an action may be maintained by Beneficiary to recover a deficiency judgment for any balance due hereunder.

That Beneficiary may appoint a successor Trustee in the manner prescribed by law. A successor Trustee herein shall, without conveyance from the predecessor Trustee, succeed to all the predecessor's title, estate, rights, powers, and duties. Trustee may resign by mailing or delivering notice thereof to Beneficiary and Trustor.

That, notwithstanding anything to the contrary in this Deed of Trust, the Club has no right to take action or demand that Beneficiary take action under this Deed of Trust, and that the Club shall have no claim under this Deed of Trust against Beneficiary for any action or failure to act by Beneficiary. That this Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. The term Beneficiary shall mean the owner and holder of the Purchase Agreement and note(s) secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and neuter, and the singular number includes the plural.

That Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law, Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee.

The undersigned Trustor requests that a copy of any notice of Trustee's sale hereunder be mailed to such Trustor at the address set forth above.


Trustor, Norman H. Zwicky

Trustor,

STATE OF

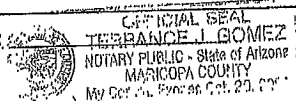
} ss.

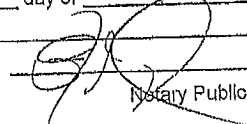
County of

The foregoing Instrument was acknowledged before me this 25th day of October 2004 by

Norman H. Zwicky

My Commission Expires:




Notary Public

STATE OF

} ss.

County of

The foregoing Instrument was acknowledged before me this 25th day of October 2004 by

My Commission Expires:

Notary Public

When recorded return to:
ILX Resorts Incorporated
Attention: Secretary
2111 East Highland Ave., Suite 210
Phoenix, AZ 85016



**ILX PREMIERE VACATION CLUB
SPECIAL WARRANTY DEED**

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Premiere Vacation Club, an Arizona nonprofit corporation ("Grantor"), hereby conveys to _____
Norman H. Zwicky AN UNMARRIED MAN
("Grantee") an 1 / 81,500 Undivided Fractional Interest in and to the real property described at Docket No. 1738, page 236 et seq. in the official records of the Coconino County Recorder, Coconino County, Arizona, as corresponds to a 1 Membership Share(s) as described in the Membership Plan for ILX Premiere Vacation Club, as such plan may be amended from time to time (the "Plan"), recorded on January 6, 1998, at Instrument No. 98-0007090, official records of the Maricopa County, Arizona, Recorder, which Plan is incorporated herein by this reference.

Together with all rights and privileges appurtenant thereto.

Subject to the general terms and conditions set forth in the Plan and subject to the specific terms and conditions set forth in the Plan with respect to the following type of Membership:

Seasonal Priority: Prime
Unit Type: Platinum Membership
Annual Frequency: Every Year (Annual)
Occupancy Period: Seven days including one weekend
Membership No.: _____

Subject further to current taxes and other assessments, reservations in patents and all easements, rights of way, covenants, conditions, restrictions, obligations, liabilities and all other matters as may appear of record. Subject to the foregoing, the Grantor warrants the title against its acts, and none other, against all persons whomsoever.

Dated this 25th day of October, 2004.

PREMIERE VACATION CLUB,
an Arizona nonprofit corporation

By: _____
Its: Vice President

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this _____ day of _____
by Margaret Eardley, the Vice President
of PREMIERE VACATION CLUB, an Arizona nonprofit corporation, on behalf of the corporation.

My Commission Expires: _____

Notary Public

ACCEPTANCE

If the above conveyance is to Grantee as community property with right of survivorship or as joint tenants with right of survivorship, then Grantee by signing the acceptance below evidence their intention to acquire said premises as such and not as tenants in common or any other form of ownership.

ACCEPTED AND APPROVED:

State of _____)
) ss.
County of _____)

The foregoing instrument was acknowledged before me this _____ day of _____
by _____

My Commission Expires: _____

Notary Public

PVC/SWD/R901

PVCOA0030

Title Purchase Agreement, the "Agreement" is entered into as of the 25th day of October, 2004 by and between Premiere Development Incorporated

(as "Developer" and "Seller," each term being inclusive of the other below unless otherwise stated or the context requires otherwise), and
Norman H. Zwicky
 (the Buyer, sometimes referenced by "you" or "your")

Buyer agrees to buy from Seller and Seller agrees to sell to Buyer, the vacation club membership (the "Membership") described as follows:

Agreement to Purchase. Buyer agrees to buy from Seller only the property described in the following:

Name of Resort/Program: ITX Premier Vacation Club

Location: Phoenix, Arizona

Membership No.: Membership number to be assigned at closing

Unit Type or Number: Platinum Membership

Duration of Occupancy/Occupancy Period: Full Week

Seasonal Priority/Membership Category: Platinum

Annual Frequency: Every Year (Annual)

Type and Duration of Ownership: Deed

Maximum Occupancy/Occupancy Right: not less than four (4) persons

Current Exchange Company and Color: Interval International - Red

Club/Owner's Association: ITX Premier Vacation Club

Developer: Premiere Development Incorporated

Subject to certain terms and conditions governing purchase of its Membership and its Buyer to periodically occupy lodging accommodations and affords Buyer various other benefits, Buyer understands that the various rights and obligations associated with Buyer's purchase are set forth in this Agreement as well as in the Membership Plan, Articles, Bylaws, Rules & Regulations and other governing documents associated with the Membership and the other documents executed concurrently or in connection herewith, all of which are incorporated herein by this reference and all of which are collectively referred to as the "Membership Documents." Capitalized terms used in this Agreement and not defined herein shall have the same meanings as set forth in the other Membership Documents.

2. **Purchase Price and Itemization of Amount Financed:** The Purchase Price for the Membership shall be \$26,395.00 payable by Buyer, as follows:

Total Purchase Price	\$26,395.00	
Less:		
Cash at execution (if applicable)	\$0.00	
Cash by	\$0.00	
Net Value of Other Consideration	\$18,900.00	
Total Downpayment	\$18,900.00	
Balance Due and Amount Financed, if any	\$7,495.00	(This is the amount of cash, if any, received to you,

Receipt of the Deposit is hereby acknowledged by Seller. The Deposit and any other funds paid by Buyer, if any, prior to the expiration of the cancellation period referred to below, will be held in trust in the ILX Resorts Incorporated Sales Account at Wells Fargo (Arizona). Such funds shall be released only to Seller (subject to the requirements of any applicable governmental authority or Seller's lender) upon expiration of the cancellation period, if any, or (a) to Buyer, without interest, if Buyer has exercised any such right of cancellation. Seller shall pay all closing costs.

3. **Promissory Note.** The undersigned Buyer promises to pay to the order of Seller its successors and assigns the principal sum of SEVEN THOUSAND FOUR HUNDRED NINETY FIVE DOLLARS \$7,495.00. Interest shall accrue on the unpaid principal balance and on advances prior to the first scheduled date of payment as set forth in the Federal Truth-in-Lending Disclosure Statement. The principal sum is paid in full. Interest shall accrue at the rate of 16.90% per annum. The principal and interest shall be payable to Seller, 2140 East Highland Ave., Suite 210, Phoenix, Arizona 85016 by such number of payments as the holder may designate in writing, in consecutive monthly payments of \$152.74 commencing on December 14, 2004 and continuing on the same day of each month thereafter until the entire indebtedness evidenced hereby is fully paid, except that any remaining indebtedness, if not sooner paid, shall be due and payable on November 14, 2011.

[illegible]

4. **Federal Truth-In-Lending Disclosures.** The disclosures below which are made by Seller as Creditor are part of this Agreement.

FEDERAL TRUTH IN LENDING DISCLOSURES			
ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost you.	AMOUNT FINANCED The amount of credit provided to you and your benefit.	TOTAL OF PAYMENTS The amount you will have paid after you have made all payments as scheduled.
16.900%	\$5,335.16	\$7,495.00	\$12,890.16
TOTAL SALE PRICE The total cost of your purchase on credit, including your down payment of.		TOTAL SALE PRICE The total cost of your purchase on credit, including your down payment of.	
\$18,900.00		\$31,730.16	
Your payment schedule will be:			
NUMBER OF PAYMENTS 84	AMOUNT OF PAYMENTS \$162.74, per month	WHEN PAYMENTS ARE DUE On the 14th of each month beginning December 14, 2004.	
SECURITY: YOU ARE GIVING A SECURITY INTEREST IN THE MEMBERSHIP BEING PURCHASED.			
LATE CHARGES: IF A PAYMENT IS LATE, YOU WILL BE CHARGED THE LESSER OF \$15.00% OF YOUR MONTHLY PAYMENT OR THE MAXIMUM AMOUNT ALLOWED BY LAW.			
PREPAYMENT: IF YOU PAY OFF EARLY, YOU WILL NOT HAVE TO PAY A PENALTY.			
THE AMOUNTS SHOWN AS THE TOTAL OF PAYMENTS AND THE FINANCE CHARGE ARE ESTIMATES BASED UPON THE ASSUMPTION THAT THE SCHEDULE OF PAYMENTS WILL BE MADE AS AGREED.			
REFER TO THE MEMBERSHIP DOCUMENTS FOR ANY ADDITIONAL INFORMATION ABOUT NON-PAYMENT, DEFAULT, RIGHT TO ACCELERATE THE MATURITY OF THE OBLIGATIONS, AND PREPAYMENT REBATES AND PENALTIES.			

See Additional Terms and Conditions on the reverse side hereof.

Page 1 of 3 ILX/PA1/R0202

PVC0A0031



VACATION CLUB MEMBERSHIP
PURCHASE AGREEMENT

511412
Contract Number

ADDITIONAL TERMS AND CONDITIONS

5. **Personal Use.** BUYER HEREBY REPRESENTS AND WARRANTS THAT THE PURCHASE OF THIS MEMBERSHIP WAS MADE FOR BUYER'S PERSONAL USE, AND NOT FOR ANY RENTALS, RETURNS OR INVESTMENT POTENTIAL.
6. **Annual Maintenance Fees and Other Assessments.** According to the terms and conditions of the Membership Documents, Buyer shall pay to the Club annual maintenance fees and other assessments for each Membership purchased, which maintenance fees may be increased, pursuant to the terms and conditions of the applicable Membership Documents.
7. **Amendments to Governing Documents.** The Club and Developer shall have the right to amend the Membership Documents, the Articles of Incorporation, the Bylaws, and the Rules and Regulations in their discretion at any time for reasons described in such documents or to comply with the regulatory requirements of any jurisdiction in which the Club or Developer plan to conduct activities. Any such amendment shall be binding upon Buyer, and a copy thereof will be provided by the Club or Developer.
8. **Membership.** In case, Buyer understands and hereby agrees that the rights created by the Membership Documents shall not be deemed as a lease, or a rental agreement, but shall be subject to the provisions of state law governing residential and other tenancy relationships and not to the provisions of general contract law.
9. **Default by Buyer.** Buyer shall be deemed to be in default of this Agreement if Buyer (a) fails to make any payment under this Agreement when it is due; (b) fails to perform any of Buyer's obligations under this Agreement when and as due; or (c) fails to make any payment or perform any other obligation to the Club or Seller when and as due under any of the Membership Documents. If Buyer fails to pay to Seller any part of the annual maintenance fees or other assessments when the same become due and payable, Seller shall create a default. Upon default, the holder hereof may, in its sole discretion, declare the entire balance of unpaid principal, all accrued and unpaid interest, and all other sums due under this Agreement to be immediately due and payable. The holder's failure to exercise such option shall not constitute a waiver of its right to do so as long as Buyer is in default under this Agreement. In addition, Seller may also take any or all of the following actions, as well as all others available to it in law and equity: (a) terminate this Agreement; (b) retain all payments made by Buyer hereunder; and (c) elect to retain all payments made by Buyer hereunder as liquidated and agreed damages (the parties acknowledging that damages may be difficult to ascertain) to cover administrative costs, marketing costs, the cost of taking occupancy rights of the property and other reasonable costs incurred by Seller as payment for services rendered; and (d) terminate the Membership without any reimbursement to the Buyer. The Club may terminate a Buyer's Membership upon receipt of Seller's written notice to the Club of a default under the terms of this Agreement. After Seller, the Club or any holder pursuant to a remedial remedy or remedies, or the delay in pursuing a remedial remedy or remedies shall operate as a bar to the exercise of remedies and Seller, the Club or any holder shall have the right to pursue any remedy or remedies available to it in law or equity. Except as otherwise required by state law, the parties hereby acknowledge that neither Seller, the Club nor any holder shall be under any obligation to extend any cure period to Buyer in the event of a failure to enforce any covenants, conditions or restrictions contained in this Agreement or to comply with this Agreement from Buyer.
10. **Evidence of Ownership.** Provided no default or cancellation shall have occurred; and provided that Buyer's financing (if applicable) has been approved by Seller (and in such event, if the subject to the provisions of Section 16 below), Seller as soon as practicable shall cause (or cause its agent or attorney) to transfer the ownership of the Membership into Buyer's name by recorded deed, membership certificate or otherwise, as described in the Membership Documents. All provisions contained in this Agreement shall survive the execution and delivery of such evidence of ownership.
11. **Transfer.** THE MEMBERSHIP IS TRANSFERABLE ONLY IN ACCORDANCE WITH THE MEMBERSHIP DOCUMENTS AND IS NOT SEPARABLE FROM THE DEED.
12. **Notices.** All notices provided for in this Agreement shall be in writing. Notice to Buyer shall be deemed given when hand delivered (in which event such notice shall be deemed effective upon delivery) or by first class mail or by registered mail, return receipt requested, or by certified mail, return receipt requested, postage prepaid, or by any other method of delivery which provides for a record of delivery. Notice to Seller shall be hand delivered or sent by certified mail, return receipt requested, and shall be deemed effective upon actual receipt. Notices to Seller shall be addressed to ILX Incorporated, Attention: General Counsel, 2111 East Highland Ave., Suite 210, Phoenix, Arizona 85016. The addresses for purposes of this Section may be changed by giving written notice in the manner herein provided for. If the notice is not received by the addressee, the notice shall be deemed to have been received by the addressee at the last address given by the addressee.
13. **Attorneys' Fees.** In any action or proceeding to enforce or interpret this Agreement, the prevailing party or parties shall be entitled to reimbursement of its reasonable attorneys' fees and litigation expenses from the non-prevailing party or parties, to the extent that the court or arbitrator may determine.
14. **Entire Agreement.** This Agreement supersedes any previous understandings and agreements between Buyer and Seller, and together with the Membership Documents, represents the entire agreement between Buyer and Seller. No previous representations or inducements not included in this Agreement shall be of any force or effect and Buyer acknowledges that Buyer is not relying on representations other than those included in this Agreement and the Membership Documents. This Agreement may be amended or modified only by a writing signed by both Buyer and Seller. If there is a conflict between this Agreement and the Membership Documents, the Membership Documents shall control. The Membership is subject to prior sale. This Agreement shall be binding on any assignee of Buyer.
15. **Miscellaneous.** The waiver by any party of the performance of any provisions of this Agreement shall not invalidate this Agreement nor shall it be considered a waiver by such party of any other provision of this Agreement. The exercise of any remedy provided by law and this Agreement shall not exclude the exercise of any other remedy. Subject to the restriction on transfer set forth in the Membership Documents, this Agreement shall be binding upon the parties to the benefit of, and shall be enforceable by, the successors and assigns of Buyer and Seller. There is more than one person shown above as a Buyer; all of such persons shall be jointly and severally liable for the obligations in this Agreement. This Agreement shall be enforced and interpreted in accordance with the laws of the State of Arizona. Time is of the essence of this Agreement. This Agreement, and both Seller's and Buyer's rights and obligations hereunder, are subject to the jurisdiction of all applicable governmental authorities and Seller's attorneys in any.
16. **Financing.**
 - (a) If any portion of the purchase price of the Membership is to be financed by Seller, then Seller's obligations hereunder are contingent upon approval of financing for Buyer. If financing is not approved, Seller shall not be obligated to perform its obligations hereunder. If financing is approved, Seller may, by notice to Buyer given within 60 business days of the date hereof, (plus any extension of time as may be reasonably necessary for Seller to investigate Buyer's credit standing) cancel this Agreement. In such event, Seller shall refund to Buyer all sums paid by Buyer, and each party shall be relieved of all further obligations hereunder. Buyer hereby agrees to cooperate with any investigation regarding Buyer's credit standing. Failure of Buyer to promptly provide documents or authorize review of credit information shall constitute a breach of this Agreement by Buyer and shall, without prejudice to the right of cure, result in forfeiture by Buyer of the Deposit and any other sums paid to Seller by Buyer hereunder, as liquidated damages.
 - (b) If this is a financed sale, Buyer hereby grants to Seller a lien and security interest against the Membership to secure Buyer's obligations under the Membership Documents and all other sums due under the terms of this Agreement, collectively referred to hereafter as "Buyer's Obligations". For such purposes, simultaneously herewith, and as a condition to Seller's obligations, Buyer shall execute and deliver to Seller a deed of trust, mortgage and/or such other instruments as may be reasonably required by Seller due to the location or nature of the Membership or otherwise. Buyer agrees and acknowledges that Seller may record and/or file such instruments against Buyer's interest in the Membership in the applicable public records.

Seller may in addition require that Buyer execute and deliver to Seller an Agreement for Sale Addendum hereto which Seller may instead use to secure Buyer's Obligations. In such event, until all amounts are paid hereunder, such documents shall have the same effect as a deed, membership certificate or other document. Seller may elect to cancel said Agreement for Sale Addendum at any time and to substitute therefor as security for Buyer's Obligations the Deed of Trust or Mortgage or such other instruments as may be reasonably required by Seller.

17. **Further Acts.** Buyer agrees to promptly cooperate with Seller and any lender in the completion of any documents reasonably requested or necessary in order to effectuate Buyer's purchase; provided that the documents are consistent with, and do not materially and negatively alter, the basic terms of the underlying transaction. Buyer understands that this may include, but not be limited to, the execution of a new Purchase Agreement, security documents or providing Buyer's initials on additions, deletions or other modifications.

ILX
RESORTS

INCORPORATED



VACATION CLUB MEMBERSHIP
PURCHASE AGREEMENT

611412
Contract Number

VACATION CLUB MEMBERSHIP PURCHASE AGREEMENT (CONT.)
ARIZONA SIGNATURE PAGE

ILX PREMIERE VACATION CLUB

ADDENDUM TO OWNER'S UNDERSTANDING AND ACKNOWLEDGMENT

1. The undersigned Buyer understands and acknowledges the following:

18. For health and safety reasons, pets are not permitted at a Timeshare Resort, except for Kohl's Ranch Lodge advance petel arrangements.

19. References in the above Owner's Understanding of Paragraph 12 to "Club facilities," and in Paragraph 13 to "Resort," shall mean, timeshare facilities and resort facilities, respectively.

BUYER'S NOTICES

1. READ THIS AGREEMENT BEFORE SIGNING.
2. DO NOT SIGN THIS AGREEMENT IF IT CONTAINS ANY BLANK SPACES.
3. THIS IS AN ORIGINAL DOCUMENT AND CONTAINS A PROMISSORY NOTE. YOU AS BUYER SHOULD SIGN ONLY ONE SUCH AGREEMENT.
4. YOU ARE ENTITLED TO AN EXACT COPY OF EACH DOCUMENT YOU SIGN.

Buyer acknowledges by initiation here ILX that Buyer has, prior to the execution hereof, read and understood the Membership documents.

NOTICES REQUIRED BY STATE LAW

The Purchaser (Buyer) has the legal right to rescind (cancel) this agreement without cause or reason of any kind by sending or delivering a written notice of rescission to the seller by midnight of the 7th calendar day following the day the purchaser (Buyer) executed the agreement to: ILX Resorts Incorporated, 2111 East Highland Avenue, Suite 210, Phoenix, Arizona 85016, Telephone (602) 957-2777.

THE PURCHASER SHALL BE GIVEN A COPY OF THE PUBLIC REPORT BEFORE SIGNING THIS DOCUMENT.

Seller:

PREMIERE DEVELOPMENT INCORPORATED
an Arizona Corporation

Buyer:

Signature

Date

By:

Authorized Representative

Norman H. Zwicky

Typed or Printed Name

Jalynn Crawford
Sales Agent's Signature

Signature

Date

Jalynn Crawford

Sales Agent's Name (type or print)

Typed or Printed Name

Address:

5514 N. 5th Lane

Phoenix, AZ 85013

PHONE: (602) 631-9444

Taking Title

Community Property with Right of Survivorship

Community Property

Joint Tenants with Right of Survivorship

Tenants in Common

A Married Person as Their Sole and Separate Property
(Additional documentation required)

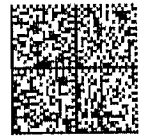
An Unmarried Person

Other

10615 Park Run Dr.
Las Vegas NV 89144

US POSTAGE AND FEES PAID

Jun 06 2013
Mailed from ZIP 33065
1 oz First Class Mail
Letter Rate (No surcharge)



endicia.com

071800777793

USPS CERTIFIED MAIL



9414 8102 0082 8791 1571 00

57274_002120
Norman Zwicky
18811 N 13th Ave
Phoenix AZ 85027-5503



June 6, 2013

VIA CERTIFIED MAIL

» 002120
Norman Zwicky
18811 N 13th Ave
Phoenix AZ 85027-5503

**PREMIER VACATION COLLECTION
OWNERS ASSOCIATION, INC.**

FINAL NOTICE

Re: Premier Vacation Collection Owners Association, Inc.
(" Association")
Membership Number: 1554010
Delinquent Amount: \$7,522.64 as of the above date

According to the Assessment Billing and Collection Policy ("ABC Policy") sent to you with your original invoice (a copy of which is attached for your reference), your annual assessment was due January 1, 2013 and to date, we have not received your payment.

The following will happen if you do not bring your account current within 30 days from the date of this notice:

- A. Your right to make a reservation, or use the accommodations and facilities at the resort(s), or through exchange companies, will be suspended.
- B. If the account remains in default 30 days from the date of this notice, the Association may take any necessary action to collect the unpaid assessments and dues together with late fees and interest. At that time, any reservations held in your name will be cancelled. These actions may include, but are not limited to the following: (i) Send the delinquent account to an attorney, which will result in additional collection and legal fees; (ii) Engagement of a professional collections agency, and (iii) Recovery of points through enforcement of its security interest and termination of Membership.

Your options to remedy the default are:

Option 1. Immediately bring your account current (please call 1.877.374.2582 for a current balance prior to sending a payment) or provide satisfactory evidence of prior payment of the assessment. After the account is brought current, rights and privileges of your membership will be reinstated.

Please write your contract number on the check to ensure proper application of payment and remit your payment to the address listed below. You may also pay by check or credit card over the phone or online at DiamondResorts.com.

Option 2. Allow your account to remain delinquent and the Association will recover the Points through enforcement of its security interest, and terminate your membership.

No further notice will be sent.

We understand that this delinquency may have been an oversight, if that is the case, we apologize for any inconvenience this letter may have caused. If you have made a recent payment, please disregard this letter or visit DiamondResorts.com to verify that your account balance reflects recent payments. If you find your balance is incorrect, please contact us immediately at 1.800.279.7764.

If you are in the process of transferring ownership, please send an e-mail to Inventory@DiamondResorts.com or fax to 1.702.765.8770 to the attention of Pending Transfers to ensure proper documentation has been received.

Sincerely,

Diamond Resorts Management, Inc., on behalf of
Premier Vacation Collection Owners Association, Inc.

**PREMIERE VACATION COLLECTION OWNERS ASSOCIATION, INC.
2013 ASSESSMENT BILLING AND COLLECTION POLICY**

The following was adopted by the Board of Directors on August 23, 2012.

ANNUAL ASSESSMENT BILLING

The annual assessment notice for the next year's assessment will be sent on or before December 15. Assessments are due regardless of whether the billing notice is actually received. If the assessment notice is not received, it does not relieve the member's payment obligation. It is the member's responsibility to request the assessment notice if not received, and to notify the Association of any address change. A late fee notice will be sent, but **no additional notices will be sent prior to recovery efforts** in accordance with the Membership Plan, as amended.

JANUARY 1—PAYMENT IS DUE

A \$30.00 charge will be added to the member's account for any payment that is not honored, regardless of reason.

If the assessment is not paid in full by **January 1**, the account becomes delinquent. The following charges will be added to all delinquent accounts on **January 2**:

1. An interest charge of 18% per annum from the due date, which will continue to accrue until the account is paid in full; and
2. An administrative late fee equal to the larger of \$10.00 or 10% of the amount due for each payment that is delinquent.

FEBRUARY 1—SUSPENSION OF USE RIGHTS

1. Reservation requests will not be accepted and a member may suffer suspension of use rights;
2. Previously confirmed exchanges or use rights may be cancelled and an exchange (deposit or confirmation) cancellation fee of \$25.00, if applicable, will be imposed;
3. If full payment is received after March 1st, there is no guarantee that the member will be able to receive a confirmed reservation or exchange at that time.

Use rights revoked because of delinquencies may be used by the Association and the net proceeds therefrom may be utilized by the Association for collection costs.

MARCH 1—BOARD ACTION

The Board of Directors may authorize any necessary actions to collect outstanding assessments. Actions may include but are not limited to the following:

1. Determination of whether to send delinquent accounts to an attorney, which will result in additional collection and legal fees.
2. Engagement of professional collection agency.
3. Initiation of small claims suit or legal action.

All related costs for the above will be added to the delinquent member's account.

JANUARY 1, 2014—NOTICE OF DELINQUENCY AND FORECLOSURE

The Board of Directors will/may send a Notice of Delinquency and Foreclosure to the owner pursuant to Arizona Revised Statutes Section 33-2211. If the delinquency is not cured within 30 days of mailing the Notice of Delinquency and Foreclosure, the Board will/may commence foreclosure proceedings. All related costs will be added to the delinquent owner's account.

Premiere Vacation Collection Owners Association, Inc.
Assessment Fee Department
10600 West Charleston Boulevard
Las Vegas, NV 89135-1014

2014 Assessment Fee
Account#: 1554010

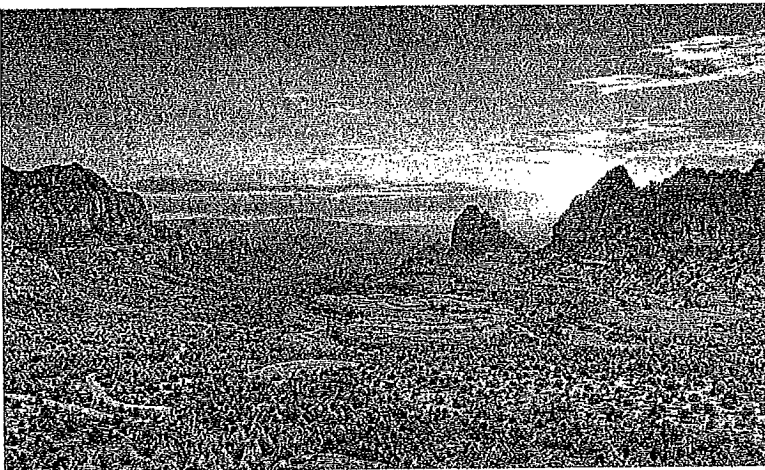
Description	Debit	Credit	Amount
Balance As Of 11/18/2013	.00	.00	7675.09
ARDA-ROC Voluntary Contribution	6.00	.00	6.00
2014-PVC Base Standard Assessment	275.00	.00	275.00
2014-PVC Point Standard Assessment	1728.09	.00	1728.09
2014-Premiere Club Connection Fee	170.00	.00	170.00

Save your association credit card fees,
pay by check (US funds only)

Amount Due \$9853.18

For more information regarding this bill please call **1.877.374.2582**.

Please make check payable to: Premiere Vacation Collection Owners Association, Inc.



Save money for your association and
PAY YOUR FEES ONLINE!

Log in to your account and select **Payments**
from within the **My Accounts** section.

If you have never logged in, please register:

1. Go to **DiamondResorts.com**
2. Click **Register**
3. Follow the online instructions
4. Once complete, a confirmation e-mail will
be sent asking you to validate your account.
5. You can now pay your fees online!

20992

Please detach and return coupon with payment

Premiere Vacation Collection Owners Association, Inc.
Assessment Fee Department
10600 West Charleston Boulevard
Las Vegas, NV 89135-1014

2014 Assessment Fee

Account #: 1554010
Due Date: Jan 1, 2014
Statement Date: Nov 26, 2013
Amount Due: \$9853.18



DIAMOND RESORTS
INTERNATIONAL



DR_CLUB » 000177
Norman Zwicky T5 P1
18811 N 13th Ave
Phoenix AZ 85027-5503

Make Check Payable to:

Premiere Vacation Collection
Owners Association, Inc.
PO Box 863596
Orlando, FL 32886-3596

850000155401009853186

PVCOA0038

IMPORTANT MEMBER INFORMATION

FREQUENTLY ASKED ASSESSMENT FEE QUESTIONS

Q.1. What are assessment fees and who determines them?

A.1. Assessment fees are made up of three components.

Premiere Club Connection Fee. This is the fee for being a member of the Premiere Club Connection and covers all the services required to operate and provide the benefits of the Premiere Club Connection, such as administrative and operational services, member publications and collateral materials, as well as audit fees. The Premiere Club Connection fee is the same for every member irrespective of how many points the member owns, and allows everyone to enjoy a wider selection of resorts and benefits.

Base Standard Assessment. This fee, which covers the fixed costs to operate the Collection, is paid equally by all members regardless of the number of points they own. It is determined by the Association's board of directors.

Point Standard Assessment. This fee encompasses the expenses to operate, maintain and refurbish the resorts in the Collection, as well as variable costs incurred by the Association. The board of directors of each resort in the Collection creates an annual budget that estimates the expenses to operate the resort. These expenses are apportioned across all owners and therefore the charge to the Collection is dependent on the amount of inventory that the Collection owns at that resort. This process is completed for all the resorts in the Collection and the total is divided by the number of points in the Collection.

Q.2. When are assessment fees billed and when are they due?

A.2. Assessment fees are billed by November for the following year and are due before January 1. If you don't receive a bill, it is up to you to request it. Please refer to the enclosed copy of your Association's Assessment Billing and Collection Policy for more information or log on to DiamondResorts.com for more information.

Q.3. How do I pay my assessment fees?

A.3. There are a number of options to pay your fees:

1. Mail your check and payment coupon in the enclosed envelope. *Please note: When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.*
2. Log in to your member account on DiamondResorts.com, and click on Accounts to pay by electronic debit or credit card.
3. Call 1.877.DRI.CLUB (1.877.374.2582) and pay by credit card by using our fully automated payment service available 24 hours a day.

Q.4. Can I pay my assessment fees at a resort?

A.4. Payments cannot be accepted at any resort.

Q.5. Can I pay my assessment fees in installments?

A.5. Yes, you can prepay your fees in any number of installments between now and December, as long as the entire balance is paid before January 1. You may also prepay your 2015 fees in installments. Log on to DiamondResorts.com to schedule your payments through the EFT option or by credit card.

Q.6. If I don't use my points this year, do I have to pay the assessment fees and dues for the Premiere Vacation Collection and Club Connection?

A.6. Yes, all members must pay their fees regardless of whether or not they use or save their points.

Q.7. What happens if I do not pay my assessment fees before they are due?

A.7. Non-payment of assessment fees could result in forfeiture of your membership. Collection and recovery charges may be added to your account for non-payment of fees. Please refer to the enclosed copy of your Association's Assessment Billing and Collection Policy for more information.

Q.8. What if I have a question about my mortgage?

A.8. If you financed through Diamond Resorts International®, all questions concerning your mortgage (i.e. interest, monthly payments, coupon books, balance and pay-off amounts, or interest 1098s) should be directed to 1.877.DRI.CLUB (1.877.374.2582) (U.S. calls). Otherwise, please refer to your coupon book to determine your mortgage company.

Q.9. What is the "ARDA-ROC PAC" assessment for? Do I have to pay it and is it part of the assessment fee?

A.9. ARDA's political arm, ARDA-ROC PAC (American Resort Development Association Resort Owners Coalition Political Action Committee), enables owners to engage government officials at all levels in constructive, ongoing dialogue and to participate in policy decisions affecting their vacation ownership experience. Year after year, timeshare owners are targeted by federal, state and local lawmakers searching for various ways to raise revenue, and this committee is dedicated to protecting your economic interests. ARDA-ROC PAC contributions are political contributions not deductible for federal income tax purposes. You may refuse to contribute or contribute more or less without reprisal or otherwise affecting your membership. Only U.S. citizens or permanent resident aliens (green card holders) may contribute to ARDA-ROC PAC.

Mailing Address / Phone Updates

Print only the information that requires a change.

Please return to: Premiere Vacation Collection Owners Association, Inc.
10600 West Charleston Boulevard
Las Vegas, Nevada 89135-1014

Address Line 1: _____

Address Line 2: _____

City: _____ State: _____ Zip: _____

E-mail: _____

Home Phone: _____

Work Phone: _____

Fall 2013

Dear Premiere Vacation Collection Member,

As 2013 begins to draw to a close, your Board of Directors hopes this letter finds you and your family well and looking forward to your next vacation. We would like to take this opportunity to discuss some of the exciting things that will be happening at the resorts within your Collection in 2014.

Maintenance Fees

The Premiere Vacation Collection holds inventory at 13 resorts across the Continental U.S. and Mexico. The Board of Directors of each resort's association meets annually to create a budget for the upcoming year. The boards review the actual year-to-date expenses to operate the resorts and then forecast the operating costs for the upcoming year by making assumptions about changes—increases and decreases—in those expenses. The boards also determine what amount should be contributed to the resorts' reserve funds for future refurbishments, repairs and replacements. These costs are then apportioned across all members and therefore, the fees billed to your Collection are dependent on the amount of inventory that PVC owns at each resort.

Enclosed is a copy of our Association's 2014 budget; there is an increase in your 2014 maintenance fees, the amount of which is dependent upon your membership type. Operationally we are seeing an increase in health insurance costs, employee wages, contract services, property insurance, etc. There will be approximately \$6,500,000 invested in property improvements at the resorts within your Collection. We recommend you visit your Association's website at DiamondResortsHOA.com. Here you will find information on your Association, details of board meetings, audited financials, etc.

- Golden Eagle Resort – furniture replacement and new entrance walkway
- Los Abrigados Resort & Spa – furniture replacement in select buildings
- Kohl's Ranch Lodge – 300 Cabin Series refurbishments
- Varsity Clubs of America – South Bend – carpet and tile replacement, and new granite countertops
- Varsity Clubs of America – Tucson – room renovation: 17 one-bedrooms and 3 two-bedrooms
- Bell Rock Inn – studio floor refinishing
- PVC at The Roundhouse Resort – replacement of flooring in all cabins
- Sea of Cortez Beach Club – installation of new phone system
- Rancho Mañana Resort – repair roofs, stucco, and paint half of the buildings

Payment Information

Please remember that payment is due January 1, 2014. If you prepaid your 2014 assessment fee based on the 2013 rate, the incremental increase is also due by January 1, 2014. Please see the enclosed Assessment, Billing and Collection Policy for additional information on late fees and interest. We encourage you to send payment by check in the enclosed envelope or use the electronic debit (EFT) feature available at DiamondResorts.com because payments made by check or EFT save money for our Association. For more information on how to pay your bill, please refer to the Frequently Asked Questions on the back of your statement, call 1.877.DRI.CLUB (1.877.374.2582) or e-mail BillingHelp@diamondresorts.com.

Sincerely,

Board of Directors

Premiere Vacation Collection Owners Association, Inc.

**PREMIERE VACATION COLLECTION OWNERS ASSOCIATION, INC.
2014 ASSESSMENT BILLING AND COLLECTION POLICY**

The following was adopted by the Board of Directors on October 14, 2013.

Annual Assessment Billing

The annual assessment notice for the next year's assessment will be sent on or before **December 15**. Assessments are due regardless of whether the billing notice is actually received. If the assessment notice is not received, it does not relieve the member's payment obligation. It is the member's responsibility to request the assessment notice if not received, and to notify the Association of any address change. A late fee notice will be sent, but **no additional notices will be sent prior to recovery efforts** in accordance with the Membership Plan, as amended.

January 1—Payment is Due

A \$30.00 charge will be added to the member's account for any payment that is not honored, regardless of reason. If the assessment is not paid in full by **January 1**, the account becomes delinquent. The following charges will be added to all delinquent accounts on **January 2**:

1. An interest charge of 18% per annum from the due date, which will continue to accrue until the account is paid in full; and
2. An administrative late fee equal to the larger of \$10.00 or 10% of the amount due for each payment that is delinquent.

February 1—Suspension of Use Rights

1. Reservation requests will not be accepted and a member may suffer suspension of use rights;
2. Previously confirmed exchanges or use rights may be cancelled and an exchange (deposit or confirmation) cancellation fee of \$25.00, if applicable, will be imposed;
3. If full payment is received after March 1, there is no guarantee that the member will be able to receive a confirmed reservation or exchange at that time.

Use rights revoked because of delinquencies may be used by the Association and the net proceeds therefrom may be utilized by the Association for collection costs.

March 1—Board Action

The Board of Directors may authorize any necessary actions to collect outstanding assessments. Actions may include but are not limited to the following:

1. determination of whether to send delinquent accounts to an attorney, which will result in additional collection and legal fees
2. engagement of professional collection agency
3. initiation of small claims suit or legal action

All related costs for the above will be added to the delinquent member's account.

January 1, 2015—NOTICE OF DELINQUENCY AND FORECLOSURE

The Board of Directors will/may send a Notice of Delinquency and Foreclosure to the owner pursuant to Arizona Revised Statutes Section 33-2211. If the delinquency is not cured within 30 days of mailing the Notice of Delinquency and Foreclosure, the Board will/may commence foreclosure proceedings. All related costs will be added to the delinquent owner's account.

**Premiere Vacation Collection Owners Association, Inc.
2014 Budget**

Revenues	
Assessment Revenue - Owners	\$ 20,663,281
Assessment Revenue - Developer(A)	8,899,536
Other Income	<u>218,000</u>
Total Revenues	29,780,817
Expenses	
Maintenance Fee Obligation	23,001,833
Management Fees	3,682,648
Bad Debt Expense	5,165,820
Developer Delinquency Contribution	(3,099,492)
Assessment, Billing & Accounting Fees	886,159
General & Administrative	<u>343,849</u>
Total Expenses	<u>29,980,817</u>
Surplus/(Deficit)	(200,000)
Fund Balance/(Deficit), prior years	466,847
Proj. Fund Balance/(Deficit), end of year	<u>\$ 266,847</u>

	2014 Assessments			
Points Values	0-3500	3501-6000	6001-8500	8501+
Base Standard Assessment	\$ 400.00	\$ 360.00	\$ 360.00	\$ 275.00
Point Standard Assessment	\$ 0.13293	\$ 0.13293	\$ 0.13293	\$ 0.13293
Premiere Club Connection	\$ 170.00	\$ 170.00	\$ 170.00	\$ 170.00

	2014 Assessments - Every Other Year			
Points Values	0-3500	3501-6000	6001-8500	8501+
Base Standard Assessment	\$ 200.00	\$ 180.00	\$ 180.00	\$ 137.50
Point Standard Assessment	\$ 0.13293	\$ 0.13293	\$ 0.13293	\$ 0.13293
Premiere Club Connection	\$ 170.00	\$ 170.00	\$ 170.00	\$ 170.00

Premiere Club Connection Dues are provided for informational purposes only. They are not part of the assessments, but are fees associated with Premiere Club Connection

Books and records of the Association are currently being maintained at 10600 W. Charleston Blvd., Las Vegas, NV 89135.

LAW OFFICES
PHELPS LAW GROUP
Professional Limited Liability Company

Street Address:
4045 East Union Hills Drive
Suite A-104
Phoenix, Arizona 85050

JON L. PHELPS
Phone (602) 788-2089
Fax (602) 663-9050
jon@rplawaz.com

April 16, 2013

RECEIVED

04/22/13

Sent via email and U.S. mail

Diamond Resorts International
Attn.: Legal Department
10600 W. Charleston Blvd.
Las Vegas, NV 89135

RECEIVED

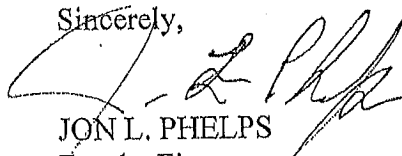
Norman Zwicky: Contract No. 51141; Membership No.: 1554010

To Whom It May Concern:

I represent Norman Zwicky in the above-referenced matter. Mr. Zwicky purchased a vacation club membership timeshare package with ILX Resorts, the predecessor to your company, Diamond Resorts International. As other members have noted, since Diamond Resorts International has assumed (presumably) the contracts originated with ILX Resorts, members have seen substantial increases in their fees.

On behalf of my client, and pursuant to Provision 7 of the Purchase Agreement, I request that within fifteen days of receipt of this letter, you send to my office the following documents and subsequent, corresponding amended documents: (1) Member Plans; (2) Articles of Incorporation; (3) Bylaws; and (4) Rules and Regulations. Please send the requested documents to the address listed above.

Sincerely,


JON L. PHELPS
For the Firm

JLP/jjt

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13-121

LAW OFFICES
PHELPS LAW GROUP
Professional Limited Liability Company

Street Address:
4045 East Union Hills Drive
Suite A-104
Phoenix, Arizona 85050

JON L. PHELPS
Phone (602) 788-2089
Fax (602) 663-9050
jon@phelpslawgroupaz.com

ERICA M. FEDON
erica@phelpslawgroupaz.com

January 16, 2014

RECEIVED

Sent U.S. mail to:

JAN 23 2014

Patricia Rosatto/Legal Department
Diamond Resorts International
10600 W. Charleston Blvd.
Las Vegas, NV 89135

BY: _____
Initial: _____

Re: *Norman Zwicky*; Contract No. 51141; Membership No.: 1554010
Offer of compromise protected by Arizona Rule of Evidence 408

Ms. Rosatto:

I represent Norman Zwicky ("Zwicky") in the above-referenced matter. Zwicky purchased a vacation club membership timeshare package ("Timeshare") with ILX Resorts, the predecessor to your company, Diamond Resorts International. In 2004, Zwicky's Timeshare was upgraded to "Platinum Membership" and his annual assessment fee was between \$800-\$850.

In 2010, when Diamond Resorts International acquired ILX Resorts, the annual assessment fee increased dramatically without justification.

Pursuant to Provision 7 of the Purchase Agreement, on April 16, 2013 we requested the following documents from you: (1) Member Plans; (2) Articles of Incorporation; (3) Bylaws; and (4) Rules and Regulations. We also requested corresponding amended documents. In response, we received: (1) the Articles of Incorporation, (2) Bylaws, (3) a 2008 Membership Plan, (4) a First Amended 2010 Membership Plan, (5) a Second Amended 2010 Membership Plan, and (6) the Second Amended and Restated Rules and Regulations.

On May 17, 2013 we sent you another letter requesting the following documents: (1) **original** Member Plans (specifically those that were in place in October 2004), and (2) the **original** Rules and Regulations (specifically those in place in October 2004). As of the date of this letter we have yet to receive the requested documents. Without these documents, we have yet to see any authority allowing for the dramatic rate increases.

In the event that you fail to provide the requested documents to us by **February 10, 2014**, my client has instructed me to seek a declaratory judgment establishing that Diamond Resorts International has breached the contract by arbitrarily increasing the fees and creating additional fees that were not contemplated in the original agreement. In addition to requiring the total annual fees for his Timeshare be reverted back to the \$800 fee from when he signed the Purchase

Patricia Rosatto/Legal Department
Diamond Resorts International
January 16, 2014
Page 2

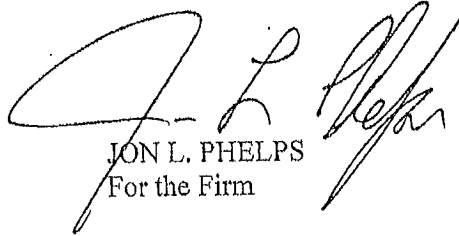
Agreement for the "Platinum Membership" in 2004, we will also be seeking monetary damages for loss of use of the Timeshare and any derogatory credit reporting which may have occurred since the fees were improperly increased.

In addition to vindicating my client's claims, I will seek to have a class of all similarly situated plaintiffs certified under Arizona Rule of Civil Procedure 23(b)(2) for injunctive relief and 23(b)(3) for monetary damages. Finally, in addition to seeking the foregoing damages on behalf of my client and all similarly situated plaintiffs, because this matter arises out of contract I will seek to recover all costs and reasonable attorneys' fees under A.R.S § 12-341.01.

If you are unable to provide the documents, my client will agree to settle this matter if Diamond Resorts International will: (1) retroactively reduce the unpaid fees to an annual rate of \$800 per year; (2) waive any late fees; (3) acknowledge that my client's annual fees will remain at \$800; and (4) issue a credit of \$1,500.00 to my client to reimburse him for the attorneys' fees he has already incurred in this matter.

I urge you to give this matter your immediate attention. If you do not timely respond to the demand, the litigation will be commenced without further demand.

Sincerely,



JON L. PHELPS
For the Firm

JLP/emf

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DIAMOND RESORTS
INTERNATIONAL™

February 3, 2014

VIA FAX 602-663-9050

Jon L. Phelps
Phelps Law Group
4045 East Union Hills Drive, suite A-104
Phoenix, Arizona

**Re: Norman Zwicky / Contract No. 51141 / Membership No. 1554010
(Our File No.: 13-121)**

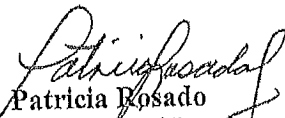
Dear Mr. Phelps:

We are in receipt of your letter dated January 14, 2014.

As you may be aware from your client, on September 2, 2010, ILX Acquisition, Inc. ("ILXA"), a subsidiary of Diamond Resorts Corporation acquired a substantial portion of the assets of ILX Resorts, including the rights as the Seller of Premiere Vacation Club, now known as Premiere Vacation Collection ("PVC"). This transition brought about changes. First, the Association itself had to make adjustments so that it did not go into bankruptcy as the developer did, and ILXA also made some changes based on rights set forth in the PVC documents. Throughout these changes, the Association and PVC have remained in place and continue to operate and provide the same fundamental services and vacation experiences to the members.

Regrettably, we do not have copies of the Membership Plan and Rules and Regulations from 2004. We have previously provided what we have.

Sincerely yours,



Patricia Rosado
Consumer and Regulatory Affairs Officer
Corporate Headquarters

PR

* * * Communication Result Report (Feb. 3. 2014 12:51PM) * * *

2}

Date/Time: Feb. 3. 2014 12:50PM

File No. Mode	Destination	Pg(s)	Result	Page Not Sent
0073 Memory TX	916026639050	P. 1	OK	

Reason for error
 E. 1) Hang up or line fail
 E. 3) No answer
 E. 5) Exceeded max. E-mail size

E. 2) Busy
 E. 4) No local mile connection
 E. 6) Destination does not support IP-Fax



February 3, 2014

VYA FAX 602-663-9050
 Jon L. Phelps
 Phelps Law Group
 4045 East Union Hills Drive, Suite A-104
 Phoenix, Arizona

Re: Norman Zwicky / Contract No. 51141 / Membership No. 1554010
 (Our File No. 13-121)

Dear Mr. Phelps:

We received receipt of your letter dated January 14, 2014.

As you may be aware from your client, on September 2, 2010, ILX Acquisition, Inc. ("ILXA"), a subsidiary of Diamond Resorts Corporation acquired a substantial portion of the assets of ILX Resorts, including the rights as the Seller of Premier Vacation Club, now known as Premier Vacation Collection ("PVC"). This transaction brought about changes. First, the Association itself had to make adjustments so that it did not go into bankruptcy as the developer did, and ILXA also made some changes based on rights set forth in the PVC documents. Throughout these changes, the Association and PVC have remained in place and continue to operate and provide the same fundamental services and vacation experiences to the members.

Regrettably, we do not have copies of the Membership Plan and Rules and Regulations from 2004. We have previously provided what we have.

Sincerely yours,

Caterina Rosado
 Caterina Rosado
 Consumer and Regulatory Affairs Officer
 Corporate Headquarters

PR

16641 West Camelback Boulevard, Las Vegas, Nevada 89135 • 702.823-7551 (t) • 702-614-8710 fax •
 paul@diamondresorts.com



**Arizona Department of Real Estate (ADRE)
Development Services Division**

www.azre.gov

PHOENIX OFFICE
2910 N. 44th STREET STE-100
PHOENIX, AZ 85018

JANICE K. BREWER
GOVERNOR

JUDY LOWE
COMMISSIONER

TIME-SHARE DISCLOSURE REPORT
(Public Report)

FOR

PREMIERE VACATION COLLECTION

Registration No. DM10-055548

SELLER

**ILX ACQUISITION, INC.
10615 Park Run Drive
Las Vegas, Nevada 89144**

March 7, 2011

Effective Date

1st Amendment Date: September 12, 2011
2nd Amendment Date: January 23, 2012
3rd Amendment Date: January 3, 2013
4th Amendment Date: December 20, 2013
5th Amendment Date: December 31, 2014

PROPERTY REPORT DISCLAIMER

This report is NOT A RECOMMENDATION NOR AN ENDORSEMENT by the State of Arizona of this land but is provided for informational purposes ONLY. The report reflects information provided by the Seller and obtained by the Department in its review process in accordance with the provisions of Title 32, Chapter 20, Article 9, of the Arizona Revised Statutes, as amended. NOTE that not all of the information in this report has been verified by the Department; certain information has been accepted by the Department as true and accurate based on attestation of the Seller and/or the Seller's agents. The purchaser should verify all facts before signing any documents. The Department has not passed upon the quality or quantity of any improvement or structure and does not assume responsibility in either event.

THE ARIZONA DEPARTMENT OF REAL ESTATE

REQUIRES THAT:

1. You BE GIVEN this public report;
2. YOU SIGN A RECEIPT indicating that you received this report;

RECOMMENDS:

1. You DO NOT SIGN ANY AGREEMENT before you have read this report;
2. You see an ACCURATE REPRESENTATION of the unit you are interested in BEFORE SIGNING any document for lease or purchase.

ARIZONA LAW STATES:

1. A PERSON SHALL NOT SELL OR LEASE OR OFFER FOR SALE OR LEASE IN THIS STATE TWELVE OR MORE TIME-SHARE INTERVALS WITHOUT FIRST OBTAINING A PUBLIC REPORT FROM THE COMMISSIONER. ANY SALE OR LEASE OF TWELVE OR MORE TIME-SHARE INTERVALS PRIOR TO ISSUANCE OF THE PUBLIC REPORT IS VOIDABLE BY THE PURCHASER. AN ACTION BY THE PURCHASER TO VOID SUCH TRANSACTION MUST BE BROUGHT WITHIN FIVE YEARS OF THE DATE OF THE EXECUTION OF THE PURCHASE AGREEMENT BY THE PURCHASER IN ANY SUCH ACTION, THE PREVAILING PARTY IS ENTITLED TO REASONABLE ATTORNEY FEES AS DETERMINED BY THE COURT.
2. ANY PURCHASE AGREEMENT FOR A TIMESHARE INTEREST MAY BE CANCELED BY THE PURCHASER WITHOUT CAUSE OF ANY KIND BY MAILING OR DELIVERING WRITTEN NOTICE OF CANCELLATION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH THE PURCHASER EXECUTED THE PURCHASE AGREEMENT. A NOTICE OF CANCELLATION MUST BE MAILED OR DELIVERED TO ILXA C/O RESCISSION COORDINATOR, DIAMOND RESORTS FINANCIAL SERVICES, INC., 10600 WEST CHARLESTON BOULEVARD, LAS VEGAS, NEVADA 89135.

GENERAL

This report includes: The Premiere Vacation Collection (the “Collection”) includes 156,236,000 timeshare points, or “Points,” representing 25,699 timeshare intervals or “Resort Interests.” The location, period, and quality of accommodation a Member of the Collection may reserve is determined by the number of Points owned by the Member. Definitions for capitalized terms used in this Public Report, such as “Occupancy Periods,” “Member,” and “Points,” may be found in the List of Definitions (“Definitions”) attached to this Public Report.

The Project Map for this development: is recorded in Book ____ of Maps ____ Page __, records of _____ County, State of _____. See **Component Site Summaries attached hereto as Exhibit B.**

The Project: The Collection is a points-based, multisite, timeshare use vacation club, established by the Plan (see Definitions), and presently includes Resort Interests (see Definitions) and opportunities for its Members (see Definitions) to reserve and use Collection Accommodations (see Definitions) in fifteen (15) Component Site (see Definitions) locations: four (4) in Sedona, Arizona; one (1) in Payson, Arizona; one (1) in Tucson, Arizona; two (2) near Pinetop, Arizona; one (1) in Village of Oak Creek, Arizona; one (1) in Scottsdale, Arizona; one (1) in Cave Creek, Arizona; one (1) in Estes Park, Colorado; one (1) in South Bend, Indiana; one (1) in Las Vegas, Nevada; and one (1) in San Carlos, Nuevo Guaymas, Sonora, Mexico.

TIME-SHARE USE

Sales: Memberships (see Definitions) are evidenced by right to use other than fee title. Members will receive a Points Certificate (see Definitions) and be entered on the Register of Members (see Definitions). Points are the currency of use within the Collection. Points are owned in perpetuity, except for Term Points (See Definitions), which will be available for a defined term as set forth in the Member’s Points Certificate. Currently all Resort Interests are held in perpetuity, except the Resort Interests in the Sea of Cortez Beach Club, which are based on a renewable twenty-five (25) year right to use agreement.

Lock-outs: None.

Maintenance period: There are 52 Occupancy Periods (see Definitions) available in each Collection Accommodation, except for Resort Interests at the Golden Eagle Resort, where there are 51 Occupancy Periods in each Collection Accommodation. The Association (see Definitions) or the applicable Component Site Owners Association (see Definitions) has the right to reserve up to one twenty-four (24) hour period (and a one-week period at the Golden Eagle Resort) in each calendar year as the maintenance period for each Collection Accommodation. If needed to maintain or upgrade the Collection Accommodation and if the vacancy rate is high enough to permit it, the Association or the Component Site Owners Association may reserve additional days for maintenance. The Association shall use its best efforts to reserve maintenance periods so as to maximize the use and enjoyment of the Collection Accommodations by Members and minimize any scheduling problems under the Reservation System (see Definitions).

PROJECT LOCATION

The Project: For Component Site addresses and directions, see Exhibit B attached hereto.

NARRATIVE OF OFFERING

Premiere Vacation Collection Owners Association, Inc., an Arizona non-profit corporation (the “Association”), operates the Collection, which is a points-based, multisite, timeshare use vacation club plan. Pursuant to the Second Amended and Restated Premiere Vacation Collection Membership Plan (the “Plan”), ILX Acquisition, Inc. (“Seller”), has the right to sell all Memberships in the Collection owned by the Association. The principal place of business of the Collection and the Seller is 10615 Park Run Drive, Las Vegas, Nevada 89144.

An individual may become a Member by purchasing a Membership in the Collection to which there is appurtenant a specific number of Points, which are the currency of use within the Collection. The Membership allows a Member to use Points to annually reserve Occupancy Periods in Collection Accommodations and related facilities at any Component Site.

The Seller is currently requiring a minimum purchase of at least two thousand five-hundred (2,500) Points for new Members, but may sell any increment of Points to existing Members. The minimum number of Points that must be maintained in order to retain a valid Membership is two thousand (2,000). If the number of a Member’s annual allotment of Points falls below the Minimum Points Threshold for any reason, such as the partial transfer of Points or the expiration of the Member’s Term Points, the affected Membership will cease to be a valid Membership unless sufficient additional Points are acquired to meet the Minimum Points Threshold. The purchase of additional Points will be governed by prices in effect at the time of the purchase.

The Plan defines how the Collection operates and provides for the distribution of Occupancy Periods in Component Sites to its Members. The Collection currently includes Resort Interests in each of fifteen (15) Component Sites, eleven (11) in Arizona; one (1) in Colorado; one (1) in Indiana; one (1) in Nevada; and one (1) in Sonora, Mexico. The Seller holds the exclusive right, but not the obligation, to add additional Resort Interests to the Collection at these or at additional Component Sites, in its sole discretion. Such additional Resort Interests may be either fee simple interests that are perpetual in duration or leasehold interests that will not be available in perpetuity, but will have a definite term of duration.

Subject to the terms and conditions set forth in the Plan and the Collection Instruments (see Definitions), each Member or such Member’s Permitted User (see Definitions), for each Membership owned, has: (a) the exclusive right to occupy a Collection Accommodation and to use the common furnishings contained within such Collection Accommodation during the Member’s reserved Occupancy Period; and (b) the non-exclusive right to use and enjoy the common areas at the Component Site during the Member’s reserved Occupancy Period.

1. Reservation System:

(a) Ownership.

The Collection Instruments contemplate the use of a Reservation System that is owned and operated by Diamond Resorts International Club, Inc. (“DRIC”), a Florida corporation and the Reservation Services Provider (see Definitions), which provides such services to the Members as provided for in an agreement between DRIC and the Association, a copy of which is available from the Association upon request. In the event that such agreement is terminated by either party for any reason, the Association will need to make arrangements with another Reservation Services Provider for such services and a replacement Reservation System.

(b) Operating Entity.

DRIC, which is an affiliate of the Manager (see Definitions), owns and operates the Reservation System. DRIC does not charge Members for making reservations. However, in order to make a reservation, a Member must be current in all Assessments (see Definitions) and other charges due the Association. DRIC may, in the future, charge a fee for making reservations in accordance with the Rules and Regulations (see Definitions).

(c) Summary of Rules Governing Reservation System.

The Rules and Regulations contain the required procedures concerning the making and cancelling of reservations and the use of Collection Accommodations. The following is a summary of the Rules and Regulations with respect to the Reservation System:

- (i) All reservations are on a first come, first served basis. The Rules and Regulations set forth any limitations on how far in advance a reservation may be made.
- (ii) All reservations are subject to space availability.
- (iii) A Member must have sufficient Points for each reservation made. Points may be saved from the current Occupancy Year (see Definitions) or borrowed from a future Occupancy Year in accordance with the Rules and Regulations.
- (iv) Reservations are subject to immediate cancellation without notice upon delinquency in payment of Assessments or delinquency in payment of any obligation owing to Seller, or if such reservations have been obtained in a manner designed to circumvent the intent of the Plan or any applicable Rules and Regulations.

PURCHASERS SHOULD CAREFULLY NOTE THE DATES AND “FIRST-COME, FIRST-SERVED” BASIS FOR HONORING RESERVATION REQUESTS. THE LONGER A MEMBER WAITS TO MAKE A RESERVATION, THE LESS LIKELY IT IS THAT THE MEMBER WILL BE ABLE TO RESERVE THE MEMBER’S FIRST CHOICE OF OCCUPANCY PERIODS.

COMPONENT SITES CONTAINED IN THIS MULTISITE TIMESHARE PLAN MAY BE SUBJECT TO PRIORITY RESERVATION FEATURES, WHICH MAY AFFECT YOUR ABILITY TO OBTAIN A RESERVATION.

2. Component Site Additions, Substitutions and Deletions:

(a) Component Site Additions.

(i) Basis For Additions.

Pursuant to the Plan, the Seller has the exclusive right, in its sole and absolute discretion, to add an unlimited number of additional Collection Accommodations to the Collection by arranging for the transfer of additional Resort Interests to the Association for the benefit of the Members and by executing appropriate amendments or supplements to the Collection Instruments and filing the same with the appropriate governmental authorities.

(ii) Authority Retaining Addition Right.

The Plan authorizes the Seller to unilaterally add Resort Interests and Collection Accommodations to the Collection.

(iii) Anticipated Effect of Additions Upon the Reservation System and Availability of Collection Accommodations.

The anticipated effect of the addition of Collection Accommodations to the Collection is expected to be positive, as Members will have additional alternative facilities at which to use their Points. Any negative effects of adding Collection Accommodations are expected to be minimal.

(b) Cap Upon Multisite Common Expenses if Additions.

The only limit on any increase that might be caused to Common Expenses (see Definitions) and Assessments due to the addition of Collection Accommodations to the Collection is the CPI Dues Adjustment Percentage (as defined in the Plan).

(c) Purchaser Right of Consent to Additions.

Members do not have the right to consent to or withhold their consent from any proposed addition of Resort Interests and Collection Accommodations and facilities to the Collection. The Plan grants the Seller the right to add Resort Interests to the Collection, but does not impose any obligation to do so, which the Seller may do in its sole and absolute discretion.

COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE ADDED TO THIS MULTISITE TIMESHARE PLAN WITHOUT THE CONSENT OF THE PURCHASERS/MEMBERS. THE ADDITION OF COLLECTION ACCOMMODATIONS AND FACILITIES TO THE TIMESHARE PLAN MAY RESULT IN THE ADDITION OF NEW MEMBERS WHO WILL COMPETE WITH EXISTING MEMBERS IN MAKING RESERVATIONS FOR THE USE OF AVAILABLE COLLECTION ACCOMMODATIONS AND FACILITIES WITHIN THE TIMESHARE PLAN, AND MAY ALSO RESULT IN AN INCREASE IN THE ANNUAL MAINTENANCE FEES AGAINST MEMBERS FOR COMMON EXPENSES.

(d) Component Site Substitution.

(i) Basis for Substitution.

The Seller may substitute Collection Accommodations through annexation and deannexation, as described herein, and may contract for additional Collection Accommodations to be made available without annexation as described in the Plan.

(ii) Anticipated Effect of Substitutions Upon the Reservation System and Availability of Collection Accommodations.

No material effects on the Reservation System or the availability of Component Sites or the operation of the Collection are expected from any needed replacements of Collection Accommodations. Purchasers should be aware, however, that as a result of a decision not to reconstruct damaged or dilapidated Collection Accommodations or during any reconstruction, replacement or acquisition period, or in the event the Sea of Cortez Beach Club 25-year right to use agreement is not renewed, Members in the Collection may temporarily compete for available Collection Accommodations on the basis of a greater than one-to-one Member to accommodation ratio.

(iii) Purchaser Right of Consent to Substitutions.

Members do not have the right to consent to or withhold their consent from any proposed replacement of Resort Interests and Collection Accommodations and facilities within the Collection. The Plan grants the Seller, in its sole and absolute discretion, the right to add Resort Interests to the Collection, but does not impose any obligation to do so.

NEW COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE SUBSTITUTED FOR EXISTING COLLECTION ACCOMMODATIONS AND FACILITIES OF THIS MULTISITE TIMESHARE PLAN WITHOUT THE CONSENT OF THE PURCHASERS. THE REPLACEMENT COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE LOCATED AT A DIFFERENT PLACE OR MAY BE OF A DIFFERENT TYPE OR QUALITY THAN THE REPLACED COLLECTION ACCOMMODATIONS AND FACILITIES. THE SUBSTITUTION OF COLLECTION ACCOMMODATIONS AND FACILITIES MAY ALSO RESULT IN AN INCREASE IN THE ANNUAL MAINTENANCE FEES AGAINST MEMBERS FOR COLLECTION COSTS.

EXCEPT FOR THE ABOVE, NEITHER SELLER NOR THE ASSOCIATION MAKES ANY REPRESENTATIONS WHATSOEVER REGARDING THE ADDITION OR SUBSTITUTION OF COLLECTION ACCOMMODATIONS AND NONE OF SELLER, THE BOARD OR THE ASSOCIATION SHALL HAVE ANY OBLIGATION TO ADD ADDITIONAL COLLECTION ACCOMMODATIONS OR SUBSTITUTE COLLECTION ACCOMMODATIONS.

(e) Component Site Deletion.

(i) Deannexation by Seller.

Pursuant to the Plan, the Seller has the exclusive right, in its sole and absolute discretion, to remove Collection Accommodations from the Collection by recording a declaration of deannexation. No deannexation may occur that would cause there to exist an insufficient amount of Resort Interests to accommodate the occupancy rights of all then existing Members in the manner described in the Plan. Upon a deannexation, the Association shall reconvey the deannexed Resort Interests to the Seller or its designee.

(ii) Deannexation for Casualty or Eminent Domain Action.

Collection Accommodations that are damaged, destroyed or the subject of eminent domain action may be removed from the Collection pursuant to Seller's right to deannex, as described in the Plan. During any period of repair, reconstruction or replacement, or as a result of any decision not to repair or replace, Members may temporarily compete for available Collection Accommodations on the basis of a greater than one-to-one Member to Collection Accommodation ratio.

(iii) Business Interruption Insurance Provision.

The Collection does not maintain business interruption insurance, but the respective Component Site Owners Associations maintain casualty and liability insurance on the respective Collection Accommodations at each location.

(iv) For Term Expiration.

Although only Sea of Cortez Beach Club includes Resort Interests that consist of right-to-use interests, the Plan allows more Resort Interests to be added to the Collection that consist of a leasehold interest or similar interest that will expire as of a certain date. The Points that are or will be appurtenant to such Resort Interests are categorized as Term Points and will be designated on the Member's Points Certificate as expiring by a specified date. Upon the occurrence of such expiration dates, such Term Points and the Resort Interests to which they are appurtenant will be deemed to be no longer included in the Collection and will no longer be subject to the Plan and the other Collection Instruments. No action is required on the part of the Seller, the Board (see Definitions), or the Association to effect this deletion from the Collection, other than the updating of any applicable list, map or other depiction of the Component Sites that are available for use by the Members and appropriately adjusting the Register of Members.

(v) Anticipated Effect of Deletions Upon the Reservation System and Availability of Component Sites.

No material effects on the Reservation System or the availability of Component Sites or the operation of the Collection are expected from any deletions of Collection Accommodations. During any reconstruction, replacement, or acquisition period, or as a result of a decision not to reconstruct damaged or dilapidated Collection Accommodations, or in the event the Sea of Cortez Beach Club 25-year right to use agreement is not renewed, Members may temporarily

compete for available Collection Accommodations on the basis of a greater than one-to-one Members to accommodation ratio.

3. Purchaser's Liability for Fees Association with Multisite Timeshare Plan:

(a) Multisite Vacation Ownership Timeshare Plan Common Expenses.

The Plan provides for the establishment, levying and collection of Assessments to fund the Common Expenses and Capital Assessments (see Definitions).

(b) Annual Assessments and Special Assessments.

(i) Funding Common Expenses.

The Board determines the annual operating budget to provide for Collection operating expenses and capital reserves for each year. The budget is funded by an annual Assessment paid by Members. A copy of the current annual budget for the Association is attached hereto as **Exhibit A**.

The Association is obligated to pay for its share of Common Expenses to the appropriate Component Site Owners Associations with respect to Collection Accommodations owned in each Component Site. The Association's share of common expenses at all Component Sites is included in the Collection's annual budget. Indirectly, therefore, the Members are charged through the Collection Assessments for the expense of the assessments or dues levied by the Component Site Owners Associations, which are authorized to levy the same on behalf of the owners of each Component Site. Real estate taxes are included in the calculation of annual common expense assessments levied by the Component Site Owners Associations.

The Association and the Seller believe that the projected income in the current year's operating budget will be adequate to meet the Association's estimated Common Expenses and that no Special Assessments (see Definitions) will be necessary.

(ii) Special Assessments.

Under the Plan, the Board may levy a Special Assessment applicable to that period only, as may be necessary for the purpose of defraying, in whole or in part, the cost of any acquisition, construction, reconstruction, repair or replacement of any Collection Accommodation, including the furnishings related thereto, for which no reserves have been established or for deficiencies in such reserves or the purpose of defraying other extraordinary expenses relating to the mutual health, benefit, safety and welfare of the Members and/or the Association, or for purposes of funding any deficits in Assessments. No vote or written assent of the Members shall be required for the adoption of a Special Assessment.

Every Special Assessment shall be levied upon the same basis as that prescribed for the levying of the annual Assessment. The Board may levy a Special Assessment against all or fewer than all Members, depending upon the reason for the Special Assessment and the Members who will be affected by that reason. Special Assessments are to be collected as specified by the Board. Except as otherwise provided in the Collection Instruments, any Special

Assessment shall be due and payable within thirty (30) days after the date upon which the written notice of such Special Assessment is mailed to the Members, unless the Board determines that instalment payments shall be permitted and provides each Member with an approved payment schedule, in which case each Member's payments shall be made no later than the time specified in such payment schedule. If the Board authorizes the payment of any Special Assessment in instalments, no notice of the due date of each individual instalment payment shall be required to be given, other than the initial Special Assessment notice.

From time to time, the Collection may be billed for special assessments by one or more of the Component Sites Owners Associations. In the event a special assessment is assessed by a Component Site Owners Association, the Collection's portion of the charges will be included as part of the annual Assessments or as a separate Special Assessment, as determined by the Board in its sole discretion.

(c) Determining Assessments.

After the Board approves the annual operating budget, the Board shall determine the respective Assessment that shall be levied on each Membership according to the provisions of the Plan.

The Assessments will include all applicable state and local real estate taxes. Any goods and services tax or sales tax payable in connection with the sale of the Points is included in the purchase price for the Points. Any occupancy tax levied by any government entity upon Members using Collection Accommodations will be paid by those Members.

If the Seller transfers additional Resort Interests to the Association during the fiscal year, the Board may prepare a revised budget based on transfer of the additional Resort Interests and the issuance of additional Points and may adjust the Assessments accordingly.

(d) Payment of Assessments.

Except for Seller and Seller's affiliates for Memberships owned or held for sale, Assessments will be collected in advance on a monthly, quarterly or annual basis as determined by the Board. The initial Assessment will be due and payable by each Member, other than the Seller, at the time and in the manner set forth in such Member's Purchase Agreement (see Definitions). Subsequent Assessments will be due and payable by a Member within thirty (30) days after receipt of the applicable invoice or such other time as the Board may determine, commencing with the first fiscal year immediately succeeding the fiscal year in which a Membership was purchased, unless and until the Board institutes a different payment schedule by providing written notice thereof to each Member. In no event will the Assessment be due later than the first day of the Occupancy Year to which it relates. Members will be required to pay an Assessment for every fiscal year, regardless of whether the Member is entitled to, or does or does not, use and occupy a Collection Accommodation during that fiscal year.

Seller may, at its unilateral option without obligation, pay the Assessments attributable to unsold Memberships, however, pursuant to the Plan, Seller is under no obligation to pay Assessments attributable to unsold Memberships owned by the Association or held for sale.

(e) Responsible Entity for Multisite Common Expenses.

The responsible entity for determining the amount of the Common Expenses is the Association, through its Board. All Assessments for the funding of the Common Expenses are determined by the Board, and the Board is empowered by the Plan to increase such Assessments or to levy Special Assessments, if necessary.

(f) Lien Rights for Multisite Common Expenses.

A Member is delinquent if the Member fails to pay a Collection Assessment on or before the due date. In the event of such delinquency, the Association may take any of the following actions: (i) bring an action to recover a money judgement for the amount of any unpaid Assessments; (ii) exercise its rights to enforce its lien upon such Member's Membership and Points; or (iii) it may suspend some or all of the Member's rights.

All liens and unpaid Assessments shall be automatically enforceable in any manner authorized by law including but not limited to seizure, suit or power of sale.

THERE IS A LIEN OR LIEN RIGHT AGAINST EACH MEMBERSHIP TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER AMOUNTS DUE THE ASSOCIATION. A MEMBER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN ENFORCEMENT OF THE LIEN.

(g) Annual Increase Limitations.

The only limit on any increase that might be caused to Common Expenses and Assessments due to the addition of Collection Accommodations to the Collection is the CPI Dues Adjustment Percentage set forth in the Plan. Such limitation may not, however, apply to the level of annual common expense assessments that may be levied from time to time by the respective Component Site Owners Associations.

(h) Bad Debt/Working Capital Reserves.

Currently, each of the Component Site Owners Associations has established reserves to meet their respective bad debts and working capital requirements. The reserves for the current year are set out in the respective Component Site Owners Association budget, a copy of which is available from the Association upon request.

(i) Replacement/Deferred Maintenance Reserves.

Currently, each of the Component Site Owners Associations has established in its annual budget reserves for normal repairs and maintenance of the Collection Accommodations and replacement of equipment and furnishings. The reserves for the current year are set out in the respective Component Site Owners Association budget, a copy of which is available from the Association upon request.

UTILITIES

Electricity: Electricity is available at all Component Sites.

Telephone: Telephone service is available at all Component Sites.

Natural Gas: Natural gas and/or propane is available at all Component Sites.

Water: Water is available at all Component Sites.

Water Disclaimer for Kohl's Ranch Lodge:

The water supply is derived from two sources at Kohl's Ranch Lodge (the "Property"), a well on the Property, which feeds into a 200,000 gallon storage tank, and Indian Gardens Spring (approximately one-half mile south of the Property). It is unknown how potential drought conditions in the area will affect the quantity and long-term dependability of water available from the well or the Spring in relation to the current and proposed demands. Prior to 1984, the Spring met all the water requirements of the Property. Since drilling the well in 1984, the Spring has been unnecessary to service the Property. The well has been adequate to meet the Property's water requirements and Seller anticipates it will be adequate in the future. In the event it would be necessary, the Spring would be available to supplement the well source. The quality of the water supply has been acceptable for domestic use. Notwithstanding the foregoing, for reasons of the costs involved, Seller has chosen not to demonstrate to the Arizona Department of Water Resources that an adequate water supply exists, and as a consequence, that Department is required by law to find the Property's water supply to be inadequate.

Sewage Disposal: Sewage disposal is available at all Component Sites.

ACCESS STREETS AND ROADS

Access to the Development: Public streets are complete at all Component Sites and will be maintained by the appropriate municipality, county or state.

Access within the Development: Interior streets are complete at all Component Sites and will be maintained by the Component Site Owners Associations.

COMMON AREA FACILITIES

Within the Development: See Component Site Summaries attached hereto as Exhibit B.

Maintenance of Development Facilities: Development facilities are complete and will be maintained by the Component Site Owners Associations.

ASSURANCES FOR COMPLETION OF FACILITIES

Assurances for Completion of Development Facilities: All facilities at all Component Sites are complete.

LOCAL SERVICE AND FACILITIES

Shopping Facilities: See Component Site Summaries attached hereto as Exhibit B.

Public Transportation: Public transportation is available near all Component Sites, but may be more developed and frequent at some Component Sites than others. See Component Site Summaries attached hereto as Exhibit B.

Medical Facilities: See Component Site Summaries attached hereto as Exhibit B.

Fire Protection: See Component Site Summaries attached hereto as Exhibit B.

Ambulance Service: See Component Site Summaries attached hereto as Exhibit B.

Police Service: See Component Site Summaries attached hereto as Exhibit B.

SALES

Sales: Will be evidenced by a Purchase and Security Agreement. Purchaser will receive a Points Certificate and be entered into the Register of Members. The Purchaser's earnest money will be deposited into escrow with First American Title Insurance Company, 1160 Town Center Drive, Suite 100, Las Vegas, Nevada 89144.

TITLE AND ENCUMBRANCES

Title: Title to all Resort Interests is vested in the Association, for the benefit of the Members pursuant to the Plan, except for Resort Interests in the Sea of Cortez Beach Club, in which the Association holds a renewable twenty-five (25) year right-to-use.

Association's Interest: The Association holds bare legal title to the Resort Interests, subject to Seller's exclusive right to market and sell the Memberships as described in the Plan.

Seller's Interest: Seller or its affiliates or their predecessors in interest are the developers or assignee developers of the Collection. Seller has retained equitable title to the Resort Interests and has also received an assignment of the exclusive right to sell the Collection Memberships and Points associated with the unsold Resort Interests conveyed or to be conveyed to the Association.

Condition of Title and Encumbrances: All Memberships shall be conveyed to Members by Seller free and clear of any voluntary monetary encumbrances other than any lien securing the

Member's purchase price and/or the obligations of the Member pursuant to the Collection Instruments. Other than the foregoing, all Resort Interests conveyed to the Association by Seller, and Memberships to be conveyed to a Member, shall be, and remain, free and clear of any voluntary monetary encumbrances securing obligations of Seller, its affiliates or the predecessors of either; provided, however, that such voluntary monetary encumbrances or other encumbrances shall be permissible so long as such encumbrances contain provisions that result at all times in there being, at least, sufficient free and clear Resort Interests and Memberships of the number of Memberships sold (other than to Seller) which allow such Members to exercise their occupancy and other rights hereunder without interference by a beneficiary of such encumbrance, as further described in the Plan.

MANAGEMENT AND EXCHANGE NETWORK

The Project: The Manager is Diamond Resorts Management, Inc. The Manager is an affiliate of Seller and has its principal place of business at 10600 West Charleston Blvd., Las Vegas, NV 89135.

Exchange Programs: THE Club® Exchange Program.

1. Functions of THE Club® Exchange Program.

Diamond Resorts International Club, Inc. ("DRIC"), a Florida corporation with offices at 10600 West Charleston Boulevard, Las Vegas, NV 89135 and an affiliate of the Developer, has established an exchange membership program and system known as "THE Club®", pursuant to THE Club® Articles ("THE Club® Articles") and THE Club® Amended and Restated Rules and Regulations ("THE Club® Rules"). DRIC has entered into affiliation agreements with various resorts and multisite vacation ownership time-share plans and thereby created a network of resorts at which members of THE Club® can utilize a wide variety of accommodations and facilities in exchange for the use of the accommodations that they own or have the right to use. DRIC has entered into an affiliation agreement with the Association allowing Members the right to access the accommodations and facilities within THE Club®.

THE Club® is a points-based exchange program. Points (referred to herein as "Exchange Points" to avoid confusion) are allocated to each accommodation that is available for use within such program and constitute the currency of use within THE Club®.

DRIC has established certain requirements regarding reservations, cancellations and penalties from time to time, and the member should be familiar with those requirements. A copy of the current policies is available from the membership services department of THE Club®. Any representations made regarding THE Club® exchange program by DRIC, its agents or employees or in its literature, brochures, videos or other promotional materials are solely the representations of DRIC and should not be relied upon as representations of the Seller or the Association.

(a) THE Club[®] Membership.

Purchasers will automatically be enrolled in THE Club[®]. Persons who acquire their membership in THE Club[®] from an existing Collection Member other than the Seller or an affiliate of Seller must be approved by DRIC before they will be enrolled in THE Club[®], but once so approved, their enrollment in THE Club[®] will be mandatory.

According to the affiliation agreement with DRIC, membership in THE Club[®] may not be transferred without the consent of DRIC, and transfer of a Member's Collection Membership does not have the effect of transferring the Member's membership in THE Club[®] unless DRIC consents to such transfer and any transfer fee is paid.

(b) Reservations, Cancellations and Penalties.

Reservations and use of accommodations through THE Club[®] with the use of Exchange Points are subject to availability at the time the request is made. THE Club[®] has established certain requirements regarding reservations, cancellations and penalties from time to time, and the Member should be familiar with those requirements. A copy of the current policies is available from the member services department of THE Club[®].

(c) Cost of Participation.

As with other exchange programs, members of THE Club[®] are responsible for annual THE Club[®] membership fees and other charges to cover the costs of the operation of the exchange program, as provided in THE Club[®] Articles or THE Club[®] Rules. The current annual membership fee varies by membership class: \$225 Valued, \$235 Silver, \$250 Gold, and \$280 for Platinum members (collectively "THE Club[®] Dues"). The affiliation agreement that the Association and the Seller have entered into with THE Club[®] calls for the Association to collect the annual THE Club[®] Dues together with annual Assessments. All members of THE Club[®] may make an exchange within THE Club[®] program without the payment of any transaction fee. Failure on the part of a member of THE Club[®] to pay THE Club[®] Dues may result in suspension or forfeiture of the member's membership and any other applicable remedies. THE Club[®] Dues are subject to change.

2. Interval International Exchange Program.

(a) Functions of the I.I. Exchange Program.

DRIC has entered into an affiliation agreement with Interval International, LLC. ("I.I."), an international vacation exchange company with offices at 6262 Sunshine Drive, Miami, Florida 33243. I.I. is not in any way affiliated with the Seller, the Manager, or any of their respective affiliates or subsidiaries. The affiliation arrangement with I.I. allows Members to temporarily exchange their use rights in a reserved Collection Accommodation for comparable use rights in accommodations at a wide variety of resorts that participate in the I.I. exchange program. Any representations made regarding the I.I. exchange program by I.I., its agents or employees, or in its literature, brochures, videos, or other promotional materials are solely the representations of I.I. and should not be relied upon as representations of the Seller, the Association, the Manager, THE Club[®] or DRIC.

(b) I.I. Exchange Program Membership.

Pursuant to the affiliation agreement between DRIC and I.I., each new member of THE Club[®] will automatically become a member of the I.I. exchange program.

According to the affiliation agreement with DRIC, membership in THE Club[®] (and therefore in the I.I. exchange program) may not be transferred without the consent of DRIC, and transfer of a Member's Collection Membership does not have the effect of transferring the Member's membership in THE Club[®] (and therefore in the I.I. exchange program) unless DRIC consents to such transfer and any transfer fee is paid.

(c) Reservations, Cancellations and Penalties.

Reservations and use of accommodations through the I.I. Exchange Program by the use of Exchange Points are subject to availability at the time the request is made. The I.I. Exchange Program has established certain requirements regarding reservations, cancellations, and penalties from time to time, and the Member should be familiar with those requirements. A copy of the current policies is available from the I.I. member services department.

(d) Cost of Participation.

Membership in THE Club[®] automatically includes membership in the I.I. exchange program with no additional annual membership fee. Members must pay to I.I. an exchange transaction fee of one hundred eighty-nine dollars (\$189.00) (U.S.) for a 7-night domestic or international vacation exchange within the I.I. exchange program. The I.I. exchange fees may vary for Members living outside of the U.S., Canada and Caribbean. Exchange requests made through I.I.'s website are eligible for a discount on the applicable transaction fees. All exchange program fees are subject to change.

THERE IS AN EXCHANGE PROGRAM MEMBERSHIP ASSOCIATED WITH THIS MULTISITE VACATION OWNERSHIP TIMESHARE PLAN. THE COLLECTION AND INDIVIDUAL COMPONENT SITES MAY BE AFFILIATED WITH ONE OR MORE EXCHANGE PROGRAMS WHEREBY MEMBERS MAY VOLUNTARILY EXCHANGE THEIR RIGHT TO USE AND OCCUPY COLLECTION ACCOMMODATIONS FOR COMPARABLE RIGHTS TO USE ACCOMMODATIONS IN OTHER RESORTS PARTICIPATING IN THE EXCHANGE PROGRAM. THERE IS NO GUARANTEE THAT THE COLLECTION OR ANY COMPONENT SITE WILL REMAIN AFFILIATED WITH ANY PARTICULAR EXCHANGE PROGRAM.

BUDGETS AND ASSESSMENTS

Operating Costs: A copy of the Collection's budget and proposed annual Maintenance Fees (see Definitions) or Assessments is attached as **Exhibit A**. It should be examined carefully to determine if it realistically and accurately projects current and future costs of managing and maintaining Component Sites. Annual Maintenance Fees are subject to periodic increase. Purchasers are advised that these Maintenance Fees and/or Assessments probably will increase as experience has shown in the industry.

Payment of Operating Costs: Will be paid by the Association through Assessments.

Assessments: Members will be required to pay a yearly Assessment according to Exhibit A attached hereto. Seller indicates the amount set forth in Exhibit A is adequate to support the Collection and the timeshare plan based on estimated costs of operation.

Financial Arrangements: Unsold Memberships are owned by the Association subject to Seller's exclusive right to sell such Memberships, and neither the Association or Seller are obligated to pay Assessments on such unsold Memberships. Notwithstanding the foregoing, Seller may voluntarily pay certain Maintenance Fees on a pro-rata share based on the unsold Memberships without obligation as it shall determine in its sole and subjective discretion.

Other Assessments: Special Assessments may be levied pursuant to the Plan. Personal Charges (see Definitions) may be incurred as a result of the act or omission of a Member pursuant to the Plan.

TAXES

Real Property Taxes: Each Component Site Owners Association will be billed by the applicable tax authority, and a pro rata share of the property tax bill will be included as part of each Member's Assessment.

Other Tax Assessments: May be levied by taxing authorities if deemed necessary.

OWNERS ASSOCIATIONS

Name of Association: Premiere Vacation Collection Owners Association, Inc., an Arizona non-profit corporation (the "Association").

Control of Association: Pursuant to the Plan, Seller has weighted voting power until 95% of the Total Authorized Voting Membership Shares (as defined in the Plan) are sold.

Title to Common Areas: Depending on the nature of the Component Site to which the Resort Interests relate, common areas or common elements are either owned by the Component Site Owners Association or are owned by owners in undivided interests but managed by the Component Site Owners Association. None of the Component Site common areas are titled in Seller.

Membership: A purchase of a Membership in the Collection will require that you be a Member of the Association. Through legally enforceable provisions in the Plan and as provided in your Purchase Agreement, your Membership in the Association will be mandatory and automatic the moment you make your purchase. Membership will mean certain responsibilities and obligations, such as:

In order to provide funds for operation and maintenance of the Collection, the Association will have authority to levy Assessments against your percentage of interest in the property. If you are

delinquent in the payment of Assessments, the Association may enforce payment through court proceedings, or your Membership in the Collection or ability to use or occupy the Collection Accommodations, or participate in the management of the Association, may in other ways be in jeopardy.

The anticipated income and expense of the Association and the amount that you may expect to pay annually through Assessments should be outlined in, and predicated upon, budgets. A copy of the Budget is attached hereto as Exhibit A.

Your ownership or interest rights as a Member of the Association will be controlled by Collection Instruments, which include the Plan, the Articles (see Definitions), the Bylaws (see Definitions), the Rules and Regulations, and any other document or instrument which defines or governs the Collection. The provisions of these documents are intended to be, and, in most cases are, enforceable in a court of law. Study these documents carefully before entering into a contract to purchase a Membership.

Until there are a sufficient number of Members, it is likely that the Seller will effectively control the affairs of the Association. It is frequently necessary and equitable that the developer do so during the early stages of development. It is important to Members that the transition from the Seller to all Members collectively be accomplished in an orderly manner.

When contemplating the purchase of a timeshare interest, you should consider factors beyond the attractiveness of the accommodations themselves. Study the governing instruments and give careful thought to whether you will be able to exist happily in an atmosphere of cooperative living where the interests of the group must be taken into account as well as the interest of the individual.

PAYMENTS, INCLUDING ASSESSMENTS, TO INTERVAL OWNERS ASSOCIATIONS, SUCH AS THE ASSOCIATION, ARE SUBJECT TO CHANGE IN ACCORDANCE WITH THE PLAN. THE ASSOCIATION MAY ALSO IMPOSE SPECIAL ASSESSMENTS. YOU ARE ADVISED TO READ THE PLAN, ARTICLES, BYLAWS, AND RULES AND REGULATIONS FOR THIS TIMESHARE PLAN TO DETERMINE THE RIGHTS OF INTERVAL OWNERS TO PARTICIPATE IN THE CONTROL OF THE INTERVAL OWNERS' ASSOCIATION AND TO DETERMINE THE RIGHTS, DUTIES AND LIMITATIONS OF OWNERS IN AND TO THE USE OF THEIR TIMESHARE INTEREST. FURTHER, YOU SHOULD DETERMINE FOR YOURSELF IF THE SELLER'S ARRANGEMENTS AND PLANS FOR THE PAYMENT OF ASSESSMENTS ON UNSOLD TIMESHARE INTERESTS WILL BE SUFFICIENT TO FULFILL THE NEEDS, DEMANDS AND FINANCIAL OBLIGATIONS OF THE ASSOCIATION, AS SET FORTH IN THE PLAN AND BYLAWS.

List of Definitions

Exhibit A – Budget

Exhibit B – Component Site Summaries

LIST OF DEFINITIONS

“Articles” means the articles of incorporation of Association, as the same may be amended from time to time.

“Assessments” means Maintenance Fees, Capital Assessments, Special Assessments, and Personal Charges which a Member is required to pay, which will include any assessments made pursuant to an Underlying Plan and any other assessments or charges levied by the Board on behalf of the Association that may from time to time be created by the Board, including without limitation all expenses denominated as Common Expenses by the Plan or unilaterally by the Board.

“Association” means Premiere Vacation Collection Owners Association, Inc., an Arizona nonprofit corporation, being the organization of persons who own Memberships in the Association, together with its successors and assigns.

“Board” means the board of directors of the Association.

“Bylaws” means the bylaws of the Association, as the same may be amended from time to time.

“Capital Assessment” means a charge against each Member (other than Seller) and such Member’s Membership which the Board may approve from time to time, representing the cost to the Association for purchase, lease, installation, construction or reconstruction of any capital improvements for the benefit of the Association, or for any other item for which sufficient funds are otherwise unavailable.

“Collection” means the Premiere Vacation Collection, a points-based, multisite, timeshare use vacation club, established by the Plan.

“Collection Accommodation” means the accommodations, where such accommodations are an apartment, condominium, home, villa, cooperative unit, cabin, lodge, hotel or motel room, or any other private or commercial structure or facility forming part of a parcel of real property, in which the Association owns one or more Resort Interests for the benefit of the Association and its Members.

“Collection Instruments” means the Plan, the Articles, the Bylaws, the Rules and Regulations, the Purchase Agreement, the Points Certificate and any other documents executed concurrently or in connection with the Purchase Agreement, and, where applicable, any Component Site Instruments.

“Common Expenses” means the actual and estimated costs of operating and managing the Association and its property including, but not limited to: Assessments, Association administrative costs, taxes, insurance, utilities, reserves, legal fees and accounting fees, and the annual maintenance fees or dues and other costs of ownership of the Resort Interests.

“Component Site” means a resort or other location at which at least one (1) Resort Interest and Collection Accommodation is located.

“Component Site Instruments” means the written instrument(s) pursuant to which any of the Resort Interests or Collection Accommodations were legally created or presently exist and/or which provide for the management, operation, maintenance, use and enjoyment of any of the Component Sites by the common owners thereof and which establishes benefits and burdens running with, and/or equitable servitudes upon, such property.

“Component Site Owners Association” means the entity responsible for the operation, physical maintenance and repair of a Component Site pursuant to its Component Site Instruments, where the Association is not the party so responsible.

“Exchange Program” means such service (if any) provided by any one or more external exchange companies as may, from time to time, be selected by the Association and Seller, whereby Members, for a fee, may exchange Occupancy Periods for comparable use privileges in other projects in an exchange company network.

“Maintenance Fee(s)” means an annual charge against each Member and such Member’s Membership, representing a pro-rata portion of the annual Common Expenses (including the annual maintenance fees, dues or other charges relating to the Resort Interests), but subject to the special provisions concerning Seller in the Plan. The Maintenance Fee shall be equal for all Memberships of a particular Membership type and Occupancy Period, but may vary among Memberships of different Membership types and Occupancy Periods.

“Manager” means the person or entity, its successors and assigns, engaged from time to time by the Association to undertake the duties, responsibilities, and obligations of managing the Collection and Association, pursuant to the then-effective management agreement.

“Member” or “Purchaser” means (a) any individual who executes a Purchase Agreement and thereby becomes a member of the Association and who is the grantee shown on the deed or leasehold assignment or a properly transferred and recorded subsequent deed or leasehold assignment in proper form, transferred in compliance with the Collection Instruments and/or (b) any individual who executes a Purchase Agreement and thereby becomes a member of the Association and who acquires points in the Collection. Member includes his or her permitted successors and assigns whose name is entered in the Register of Members.

“Membership” means the collection of occupancy and other rights and obligations of a Member set forth and described in the Collection Instruments, including without limitation occupancy and other rights of a Member who acquires points in the Collection. The Membership is initially conveyed, transferred and evidenced by the deed, leasehold assignment or Points Certificate.

“Minimum Points Threshold” means the minimum number of Points a Member needs to own in order to hold a valid Membership, as established by Seller.

“Occupancy Period” means that number of Days during which a Member may reserve the use of a Collection Accommodation in one or more Component Sites in accordance with the provisions of the Collection Instruments.

“Occupancy Year” means each Calendar Year during which a Member is entitled to occupy a Collection Accommodation pursuant to the terms hereof. The Association may designate another period as constituting the Occupancy Year.

“Permitted User” means any person, other than a Member, an exchange user or a hotel guest, occupying a Collection Accommodation or otherwise using a Component Site with or in lieu of, but with the permission of, any Member, such as such Member’s family, guests, employees, licensees or invitees. Any act or omission by a Permitted User shall be deemed the act or omission of the Member under whom such Permitted User occupies or uses.

“Personal Charges” means a charge against a particular Member and such Member’s Membership equal to: (a) any and all charges attributable to or incurred by a Member or a Permitted User during the use of a Collection Accommodation or Component Site; (b) the cost incurred by the Association for any corrective action performed pursuant to the provisions of this Plan; or (c) a reasonable fine or penalty assessed by the Association, plus interest and other charges thereon as provided for in this Plan.

“Plan” means that certain Second Amended and Restated Premiere Vacation Collection Membership Plan, together with all exhibits attached thereto, as may be amended or supplemented from time to time, pursuant to the provisions thereof.

“Points” means the currency of use within the Collection through which Members reserve the use and occupancy of Collection Accommodations in accordance with the Collection Instruments, with a specific number and type of Points being ascribed to each Membership.

“Points Certificate” means the certificate issued by Association to a Member naming that person(s) as a Member and specifying the number and type of Points held by that Member.

“Purchase Agreement” means the purchase agreement between Seller and the person named therein as “Buyer” providing for the sale by Seller and the purchase by Buyer of one or more Memberships.

“Register of Members” means the official register of the then current Members of the Association, including each Member’s name, address, telephone number and other information, as kept by the Secretary of the Association.

“Reservation Services Provider” means the entity engaged by the Association to provide reservation services for the Collection.

“Reservation System” means the method, arrangement, or procedure by which Members reserve use and occupancy of Collection Accommodations pursuant to the terms of the Collection Instruments.

“Resort Interests” mean specific interval ownership interests or other types of real property interests in one of more Component Sites owned or leased by the Association on behalf of and for the benefit of the Association and its Members.

“Rules and Regulations” means the rules and regulations of the Association, including and subject to any applicable rules and regulations as to any particular Component Site and the Collection Accommodations at such resort, all as the same may be amended from time to time.

“Seller” means ILX Acquisition, Inc., a Delaware corporation, and its successors and assigns, or any designated affiliate or subsidiary thereof and their successors and assigns.

“Special Assessment” means an Assessment levied by the Board upon Members as provided in the Plan.

“Term Points” means Points that will be available for a defined term.

EXHIBIT "A"**Premiere Vacation Collection Owners Association, Inc.
2015 Budget****REVENUES**

Assessment Revenue - Owners	\$ 21,300,359
Assessment Revenue - Developer	9,843,646
Other Income	503,896

TOTAL REVENUES	31,647,901

EXPENSES

Maintenance Fee Obligation	23,744,074
Management Fees	3,881,630
Bad Debt Expense	5,751,097
Developer Delinquency Contribution	(3,450,658)
Assessment, Billing & Accounting Fees	1,247,348
General & Administrative	357,798

TOTAL EXPENSES	31,531,289

SURPLUS/(DEFICIT)	116,612

Fund Balance/(Deficit), prior years	(954,356)

PROJ. FUND BALANCE/(DEFICIT), end of year	\$ (837,744)

2015 Assessments					
Points Values	3001 - 3500	4251 - 6000	6501 - 8500	8501+	
Base Standard Assessment	\$ 400.00	\$ 400.00	\$ 400.00	\$ 350.00	
Point Standard Assessment	\$ 0.13943	\$ 0.13943	\$ 0.13943	\$ 0.13943	

2015 Assessments - Every Other Year					
Points Values	1-1750	1751 - 3000	3501 - 4250	6001 - 6500	
Base Standard Assessment	\$ 200.00	\$ 200.00	\$ 200.00	\$ 175.00	
Point Standard Assessment	\$ 0.13943	\$ 0.13943	\$ 0.13943	\$ 0.13943	

Books and records of the Association are currently being maintained at 10615 Park Run Drive, Las Vegas, NV 89144.

EXHIBIT "B"**COMPONENT SITE SUMMARIES
PREMIERE VACATION COLLECTION****LOS ABRIGADOS RESORT & SPA
and
WINNERS CIRCLE AT LOS ABRIGADOS
160 Portal Lane
Sedona, Arizona 86336****Location of units:****a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town

The resorts are located in Sedona, Arizona, approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Unpaved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona-Sez Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for these developments is recorded in Book 3 of Land Surveys, Page 97, Coconino County, Arizona.

Narrative of Offering:

The resort consists of 185 units situated on approximately 20 acres of landscaping, Spanish-styled plazas, walkways and bridges. Los Abrigados offers one- and two-bedroom units, each with a separate living area, bedroom, mini-kitchen and balcony or

patio. Twenty-nine suites have a fireplace, twenty suites offer an outdoor whirlpool spa and eight suites contain a whirlpool bathtub. Twenty-one units offer full kitchenettes.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 312.0 Resort Interests in Cottonwood Units
- 190.5 Resort Interests in Flagstaff Units
- 224.5 Resort Interests in Oak Creek Units
- 104.0 Resort Interests in Orchard Units
- 42.0 Resort Interests in Stonehouse Units
- 104.0 Resort Interests in Winner's Circle Units
- 2879.5 Resort Interests in Jerome Units
- 976.0 Resort Interests in Sedona Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There are four restaurants, sports bar, billiards emporium, library, two pools, tennis courts, sports court, basketball court, bocce ball courts, fitness center and health spa offering, a variety of personal care services, aerobic and yoga classes, whirlpools, steam and sauna rooms, hydrotherapy and other personal care facilities. The project is situated on approximately 20 acres with landscaping, Spanish-styled plazas, walkways and bridges. Twenty suites offer a fireplace and whirlpool spa. Nine units offer full kitchenettes. The resort is designed in Southwestern decor and is surrounded by the red rocks of Oak Creek Canyon.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

INN AT LOS ABRIGADOS
170 Portal Lane
Sedona, Arizona 86336

Location of units:**a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Sedona, Arizona, approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Unpaved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for this development is recorded in Book 2 of Maps, Page 54, Coconino County, Arizona.

Narrative of Offering:

The resort consists of ten units adjacent to Los Abrigados Resort & Spa. The Inn at Los Abrigados consists of the main Morris House and nine bed and breakfast-style units in three buildings situated amidst a former apple orchard. The Morris House includes a multi-level luxury suite sleeping six, and features a sunken living room, full kitchen with dining area, a loft, two full bathrooms and a private backyard with patio and barbecue. The bed and breakfast-style units each feature king-size beds, a sitting area, microwave, refrigerator, coffee maker, full bath with shower and balcony or patio. Guests of the Inn at Los Abrigados have charge privileges at and full use of all Los Abrigados Resort & Spa amenities.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

306.5 Resort Interests in Inn Units

34.0 Resort Interests in Morris House Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

There are no amenities on-site, but the resort is adjacent to Los Abrigados Resort & Spa with full use of their amenities.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

KOHL'S RANCH LODGE
202 South Kohl's Ranch Lodge Road
Payson, Arizona, 85541

Location of units:**a. City/County/State**

Payson/Gila/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located 17 miles northeast of Payson, Arizona, and approximately 105 miles from Phoenix, Arizona. Payson is reached by traveling northeast on Highway 87 (Beeline Highway) from Phoenix. Once in Payson, turn east onto Highway 260 and travel approximately 16 miles. The resort is located on the right hand side of Highway 260.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Payson	15,547	17	0	17

c. Name, location and distance from the development of the nearest civilian airport:

Payson Municipal Airport is located at 806 West Airport Road, Payson, Arizona, and is approximately three and one-half (3-1/2) miles from the resort.

The Project Map for this development is recorded in Book 356 of Maps of the Official Records of Gila County, Arizona.

Narrative of Offering:

Kohl's Ranch is a 10.5 acre parcel bordered on the eastern side by Tonto Creek and is surrounded by the Tonto National Forest. The resort consists of 66 units, 41 of which are at the main lodge, 8 of which are one-and two-bedroom cabins along Tonto Creek, 12 of which are two-bedroom cabins along Tonto Creek, 3 of which are part of a triplex cabin, and a luxury two-bedroom and a one-bedroom unit comprise the Horton House building, also on Tonto Creek.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 157.0 Resort Interests in Christopher Creek Units
- 484.5 Resort Interests in Ponderosa Units
- 1539.0 Resort Interests in Zane Grey Units
- 624.0 Resort Interests in Canyon Creek Units
- 52.0 Resort Interests in Horton House Units
- 141.5 Resort Interests in Tonto Creek Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

There is an outdoor heated pool, outdoor whirlpool spa, exercise room, putting green, bocce ball court, children's playground and gazebos, sport court, food and beverage facilities, and kennel. Kohl's Ranch is a 10.5 acre property bordered on the eastern side by Tonto Creek and is surrounded by the Tonto National Forest. Kohl's Ranch consists of 52 units. Forty-one of the units are at the main lodge; eight units consist of one and two-bedroom cabins along Tonto Creek, and three units are part of a triplex cabin. Each unit is equipped with an air conditioner, telephone, color television and mini-kitchenette or full kitchen, and many have a fireplace.

Shopping Facilities:

There is all types of shopping in Payson, 17 miles from the resort. There are antique and craft shops in Pine, an additional 15 miles from Payson.

Public Transportation:

There is no public transportation at Kohl's Ranch. There is one taxi company in Payson, and a shuttle service to and fro the Payson airport.

Medical Facilities:

The Payson Medical Center, a full-service facility with a helicopter pad, is located 17 miles away.

Fire Protection:

The Christopher Creek Fire Department is located 5 miles from the project, and the Payson Fire Department is located 17 miles away. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Town of Payson Police Department is located 17 miles away.

VARSITY CLUBS OF AMERICA – TUCSON
3855 E. Speedway Blvd.
Tucson, Arizona 85716

Location of units:**a. City/County/State**

Tucson/Pima/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located about 3 miles from The University of Arizona in Tucson and approximately 100 miles from Phoenix, Arizona. Tucson is reached by traveling on Interstate 10 East from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Tucson	548,555	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Tucson International Airport is located at 7005 South Plumer Avenue, Tucson, Arizona, and is approximately 10 miles from the resort.

The Project Map for this development is recorded in Book 4 of Maps and Plats at Page 95, Pima County, Arizona.

Narrative of Offering:

The resort consists of 60 studio, one- and two-bedroom units. Each of the one- and two-bedroom suites features a king master bedroom, living room with sofa sleeper, kitchenette, whirlpool spa, as well as color television with premium movie channels. Amenities at this resort include a Spoils Lounge, Twenty-four Hour Sports Ticker, touchdown breakfast buffet, Joey Pizza (a popular restaurant theme originally introduced at Los Abrigados), billiards room, library, gift shop, fitness center, outdoor heated pool, whirlpool spa, children's playground, bocce ball court, business center and special events facilities.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

2134.5 Resort Interests in One Bedroom Units

171.0 Resort Interests in Studio Units

601.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

The resort has a sports lounge, 24-hour sports ticker, touchdown breakfast buffet, Joey Pizza, billiards room library, gift shop, fitness center, outdoor heated pool, whirlpool spa, steam room, children's playground, bocce ball court, business center and special events facilities.

Shopping Facilities:

There are numerous types of shopping facilities in the immediate vicinity.

Public Transportation:

There is a city bus stop in front of the resort on Speedway Boulevard. Taxis are readily available.

Medical Facilities:

The University Medical Center is 3 miles from the resort. The Tucson General Hospital is 6 miles from the resort.

Fire Protection:

The Tucson Municipal Fire Department has a station 3 miles from the resort. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Tucson Police Department has a station 3 miles from the resort.

GOLDEN EAGLE RESORT
(also known as The Historic Crag's Lodge)
300 Riverside Drive
Estes Park, Colorado 80517

Location of units:**a. City/County/State**

Estes Park/Larimer/Colorado

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located within 3 miles of the Rocky Mountain National Park and approximately 70 miles from Denver, Colorado. Estes Park is reached by traveling northwest on US-36 from Denver.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Estes Park	6,543	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Denver International Airport is located at 8500 Peña Boulevard, Denver, Colorado, and is approximately 77 miles from the resort.

The Project Map for this development is recorded at Reception No. 87050249, Larimer County, Colorado.

Narrative of Offering:

This resort consists of 33 total units and is bounded generally by undeveloped forested mountainside land, which offers mountain views from the resort. The Golden Eagle Resort is centered around the historic Crag's Lodge, a four-story wood frame building constructed in the early 1900's, which serves as the resort's main lodge. Amenities offered at this resort include a seasonal restaurant, bar and gathering area, as well as two other freestanding buildings containing six guest rooms and support facilities. Each unit at Golden Eagle features a fully equipped kitchenette, living and dining areas, television and video cassette player.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

601.0 Resort Interests in Executive Units

155.0 Resort Interests in Imperial Units

368.0 Resort Interests in Studio Units

88.0 Resort Interests in Deluxe Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

The resort includes a heated pool and spa as well as local outdoor attractions.

Shopping Facilities:

There are shops one-half mile from the resort.

Public Transportation:

There is no public transportation in Estes Park.

Medical Facilities:

There is a medical center .25 miles from the resort.

Fire Protection:

The Estes Park Fire Department has a station 1.5 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Estes Park Police Department has a station .75 mile from the resort.

VARSITY CLUBS OF AMERICA - SOUTH BEND

**3800 Main Street
Mishawaka, Indiana 46545**

Location of units:**a. City/County/State**

Mishawaka/St. Joseph/Indiana

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located approximately 3 miles from the University of Notre Dame and Notre Dame Stadium in South Bend, Indiana and approximately 90 miles from Chicago, Illinois. South Bend is reached by traveling on Interstate 90 East and Interstate 80 East from Chicago.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
South Bend	104,215	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

South Bend Regional Airport is located at 4477 Progress Drive, South Bend, Indiana, and is approximately 8 miles from the resort.

Narrative of Offering:

The VCA-South Bend offers a total of 86 units, consisting of one- and two-bedroom suites. Each one- and two-bedroom suite at VCA-South Bend includes a king master bedroom, living room with a sofa sleeper, kitchenette and whirlpool spa, steam room, as well as color television with premium movie channels.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

2656.0 Resort Interests in One Bedroom Units

45.0 Resort Interests in Rockne's Roost Units

45.0 Resort Interests in Leahy's Lair Units

282.5 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Commons areas at the resort include the Stadium Sports Lounge, featuring a theater-wall television in a stadium-type setting, fitness center with whirlpool spa, indoor/outdoor heated pool, bocce ball, children's playground, billiards room, library, gift shop, business center and special events facilities.

Shopping Facilities:

The Indian Ridge Shopping Center and University Park Mall are within 1 miles of the resort.

Public Transportation:

The Transpo Bus Service bus stop is 1 block from the project.

Medical Facilities:

The Edison Lakes Medical Center is 1 block away. St. Joseph Community Hospital is 3-4 miles away.

Fire Protection:

The Mishawaka Fire Department is 3 blocks from the resort. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Mishawaka Police Department is 3 miles from the project.

SEA OF CORTEZ BEACH CLUB

**Paseo Mar Bermeio Norte
Parcelo No. 4, Interior 3 Los Algonos
San Carlos, Nuevo Guaymas
Sonora, Mexico CF85506**

Location of units:**a. City/County/State**

San Carlos, Nuevo Guaymas, Sonora, Mexico

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in San Carlos, Nuevo Guaymas, Sonora, Mexico. It can be reached by crossing the United States-Mexico border at Nogales and traveling south on Highway 15 for approximately 260 miles.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Guaymas	130,000	20	0	20

c. Name, location and distance from the development of the nearest civilian airport:

Guaymas International Airport is located in Sonora, Mexico, and is approximately 15 miles from the resort.

Narrative of Offering:

This resort is situated on a 50 meter by 99.2 meter beach front property and consists of a four-level structure comprising 30 studio, one- and two-bedroom units, all overlooking the Sea of Cortez.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 300.0 Resort Interests in One Bedroom Units
- 400.0 Resort Interests in Studio Units
- 100.0 Resort Interests in Penthouse Units
- 700.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The resort includes a reception area and common areas with a pool, whirlpool, showers and bathrooms as well as an oceanside palapa serving meals and beverages. The project also has full use rights to adjacent San Carlos Plaza Hotel. The project is on beach front property.

Shopping Facilities:

There is all types of shopping in San Carlos, including arts and crafts. Shopping I Guaymas is 20 miles away.

Public Transportation:

There is bus service to Guaymas and local taxi service.

Medical Facilities:

There is first aid service and doctors 3 miles from the project. Sanitorio Sanchez Hospital, Municipal Hospital and Sociale Securite are each 20 miles from the project.

Fire Protection:

The Guaymas Fire Department is located 20 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available to the project.

Police Service:

The San Carlos Police Department is 3 miles from the project.

**ROUNDHOUSE RESORT and
PREMIERE VACATION CLUB AT THE ROUNDHOUSE RESORT
5829 Bucksprings Road
P.O. Box 2328
Pinetop, Arizona 85935**

Location of units:**a. City/County/State**

Pinetop/Navajo/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in the White Mountains of northeastern Arizona near Pinetop, Arizona and is approximately 190 miles from Phoenix, Arizona. Pinetop is reached by traveling on Interstate 10 East and US-60 East from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Pinetop	4,522	2	0	2

c. Name, location and distance from the development of the nearest civilian airport:

Show Low Regional Airport is located at 3150 Airport Loop Road, Show Low, Arizona, and is approximately 17 miles from the resort.

The Project Map for this development is recorded in Book 20 of Maps, Page 29, records of Navajo County, Arizona.

Narrative of Offering:

The resort consists of 80 studio and one- and two-bedroom accommodations.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

1,092.0 Resort Interests in 2-Bedroom Units
26.0 Resort Interests in Aspen Units
129.0 Resort Interests in Pine Units
7.0 Resort Interests in Oak Units

32.0 Resort Interests in Juniper Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The Roundhouse project has an indoor pool, racquetball courts, basketball court and fitness center. It is on a 10-acre railroad-themed property located in the White Mountains of northeastern Arizona. Premiere Vacation Club at the Roundhouse Resort has an outdoor recreation area offering various activities.

Shopping Facilities:

There is a Safeway and other shops in Pinetop, 4 miles from the resort.

Public Transportation:

The Four Seasons Connection transit bus runs from Show Low to the Hon Dah Casino on Highway 260.

Medical Facilities:

The Navapache Regional Hospital is located in Show Low, 24 miles from the project.

Fire Protection:

The Pinetop Fire Department is 4 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Pinetop-Lakeside Police Department is 4 miles from the project.

CARRIAGE HOUSE RESORT
105 E. Harmon
Las Vegas, Nevada 89104

Location of units:**a. City/County/State**

Las Vegas/Clark/Nevada

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located one block from the Las Vegas Strip between the MGM Grand and the Aladdin Hotels.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Pahrump, NV	32,979	60	0	60
N. Las Vegas	115,488	10		10
Henderson	175,381	15		15

c. Name, location and distance from the development of the nearest civilian airport:

McCarran International Airport is located at 5757 Wayne Newton Boulevard, Las Vegas, Nevada and is approximately 3 miles from the project.

The Project Map for this development is recorded in Book 16 of Plats, at Page 71, Clark County, Nevada.

Narrative of Offering:

The Carriage House is a 9-story luxury non-gaming hotel which consists of a total of 155 studio, one- and two-bedroom units. Each unit includes either a kitchenette or a fully equipped kitchen.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

1305.0 Resort Interests in One Bedroom Units

806.0 Resort Interests in Studio Units

122.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There is a restaurant, tennis court, basketball court, guest laundry facilities, and a swimming pool and spa at the project.

Shopping Facilities:

There are numerous shopping facilities in the vicinity of the project for all types of shopping.

Public Transportation:

There is a city bus system that services the Las Vegas area with a stop within one block of the Carriage House. Taxicabs are available at the project.

Medical Facilities:

There are eight major hospitals in the area. The hospital nearest the project is the Desert Springs Hospital, 2075 E. Flamingo, Las Vegas, Nevada.

Fire Protection:

The Clark County Fire Department provides fire service. The closest fire station is located approximately 1.5 miles from the project.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Las Vegas Metropolitan Police Department provides service to the project with its main station approximately 2 miles from the project.

BELL ROCK INN
6146 Highway 179
Oak Creek, Arizona 86351

Location of units:**a. City/County/State**

Oak Creek/Yavapai/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in the Village of Oak Creek, the gateway to Sedona, Arizona, approximately 100 miles from Phoenix, Arizona. Oak Creek is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Sedona	11,598	5	0	5

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 10 miles from the resort.

The Project Map for this development is recorded in Book 12 of Maps and Plats, Page 64, Yavapai County, Arizona.

Narrative of Offering:

The resort consists of 85 studio, one- and two-bedroom units. The one- and two-bedroom units have full kitchens, and the studio units have refrigerators, microwaves and in-room coffee makers. Some units have fireplaces and/or whirlpool tubs.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

1300.0 Resort Interests in One Bedroom Units

2704.0 Resort Interests in Studio Units

416.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There is a restaurant, sports bar, billiards room, two heated swimming pools, two hot tubs, and banquet and conference facilities. In addition, members staying at the Bell Rock Inn have use of the facilities at the nearby Los Abrigados Resort and Spa.

Shopping Facilities:

There is an Outlet Mall in the Village of Oak Creek, 1 mile away, and many other shops and strip centers throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 7 miles from the project, and the Sedona Medical Center is 9 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 8 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 8 miles away.

SCOTTSDALE CAMELBACK RESORT
6302 E. Camelback Road
Scottsdale, Arizona 85251

Location of units:**a. City/County/State**

Scottsdale/Maricopa/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Scottsdale, Arizona, a few blocks east of Phoenix, Arizona.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Phoenix	1,601,587	1	0	1

c. Name, location and distance from the development of the nearest civilian airport:

Phoenix Sky Harbor International Airport is located at 3400 E. Sky Harbor Boulevard, Phoenix, Arizona and is approximately 9 miles from the resort.

The Project Map for this development is recorded in Book 240 of Maps, Page 39, and Amended Plats recorded in Book 329 of Maps, Page 26, and in Book 332 of Maps, Page 34, Maricopa County, Arizona.

Narrative of Offering:

The resort consists of a total of 112 studio, two- and three-bedroom units each with a fireplace, kitchen facilities and living and dining areas. Studio unit kitchens do not contain ovens, while two-and three- bedroom units provide full kitchens, including ovens.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

12.0 Resort Interests in Studio Units

24.0 Resort Interests in Three Bedroom Units

97.0 Resort Interests in Two Bedroom Units

40.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Amenities at the resort include a restaurant, indoor and outdoor whirlpool spas, fitness center, sauna, indoor racquetball court, heated outdoor swimming pool, 3 lighted tennis courts, a 9-hole executive putting green, a 9-hole miniature golf course, croquet court, sand volleyball court, horseshoe pits, bocce ball court, tether ball and children's playground.

Shopping Facilities:

There are numerous types of shopping facilities in the immediate vicinity, including the Fashion Square Mall, Old Town Scottsdale and the Fifth Avenue Shops.

Public Transportation:

There is a city bus stop in front of the property. Taxis are readily available.

Medical Facilities:

There is a hospital 2.8 miles from the project.

Fire Protection:

The Phoenix Fire Department has a station 3.4 miles from the project. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The project is served by the Scottsdale Police Department.

CELEBRITY HOUSE
133 Portal Lane
Sedona, Arizona 86336

Location of units:**a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Sedona, Arizona, adjacent to the Los Abrigados Resort & Spa. It is approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for this development is recorded in Book 2 of Maps, Page 54, Coconino County, Arizona.

Narrative of Offering:

The Celebrity House is a two-bedroom suite located in a separate building adjacent to the Los Abrigados Resort & Spa. The Celebrity House sleeps six and contains a hill kitchen, dining area, living room with fireplace and sleeper sofa, master bedroom with king bed and guest bedroom with queen bed.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

52.0 Resort Interests in Celebrity House Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The Celebrity House has a private backyard containing a patio, swimming pool and spa. Guests also have full use of the amenities at the adjacent Los Abrigados Resort & Spa.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

RANCHO MAÑANA RESORT
5720 East Rancho Mañana Boulevard
Cave Creek, Arizona 85331

Location of units:**a. City/County/State**

Cave Creek/Maricopa/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Cave Creek, Arizona, approximately 30 miles north of Phoenix, Arizona. Cave Creek is reached by traveling north from Phoenix on Interstate 10 and Cave Creek Road.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Cave Creek	3,728	0	0	0
Scottsdale	202,705	17		17
Phoenix	1,601,587	22		22

c. Name, location and distance from the development of the nearest civilian airport:

Phoenix Sky Harbor International Airport is located at 3400 E. Sky Harbor Boulevard, Phoenix, Arizona and is approximately 33 miles from the resort.

The Project Map for this development is recorded in Book 457 of Maps, Page 37, Maricopa County, Arizona.

Narrative of Offering:

The resort consists of 38 two-bedroom, two-bath units, (19 of which are Private Residence Club and whole ownership units), each with a full kitchen, living room, fireplace, and whirlpool tub in master bath.

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Amenities at the resort include a swimming pool, two hot tubs, lush landscaping and an outdoor fireplace. Adjacent to the property are a restaurant and a golf course.

Shopping Facilities:

The Carefree Town Center is 3 miles from the project, and there are shopping centers, department stores and malls within 20 miles of the project.

Public Transportation:

There is no city bus stop close to the property. However, taxis are readily available.

Medical Facilities:

The Desert Foothills Medical Center is 2.8 miles from the project, and the Mayo Clinic Hospital is 10 miles away.

Fire Protection:

The Rural Metro Fire Department has a station 28 miles from the project in Scottsdale. There are sprinklers, smoke detectors, and fire extinguishers in all units and fire alarms in each building.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The project is served by the Cave Creek/Carefree Sheriff's Office.



**Arizona Department of Real Estate (ADRE)
Investigations and Development Services Division**

**www.azre.gov
developments@azre.gov / investigations@azre.gov**

**JANICE K. BREWER
GOVERNOR**

**JUDY LOWE
COMMISSIONER**

**PHOENIX OFFICE
2910 N. 44th STREET STE-100
PHOENIX, AZ 85018**

**TIME-SHARE DISCLOSURE REPORT
(Public Report)**

FOR

PREMIERE VACATION COLLECTION

Registration No. DM10-055548

SELLER

**ILX ACQUISITION, INC.
10615 Park Run Drive
Las Vegas, Nevada 89144**

March 7, 2011
Effective Date

1st Amendment Date: September 12, 2011

PROPERTY REPORT DISCLAIMER

This report is NOT A RECOMMENDATION NOR AN ENDORSEMENT by the State of Arizona of this land but is provided for informational purposes ONLY. The report reflects information provided by the Seller and obtained by the Department in its review process in accordance with the provisions of Title 32, Chapter 20, Article 9, of the Arizona Revised Statutes, as amended. NOTE that not all of the information in this report has been verified by the Department; certain information has been accepted by the Department as true and accurate based on attestation of the Seller and/or the Seller's agents. The purchaser should verify all facts before signing any documents. The Department has not passed upon the quality or quantity of any improvement or structure and does not assume responsibility in either event.

THE ARIZONA DEPARTMENT OF REAL ESTATE**REQUIRES THAT:**

1. You BE GIVEN this public report;
2. YOU SIGN A RECEIPT indicating that you received this report;

RECOMMENDS:

1. You DO NOT SIGN ANY AGREEMENT before you have read this report;
2. You see an ACCURATE REPRESENTATION of the unit you are interested in BEFORE SIGNING any document for lease or purchase.

ARIZONA LAW STATES:

1. A PERSON SHALL NOT SELL OR LEASE OR OFFER FOR SALE OR LEASE IN THIS STATE TWELVE OR MORE TIME-SHARE INTERVALS WITHOUT FIRST OBTAINING A PUBLIC REPORT FROM THE COMMISSIONER. ANY SALE OR LEASE OF TWELVE OR MORE TIME-SHARE INTERVALS PRIOR TO ISSUANCE OF THE PUBLIC REPORT IS VOIDABLE BY THE PURCHASER. AN ACTION BY THE PURCHASER TO VOID SUCH TRANSACTION MUST BE BROUGHT WITHIN FIVE YEARS OF THE DATE OF THE EXECUTION OF THE PURCHASE AGREEMENT BY THE PURCHASER IN ANY SUCH ACTION, THE PREVAILING PARTY IS ENTITLED TO REASONABLE ATTORNEY FEES AS DETERMINED BY THE COURT.
2. ANY PURCHASE AGREEMENT FOR A TIMESHARE INTEREST MAY BE CANCELED BY THE PURCHASER WITHOUT CAUSE OF ANY KIND BY MAILING OR DELIVERING WRITTEN NOTICE OF CANCELLATION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH THE PURCHASER EXECUTED THE PURCHASE AGREEMENT. A NOTICE OF CANCELLATION MUST BE **MAILED OR DELIVERED TO ILXA C/O RESCISSION COORDINATOR, DIAMOND RESORTS FINANCIAL SERVICES, INC., 10600 WEST CHARLESTON BOULEVARD, LAS VEGAS, NEVADA 89135.**

GENERAL

This report includes: The Premiere Vacation Collection (the “Collection”) includes 156,244,500 timeshare points, or “Points,” representing 25,700 timeshare intervals or “Resort Interests.” The location, period, and quality of accommodation a Member of the Collection may reserve is determined by the number of Points owned by the Member. Definitions for capitalized terms used in this Public Report, such as “Occupancy Periods,” “Member,” and “Points,” may be found in the List of Definitions (“Definitions”) attached to this Public Report.

The Project Map for this development: is recorded in Book ____ of Maps ____ Page __, records of _____ County, State of _____. **See Component Site Summaries attached hereto as Exhibit B.**

The Project: The Collection is a points-based, multisite, timeshare use vacation club, established by the Plan (see Definitions), and presently includes Resort Interests (see Definitions) and opportunities for its Members (see Definitions) to reserve and use Collection Accommodations (see Definitions) in fifteen (15) Component Site (see Definitions) locations: four (4) in Sedona, Arizona; one (1) in Payson, Arizona; one (1) in Tucson, Arizona; two (2) near Pinetop, Arizona; one (1) in Village of Oak Creek, Arizona; one (1) in Scottsdale, Arizona; one (1) in Cave Creek, Arizona; one (1) in Estes Park, Colorado; one (1) in South Bend, Indiana; one (1) in Las Vegas, Nevada; and one (1) in San Carlos, Neuvo Guaymas, Sonora, Mexico.

TIME-SHARE USE

Sales: Memberships (see Definitions) are evidenced by right to use other than fee title. Members will receive a Points Certificate (see Definitions) and be entered on the Register of Members (see Definitions). Points are the currency of use within the Collection. Points are owned in perpetuity, except for Term Points (See Definitions), which will be available for a defined term as set forth in the Member’s Points Certificate. Currently all Resort Interests are held in perpetuity, except the Resort Interests in the Sea of Cortez Beach Club, which are based on a renewable twenty-five (25) year right to use agreement.

Lock-outs: None.

Maintenance period: There are 52 Occupancy Periods (see Definitions) available in each Collection Accommodation, except for Resort Interests at the Golden Eagle Resort, where there are 51 Occupancy Periods in each Collection Accommodation. The Association (see Definitions) or the applicable Component Site Owners Association (see Definitions) has the right to reserve up to one twenty-four (24) hour period (and a one-week period at the Golden Eagle Resort) in each calendar year as the maintenance period for each Collection Accommodation. If needed to maintain or upgrade the Collection Accommodation and if the vacancy rate is high enough to permit it, the Association or the Component Site Owners Association may reserve additional days for maintenance. The Association shall use its best efforts to reserve maintenance periods so as to maximize the use and enjoyment of the Collection Accommodations by Members and minimize any scheduling problems under the Reservation System (see Definitions).

PROJECT LOCATION

The Project: For Component Site addresses and directions, see Exhibit B attached hereto.

NARRATIVE OF OFFERING

Premiere Vacation Collection Owners Association, Inc., an Arizona non-profit corporation (the “Association”), operates the Collection, which is a points-based, multisite, timeshare use vacation club plan. Pursuant to the Second Amended and Restated Premiere Vacation Collection Membership Plan (the “Plan”), ILX Acquisition, Inc. (“Seller”), has the right to sell all Memberships in the Collection owned by the Association. The principal place of business of the Collection and the Seller is 10615 Park Run Drive, Las Vegas, Nevada 89144.

An individual may become a Member by purchasing a Membership in the Collection to which there is appurtenant a specific number of Points, which are the currency of use within the Collection. The Membership allows a Member to use Points to annually reserve Occupancy Periods in Collection Accommodations and related facilities at any Component Site.

The Minimum Points Threshold (see Definitions) for valid Membership is currently an annual allotment of 2,000 total Points. If the number of a Member’s annual allotment of Points falls below the Minimum Points Threshold for any reason, such as the partial transfer of Points or the expiration of the Member’s Term Points, the affected Membership will cease to be a valid Membership unless sufficient additional Points are acquired to meet the Minimum Points Threshold. The purchase of additional Points will be governed by prices in effect at the time of the purchase.

The Plan defines how the Collection operates and provides for the distribution of Occupancy Periods in Component Sites to its Members. The Collection currently includes Resort Interests in each of fifteen (15) Component Sites, eleven (11) in Arizona; one (1) in Colorado; one (1) in Indiana; one (1) in Nevada; and one (1) in Sonora, Mexico. The Seller holds the exclusive right, but not the obligation, to add additional Resort Interests to the Collection at these or at additional Component Sites, in its sole discretion. Such additional Resort Interests may be either fee simple interests that are perpetual in duration or leasehold interests that will not be available in perpetuity, but will have a definite term of duration.

Subject to the terms and conditions set forth in the Plan and the Collection Instruments (see Definitions), each Member or such Member’s Permitted User (see Definitions), for each Membership owned, has: (a) the exclusive right to occupy a Collection Accommodation and to use the common furnishings contained within such Collection Accommodation during the Member’s reserved Occupancy Period; and (b) the non-exclusive right to use and enjoy the common areas at the Component Site during the Member’s reserved Occupancy Period.

1. Reservation System:

(a) Ownership.

The Collection Instruments contemplate the use of a Reservation System that is owned and operated by Diamond Resorts International Club, Inc. (“DRIC”), a Florida corporation and

the Reservation Services Provider (see Definitions), which provides such services to the Members as provided for in an agreement between DRIC and the Association, a copy of which is available from the Association upon request. In the event that such agreement is terminated by either party for any reason, the Association will need to make arrangements with another Reservation Services Provider for such services and a replacement Reservation System.

(b) Operating Entity.

DRIC, which is an affiliate of the Manager (see Definitions), owns and operates the Reservation System. DRIC does not charge Members for making reservations. However, in order to make a reservation, a Member must be current in all Assessments (see Definitions) and other charges due the Association. DRIC may, in the future, charge a fee for making reservations in accordance with the Rules and Regulations (see Definitions).

(c) Summary of Rules Governing Reservation System:

The Rules and Regulations contain the required procedures concerning the making and cancelling of reservations and the use of Collection Accommodations. The following is a summary of the Rules and Regulations with respect to the Reservation System:

- (i) All reservations are on a first come, first served basis. The Rules and Regulations set forth any limitations on how far in advance a reservation may be made.
- (ii) All reservations are subject to space availability.
- (iii) A Member must have sufficient Points for each reservation made. Points may be saved from the current Occupancy Year (see Definitions) or borrowed from a future Occupancy Year in accordance with the Rules and Regulations.
- (iv) Reservations are subject to immediate cancellation without notice upon delinquency in payment of Assessments or delinquency in payment of any obligation owing to Seller, or if such reservations have been obtained in a manner designed to circumvent the intent of the Plan or any applicable Rules and Regulations.

PURCHASERS SHOULD CAREFULLY NOTE THE DATES AND “FIRST-COME, FIRST-SERVED” BASIS FOR HONORING RESERVATION REQUESTS. THE LONGER A MEMBER WAITS TO MAKE A RESERVATION, THE LESS LIKELY IT IS THAT THE MEMBER WILL BE ABLE TO RESERVE THE MEMBER’S FIRST CHOICE OF OCCUPANCY PERIODS.

COMPONENT SITES CONTAINED IN THIS MULTISITE TIMESHARE PLAN MAY BE SUBJECT TO PRIORITY RESERVATION FEATURES, WHICH MAY AFFECT YOUR ABILITY TO OBTAIN A RESERVATION.

2. Component Site Additions, Substitutions and Deletions:

(a) Component Site Additions.

(i) Basis For Additions.

Pursuant to the Plan, the Seller has the exclusive right, in its sole and absolute discretion, to add an unlimited number of additional Collection Accommodations to the Collection by arranging for the transfer of additional Resort Interests to the Association for the benefit of the Members and by executing appropriate amendments or supplements to the Collection Instruments and filing the same with the appropriate governmental authorities.

(ii) Authority Retaining Addition Right.

The Plan authorizes the Seller to unilaterally add Resort Interests and Collection Accommodations to the Collection.

(iii) Anticipated Effect of Additions Upon the Reservation System and Availability of Collection Accommodations.

The anticipated effect of the addition of Collection Accommodations to the Collection is expected to be positive, as Members will have additional alternative facilities at which to use their Points. Any negative effects of adding Collection Accommodations are expected to be minimal.

(b) Cap Upon Multisite Common Expenses if Additions.

The only limit on any increase that might be caused to Common Expenses (see Definitions) and Assessments due to the addition of Collection Accommodations to the Collection is the CPI Dues Adjustment Percentage (as defined in the Plan).

(c) Purchaser Right of Consent to Additions.

Members do not have the right to consent to or withhold their consent from any proposed addition of Resort Interests and Collection Accommodations and facilities to the Collection. The Plan grants the Seller the right to add Resort Interests to the Collection, but does not impose any obligation to do so, which the Seller may do in its sole and absolute discretion.

COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE ADDED TO THIS MULTISITE TIMESHARE PLAN WITHOUT THE CONSENT OF THE PURCHASERS/MEMBERS. THE ADDITION OF COLLECTION ACCOMMODATIONS AND FACILITIES TO THE TIMESHARE PLAN MAY RESULT IN THE ADDITION OF NEW MEMBERS WHO WILL COMPETE WITH EXISTING MEMBERS IN MAKING RESERVATIONS FOR THE USE OF AVAILABLE COLLECTION ACCOMMODATIONS AND FACILITIES WITHIN THE TIMESHARE PLAN, AND MAY ALSO RESULT IN AN INCREASE IN THE ANNUAL MAINTENANCE FEES AGAINST MEMBERS FOR COMMON EXPENSES.

(d) Component Site Substitution.

(i) Basis for Substitution.

The Seller may substitute Collection Accommodations through annexation and deannexation, as described herein, and may contract for additional Collection Accommodations to be made available without annexation as described in the Plan.

(ii) Anticipated Effect of Substitutions Upon the Reservation System and Availability of Collection Accommodations.

No material effects on the Reservation System or the availability of Component Sites or the operation of the Collection are expected from any needed replacements of Collection Accommodations. Purchasers should be aware, however, that as a result of a decision not to reconstruct damaged or dilapidated Collection Accommodations or during any reconstruction, replacement or acquisition period, or in the event the Sea of Cortez Beach Club 25-year right to use agreement is not renewed, Members in the Collection may temporarily compete for available Collection Accommodations on the basis of a greater than one-to-one Member to accommodation ratio.

(iii) Purchaser Right of Consent to Substitutions.

Members do not have the right to consent to or withhold their consent from any proposed replacement of Resort Interests and Collection Accommodations and facilities within the Collection. The Plan grants the Seller, in its sole and absolute discretion, the right to add Resort Interests to the Collection, but does not impose any obligation to do so.

NEW COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE SUBSTITUTED FOR EXISTING COLLECTION ACCOMMODATIONS AND FACILITIES OF THIS MULTISITE TIMESHARE PLAN WITHOUT THE CONSENT OF THE PURCHASERS. THE REPLACEMENT COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE LOCATED AT A DIFFERENT PLACE OR MAY BE OF A DIFFERENT TYPE OR QUALITY THAN THE REPLACED COLLECTION ACCOMMODATIONS AND FACILITIES. THE SUBSTITUTION OF COLLECTION ACCOMMODATIONS AND FACILITIES MAY ALSO RESULT IN AN INCREASE IN THE ANNUAL MAINTENANCE FEES AGAINST MEMBERS FOR COLLECTION COSTS.

EXCEPT FOR THE ABOVE, NEITHER SELLER NOR THE ASSOCIATION MAKES ANY REPRESENTATIONS WHATSOEVER REGARDING THE ADDITION OR SUBSTITUTION OF COLLECTION ACCOMMODATIONS AND NONE OF SELLER, THE BOARD OR THE ASSOCIATION SHALL HAVE ANY OBLIGATION TO ADD ADDITIONAL COLLECTION ACCOMMODATIONS OR SUBSTITUTE COLLECTION ACCOMMODATIONS.

(e) Component Site Deletion.

(i) Deannexation by Seller.

Pursuant to the Plan, the Seller has the exclusive right, in its sole and absolute discretion, to remove Collection Accommodations from the Collection by recording a declaration of deannexation. No deannexation may occur that would cause there to exist an insufficient amount of Resort Interests to accommodate the occupancy rights of all then existing Members in the manner described in the Plan. Upon a deannexation, the Association shall reconvey the deannexed Resort Interests to the Seller or its designee.

(ii) Deannexation for Casualty or Eminent Domain Action.

Collection Accommodations that are damaged, destroyed or the subject of eminent domain action may be removed from the Collection pursuant to Seller's right to deannex, as described in the Plan. During any period of repair, reconstruction or replacement, or as a result of any decision not to repair or replace, Members may temporarily compete for available Collection Accommodations on the basis of a greater than one-to-one Member to Collection Accommodation ratio.

(iii) Business Interruption Insurance Provision.

The Collection does not maintain business interruption insurance, but the respective Component Site Owners Associations maintain casualty and liability insurance on the respective Collection Accommodations at each location.

(iv) For Term Expiration.

Although only Sea of Cortez Beach Club includes Resort Interests that consist of right-to-use interests, the Plan allows more Resort Interests to be added to the Collection that consist of a leasehold interest or similar interest that will expire as of a certain date. The Points that are or will be appurtenant to such Resort Interests are categorized as Term Points and will be designated on the Member's Points Certificate as expiring by a specified date. Upon the occurrence of such expiration dates, such Term Points and the Resort Interests to which they are appurtenant will be deemed to be no longer included in the Collection and will no longer be subject to the Plan and the other Collection Instruments. No action is required on the part of the Seller, the Board (see Definitions), or the Association to effect this deletion from the Collection, other than the updating of any applicable list, map or other depiction of the Component Sites that are available for use by the Members and appropriately adjusting the Register of Members.

(v) Anticipated Effect of Deletions Upon the Reservation System and Availability of Component Sites.

No material effects on the Reservation System or the availability of Component Sites or the operation of the Collection are expected from any deletions of Collection Accommodations. During any reconstruction, replacement, or acquisition period, or as a result of a decision not to reconstruct damaged or dilapidated Collection Accommodations, or in the event the Sea of Cortez Beach Club 25-year right to use agreement is not renewed, Members may temporarily compete for available Collection Accommodations on the basis of a greater than one-to-one Members to accommodation ratio.

3. Purchaser's Liability for Fees Association with Multisite Timeshare Plan:

(a) Multisite Vacation Ownership Timeshare Plan Common Expenses.

The Plan provides for the establishment, levying and collection of Assessments to fund the Common Expenses and Capital Assessments (see Definitions).

(b) Annual Assessments and Special Assessments.

(i) Funding Common Expenses.

The Board determines the annual operating budget to provide for Collection operating expenses and capital reserves for each year. The budget is funded by an annual Assessment paid by Members. A copy of the current annual budget for the Association is attached hereto as **Exhibit A**.

The Association is obligated to pay for its share of Common Expenses to the appropriate Component Site Owners Associations with respect to Collection Accommodations owned in each Component Site. The Association's share of common expenses at all Component Sites is included in the Collection's annual budget. Indirectly, therefore, the Members are charged through the Collection Assessments for the expense of the assessments or dues levied by the Component Site Owners Associations, which are authorized to levy the same on behalf of the owners of each Component Site. Real estate taxes are included in the calculation of annual common expense assessments levied by the Component Site Owners Associations.

The Association and the Seller believe that the projected income in the current year's operating budget will be adequate to meet the Association's estimated Common Expenses and that no Special Assessments (see Definitions) will be necessary.

(ii) Special Assessments.

Under the Plan, the Board may levy a Special Assessment applicable to that period only, as may be necessary for the purpose of defraying, in whole or in part, the cost of any acquisition, construction, reconstruction, repair or replacement of any Collection Accommodation, including the furnishings related thereto, for which no reserves have been established or for deficiencies in such reserves or the purpose of defraying other extraordinary expenses relating to the mutual health, benefit, safety and welfare of the Members and/or the Association, or for purposes of funding any deficits in Assessments. No vote or written assent of the Members shall be required for the adoption of a Special Assessment.

Every Special Assessment shall be levied upon the same basis as that prescribed for the levying of the annual Assessment. The Board may levy a Special Assessment against all or fewer than all Members, depending upon the reason for the Special Assessment and the Members who will be affected by that reason. Special Assessments are to be collected as specified by the Board. Except as otherwise provided in the Collection Instruments, any Special Assessment shall be due and payable within thirty (30) days after the date upon which the written notice of such Special Assessment is mailed to the Members, unless the Board determines that instalment payments shall be permitted and provides each Member with an approved payment

schedule, in which case each Member's payments shall be made no later than the time specified in such payment schedule. If the Board authorizes the payment of any Special Assessment in instalments, no notice of the due date of each individual instalment payment shall be required to be given, other than the initial Special Assessment notice.

(c) Determining Assessments.

After the Board approves the annual operating budget, the Board shall determine the respective Assessment that shall be levied on each Membership according to the provisions of the Plan.

The Assessments will include all applicable state and local real estate taxes. Any goods and services tax or sales tax payable in connection with the sale of the Points is included in the purchase price for the Points. Any occupancy tax levied by any government entity upon Members using Collection Accommodations will be paid by those Members.

If the Seller transfers additional Resort Interests to the Association during the fiscal year, the Board may prepare a revised budget based on transfer of the additional Resort Interests and the issuance of additional Points and may adjust the Assessments accordingly.

(d) Payment of Assessments.

Except for Seller and Seller's affiliates for Memberships owned or held for sale, Assessments will be collected in advance on a monthly, quarterly or annual basis as determined by the Board. The initial Assessment will be due and payable by each Member, other than the Seller, at the time and in the manner set forth in such Member's Purchase Agreement (see Definitions). Subsequent Assessments will be due and payable by a Member within thirty (30) days after receipt of the applicable invoice or such other time as the Board may determine, commencing with the first fiscal year immediately succeeding the fiscal year in which a Membership was purchased, unless and until the Board institutes a different payment schedule by providing written notice thereof to each Member. In no event will the Assessment be due later than the first day of the Occupancy Year to which it relates. Members will be required to pay an Assessment for every fiscal year, regardless of whether the Member is entitled to, or does or does not, use and occupy a Collection Accommodation during that fiscal year.

Seller may, at its unilateral option without obligation, pay the Assessments attributable to unsold Memberships, however, pursuant to the Plan, Seller is under no obligation to pay Assessments attributable to unsold Memberships owned by the Association or held for sale.

(e) Responsible Entity for Multisite Common Expenses.

The responsible entity for determining the amount of the Common Expenses is the Association, through its Board. All Assessments for the funding of the Common Expenses are determined by the Board, and the Board is empowered by the Plan to increase such Assessments or to levy Special Assessments, if necessary.

(f) Lien Rights for Multisite Common Expenses.

A Member is delinquent if the Member fails to pay a Collection Assessment on or before the due date. In the event of such delinquency, the Association may take any of the following actions: (i) bring an action to recover a money judgement for the amount of any unpaid Assessments; (ii) exercise its rights to enforce its lien upon such Member's Membership and Points; or (iii) it may suspend some or all of the Member's rights.

All liens and unpaid Assessments shall be automatically enforceable in any manner authorized by law including but not limited to seizure, suit or power of sale.

THERE IS A LIEN OR LIEN RIGHT AGAINST EACH MEMBERSHIP TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER AMOUNTS DUE THE ASSOCIATION. A MEMBER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN ENFORCEMENT OF THE LIEN.

(g) Annual Increase Limitations.

The only limit on any increase that might be caused to Common Expenses and Assessments due to the addition of Collection Accommodations to the Collection is the CPI Dues Adjustment Percentage set forth in the Plan. Such limitation may not, however, apply to the level of annual common expense assessments that may be levied from time to time by the respective Component Site Owners Associations.

(h) Bad Debt/Working Capital Reserves.

Currently, each of the Component Site Owners Associations has established reserves to meet their respective bad debts and working capital requirements. The reserves for the current year are set out in the respective Component Site Owners Association budget, a copy of which is available from the Association upon request.

(i) Replacement/Deferred Maintenance Reserves.

Currently, each of the Component Site Owners Associations has established in its annual budget reserves for normal repairs and maintenance of the Collection Accommodations and replacement of equipment and furnishings. The reserves for the current year are set out in the respective Component Site Owners Association budget, a copy of which is available from the Association upon request.

UTILITIES

Electricity: Electricity is available at all Component Sites.

Telephone: Telephone service is available at all Component Sites.

Natural Gas: Natural gas and/or propane is available at all Component Sites.

Water: Water is available at all Component Sites.

Water Disclaimer for Kohl's Ranch Lodge:

The water supply is derived from two sources at Kohl's Ranch Lodge (the "Property"), a well on the Property, which feeds into a 200,000 gallon storage tank, and Indian Gardens Spring (approximately one-half mile south of the Property). It is unknown how potential drought conditions in the area will affect the quantity and long-term dependability of water available from the well or the Spring in relation to the current and proposed demands. Prior to 1984, the Spring met all the water requirements of the Property. Since drilling the well in 1984, the Spring has been unnecessary to service the Property. The well has been adequate to meet the Property's water requirements and Seller anticipates it will be adequate in the future. In the event it would be necessary, the Spring would be available to supplement the well source. The quality of the water supply has been acceptable for domestic use. Notwithstanding the foregoing, for reasons of the costs involved, Seller has chosen not to demonstrate to the Arizona Department of Water Resources that an adequate water supply exists, and as a consequence, that Department is required by law to find the Property's water supply to be inadequate.

Sewage Disposal: Sewage disposal is available at all Component Sites.

ACCESS STREETS AND ROADS

Access to the Development: Public streets are complete at all Component Sites and will be maintained by the appropriate municipality, county or state.

Access within the Development: Interior streets are complete at all Component Sites and will be maintained by the Component Site Owners Associations.

COMMON AREA FACILITIES

Within the Development: See Component Site Summaries attached hereto as Exhibit B.

Maintenance of Development Facilities: Development facilities are complete and will be maintained by the Component Site Owners Associations.

ASSURANCES FOR COMPLETION OF FACILITIES

Assurances for Completion of Development Facilities: All facilities at all Component Sites are complete.

LOCAL SERVICE AND FACILITIES

Shopping Facilities: See Component Site Summaries attached hereto as Exhibit B.

Public Transportation: Public transportation is available near all Component Sites, but may be more developed and frequent at some Component Sites than others. See Component Site Summaries attached hereto as Exhibit B.

Medical Facilities: See Component Site Summaries attached hereto as Exhibit B.

Fire Protection: See Component Site Summaries attached hereto as Exhibit B.

Ambulance Service: See Component Site Summaries attached hereto as Exhibit B.

Police Service: See Component Site Summaries attached hereto as Exhibit B.

SALES

Sales: Will be evidenced by a Purchase and Security Agreement. Purchaser will receive a Points Certificate and be entered into the Register of Members. The Purchaser's earnest money will be deposited into escrow with First American Title Insurance Company, 1160 Town Center Drive, Suite 100, Las Vegas, Nevada 89144.

TITLE AND ENCUMBRANCES

Title: Title to all Resort Interests is vested in the Association, for the benefit of the Members pursuant to the Plan, except for Resort Interests in the Sea of Cortez Beach Club, in which the Association holds a renewable twenty-five (25) year right-to-use.

Association's Interest: The Association holds bare legal title to the Resort Interests, subject to Seller's exclusive right to market and sell the Memberships as described in the Plan.

Seller's Interest: Seller or its affiliates or their predecessors in interest are the developers or assignee developers of the Collection. Seller has retained equitable title to the Resort Interests and has also received an assignment of the exclusive right to sell the Collection Memberships and Points associated with the unsold Resort Interests conveyed or to be conveyed to the Association.

Condition of Title and Encumbrances: All Memberships shall be conveyed to Members by Seller free and clear of any voluntary monetary encumbrances other than any lien securing the Member's purchase price and/or the obligations of the Member pursuant to the Collection Instruments. Other than the foregoing, all Resort Interests conveyed to the Association by Seller, and Memberships to be conveyed to a Member, shall be, and remain, free and clear of any voluntary monetary encumbrances securing obligations of Seller, its affiliates or the predecessors of either; provided, however, that such voluntary monetary encumbrances or other encumbrances shall be permissible so long as such encumbrances contain provisions that result at all times in there being, at least, sufficient free and clear Resort Interests and Memberships of the number of Memberships sold (other than to Seller) which allow such Members to exercise their occupancy and other rights hereunder without interference by a beneficiary of such encumbrance, as further described in the Plan.

MANAGEMENT AND EXCHANGE NETWORK

The Project: The Manager is Diamond Resorts Management, Inc. The Manager is an affiliate of Seller and has its principal place of business at 10600 West Charleston Blvd., Las Vegas, NV 89135.

Exchange Programs: THE Club® Exchange Program.

1. Functions of THE Club® Exchange Program.

Diamond Resorts International Club, Inc. (“DRIC”), a Florida corporation with offices at 10600 West Charleston Boulevard, Las Vegas, NV 89135 and an affiliate of the Developer, has established an exchange membership program and system known as “THE Club®”, pursuant to THE Club® Articles (“THE Club® Articles”) and THE Club® Amended and Restated Rules and Regulations (“THE Club® Rules”). DRIC has entered into affiliation agreements with various resorts and multisite vacation ownership time-share plans and thereby created a network of resorts at which members of THE Club® can utilize a wide variety of accommodations and facilities in exchange for the use of the accommodations that they own or have the right to use. DRIC has entered into an affiliation agreement with the Association allowing Members the right to access the accommodations and facilities within THE Club®.

THE Club® is a points-based exchange program. Points (referred to herein as “Exchange Points” to avoid confusion) are allocated to each accommodation that is available for use within such program and constitute the currency of use within THE Club®.

DRIC has established certain requirements regarding reservations, cancellations and penalties from time to time, and the member should be familiar with those requirements. A copy of the current policies is available from the membership services department of THE Club®. Any representations made regarding THE Club® exchange program by DRIC, its agents or employees or in its literature, brochures, videos or other promotional materials are solely the representations of DRIC and should not be relied upon as representations of the Seller or the Association.

(a) THE Club® Membership.

Purchasers will automatically be enrolled in THE Club®. Persons who acquire their membership in THE Club® from an existing Collection Member other than the Seller or an affiliate of Seller must be approved by DRIC before they will be enrolled in THE Club®, but once so approved, their enrolment in THE Club® will be mandatory.

According to the affiliation agreement with DRIC, membership in THE Club® may not be transferred without the consent of DRIC, and transfer of a Member’s Collection Membership does not have the effect of transferring the Member’s membership in THE Club® unless DRIC consents to such transfer and any transfer fee is paid.

(b) Reservations, Cancellations and Penalties.

Reservations and use of accommodations through THE Club[®] with the use of Exchange Points are subject to availability at the time the request is made. THE Club[®] has established certain requirements regarding reservations, cancellations and penalties from time to time, and the Member should be familiar with those requirements. A copy of the current policies is available from the member services department of THE Club[®].

(c) Cost of Participation.

As with other exchange programs, members of THE Club[®] are responsible for annual THE Club[®] membership fees and other charges to cover the costs of the operation of the exchange program, as provided in THE Club[®] Articles or THE Club[®] Rules. The current annual membership fee is two hundred sixty-four dollars (\$264.00) (U.S.) (“THE Club[®] Dues”). The affiliation agreement that the Association and the Seller have entered into with THE Club[®] calls for the Association to include the annual THE Club[®] Dues in the Association’s budget and Assessments. Accordingly, the Assessments paid by each Member will reflect the annual THE Club[®] Dues paid to THE Club[®] on behalf of participating Members. All members of THE Club[®] may make an exchange within THE Club[®] program without the payment of any transaction fee. Failure on the part of a member of THE Club[®] to pay THE Club[®] Dues may result in suspension or forfeiture of the member’s membership and any other applicable remedies. THE Club[®] Dues are subject to change.

2. Interval International Exchange Program.

(a) Functions of the I.I. Exchange Program.

DRIC has entered into an affiliation agreement with Interval International, LLC. (“I.I.”), an international vacation exchange company with offices at 6262 Sunshine Drive, Miami, Florida 33243. I.I. is not in any way affiliated with the Seller, the Manager, or any of their respective affiliates or subsidiaries. The affiliation arrangement with I.I. allows Members to temporarily exchange their use rights in a reserved Collection Accommodation for comparable use rights in accommodations at a wide variety of resorts that participate in the I.I. exchange program. Any representations made regarding the I.I. exchange program by I.I., its agents or employees, or in its literature, brochures, videos, or other promotional materials are solely the representations of I.I. and should not be relied upon as representations of the Seller, the Association, the Manager, THE Club[®] or DRIC.

(b) I.I. Exchange Program Membership.

Pursuant to the affiliation agreement between DRIC and I.I., each new member of THE Club[®] will automatically become a member of the I.I. exchange program.

According to the affiliation agreement with DRIC, membership in THE Club[®] (and therefore in the I.I. exchange program) may not be transferred without the consent of DRIC, and transfer of a Member’s Collection Membership does not have the effect of transferring the Member’s membership in THE Club[®] (and therefore in the I.I. exchange program) unless DRIC consents to such transfer and any transfer fee is paid.

(c) Reservations, Cancellations and Penalties.

Reservations and use of accommodations through the I.I. Exchange Program by the use of Exchange Points are subject to availability at the time the request is made. The I.I. Exchange Program has established certain requirements regarding reservations, cancellations, and penalties from time to time, and the Member should be familiar with those requirements. A copy of the current policies is available from the I.I. member services department.

(d) Cost of Participation.

Membership in THE Club[®] automatically includes membership in the I.I. exchange program with no additional annual membership fee. Members must pay to I.I. an exchange transaction fee of one hundred fifty-nine dollars (\$159.00 U.S.) for a domestic exchange and one hundred seventy-four dollars (\$174.00 U.S.) for an international exchange within the I.I. exchange program. These fees are subject to change.

THERE IS AN EXCHANGE PROGRAM MEMBERSHIP ASSOCIATED WITH THIS MULTISITE VACATION OWNERSHIP TIMESHARE PLAN. THE COLLECTION AND INDIVIDUAL COMPONENT SITES MAY BE AFFILIATED WITH ONE OR MORE EXCHANGE PROGRAMS WHEREBY MEMBERS MAY VOLUNTARILY EXCHANGE THEIR RIGHT TO USE AND OCCUPY COLLECTION ACCOMMODATIONS FOR COMPARABLE RIGHTS TO USE ACCOMMODATIONS IN OTHER RESORTS PARTICIPATING IN THE EXCHANGE PROGRAM. THERE IS NO GUARANTEE THAT THE COLLECTION OR ANY COMPONENT SITE WILL REMAIN AFFILIATED WITH ANY PARTICULAR EXCHANGE PROGRAM.

BUDGETS AND ASSESSMENTS

Operating Costs: A copy of the Collection's budget and proposed annual Maintenance Fees (see Definitions) or Assessments is attached as **Exhibit A**. It should be examined carefully to determine if it realistically and accurately projects current and future costs of managing and maintaining Component Sites. Annual Maintenance Fees are subject to periodic increase. Purchasers are advised that these Maintenance Fees and/or Assessments probably will increase as experience has shown in the industry.

Payment of Operating Costs: Will be paid by the Association through Assessments.

Assessments: Members will be required to pay a yearly Assessment according to Exhibit A attached hereto. Seller indicates the amount set forth in Exhibit A is adequate to support the Collection and the timeshare plan based on estimated costs of operation.

Financial Arrangements: Unsold Memberships are owned by the Association subject to Seller's exclusive right to sell such Memberships, and neither the Association or Seller are obligated to pay Assessments on such unsold Memberships. Notwithstanding the foregoing, Seller may voluntarily pay certain Maintenance Fees on a pro-rata share based on the unsold Memberships without obligation as it shall determine in its sole and subjective discretion.

Other Assessments: Special Assessments may be levied pursuant to the Plan. Personal Charges (see Definitions) may be incurred as a result of the act or omission of a Member pursuant to the Plan.

TAXES

Real Property Taxes: Each Component Site Owners Association will be billed by the applicable tax authority, and a pro rata share of the property tax bill will be included as part of each Member's Assessment.

Other Tax Assessments: May be levied by taxing authorities if deemed necessary.

OWNERS ASSOCIATIONS

Name of Association: Premiere Vacation Collection Owners Association, Inc., an Arizona non-profit corporation (the "Association").

Control of Association: Pursuant to the Plan, Seller has weighted voting power until 95% of the Total Authorized Voting Membership Shares (as defined in the Plan) are sold.

Title to Common Areas: Depending on the nature of the Component Site to which the Resort Interests relate, common areas or common elements are either owned by the Component Site Owners Association or are owned by owners in undivided interests but managed by the Component Site Owners Association. None of the Component Site common areas are titled in Seller.

Membership: A purchase of a Membership in the Collection will require that you be a Member of the Association. Through legally enforceable provisions in the Plan and as provided in your Purchase Agreement, your Membership in the Association will be mandatory and automatic the moment you make your purchase. Membership will mean certain responsibilities and obligations, such as:

In order to provide funds for operation and maintenance of the Collection, the Association will have authority to levy Assessments against your percentage of interest in the property. If you are delinquent in the payment of Assessments, the Association may enforce payment through court proceedings, or your Membership in the Collection or ability to use or occupy the Collection Accommodations, or participate in the management of the Association, may in other ways be in jeopardy.

The anticipated income and expense of the Association and the amount that you may expect to pay annually through Assessments should be outlined in, and predicated upon, budgets. A copy of the Budget is attached hereto as Exhibit A.

Your ownership or interest rights as a Member of the Association will be controlled by Collection Instruments, which include the Plan, the Articles (see Definitions), the Bylaws (see Definitions), the Rules and Regulations, and any other document or instrument which defines or governs the Collection. The provisions of these documents are intended to be, and, in most cases

are, enforceable in a court of law. Study these documents carefully before entering into a contract to purchase a Membership.

Until there are a sufficient number of Members, it is likely that the Seller will effectively control the affairs of the Association. It is frequently necessary and equitable that the developer do so during the early stages of development. It is important to Members that the transition from the Seller to all Members collectively be accomplished in an orderly manner.

When contemplating the purchase of a timeshare interest, you should consider factors beyond the attractiveness of the accommodations themselves. Study the governing instruments and give careful thought to whether you will be able to exist happily in an atmosphere of cooperative living where the interests of the group must be taken into account as well as the interest of the individual.

PAYMENTS, INCLUDING ASSESSMENTS, TO INTERVAL OWNERS ASSOCIATIONS, SUCH AS THE ASSOCIATION, ARE SUBJECT TO CHANGE IN ACCORDANCE WITH THE PLAN. THE ASSOCIATION MAY ALSO IMPOSE SPECIAL ASSESSMENTS. YOU ARE ADVISED TO READ THE PLAN, ARTICLES, BYLAWS, AND RULES AND REGULATIONS FOR THIS TIMESHARE PLAN TO DETERMINE THE RIGHTS OF INTERVAL OWNERS TO PARTICIPATE IN THE CONTROL OF THE INTERVAL OWNERS' ASSOCIATION AND TO DETERMINE THE RIGHTS, DUTIES AND LIMITATIONS OF OWNERS IN AND TO THE USE OF THEIR TIMESHARE INTEREST. FURTHER, YOU SHOULD DETERMINE FOR YOURSELF IF THE SELLER'S ARRANGEMENTS AND PLANS FOR THE PAYMENT OF ASSESSMENTS ON UNSOLD TIMESHARE INTERESTS WILL BE SUFFICIENT TO FULFILL THE NEEDS, DEMANDS AND FINANCIAL OBLIGATIONS OF THE ASSOCIATION, AS SET FORTH IN THE PLAN AND BYLAWS.

List of Definitions

Exhibit A – Budget

Exhibit B – Component Site Summaries

LIST OF DEFINITIONS

“Articles” means the articles of incorporation of Association, as the same may be amended from time to time.

“Assessments” means Maintenance Fees, Capital Assessments, Special Assessments, and Personal Charges which a Member is required to pay, which will include any assessments made pursuant to an Underlying Plan and any other assessments or charges levied by the Board on behalf of the Association that may from time to time be created by the Board, including without limitation all expenses denominated as Common Expenses by the Plan or unilaterally by the Board.

“Association” means Premiere Vacation Collection Owners Association, Inc., an Arizona nonprofit corporation, being the organization of persons who own Memberships in the Association, together with its successors and assigns.

“Board” means the board of directors of the Association.

“Bylaws” means the bylaws of the Association, as the same may be amended from time to time.

“Capital Assessment” means a charge against each Member (other than Seller) and such Member’s Membership which the Board may approve from time to time, representing the cost to the Association for purchase, lease, installation, construction or reconstruction of any capital improvements for the benefit of the Association, or for any other item for which sufficient funds are otherwise unavailable.

“Collection” means the Premiere Vacation Collection, a points-based, multisite, timeshare use vacation club, established by the Plan.

“Collection Accommodation” means the accommodations, where such accommodations are an apartment, condominium, home, villa, cooperative unit, cabin, lodge, hotel or motel room, or any other private or commercial structure or facility forming part of a parcel of real property, in which the Association owns one or more Resort Interests for the benefit of the Association and its Members.

“Collection Instruments” means the Plan, the Articles, the Bylaws, the Rules and Regulations, the Purchase Agreement, the Points Certificate and any other documents executed concurrently or in connection with the Purchase Agreement, and, where applicable, any Component Site Instruments.

“Common Expenses” means the actual and estimated costs of operating and managing the Association and its property including, but not limited to: Assessments, Association administrative costs, taxes, insurance, utilities, reserves, legal fees and accounting fees, and the annual maintenance fees or dues and other costs of ownership of the Resort Interests.

“Component Site” means a resort or other location at which at least one (1) Resort Interest and Collection Accommodation is located.

“Component Site Instruments” means the written instrument(s) pursuant to which any of the Resort Interests or Collection Accommodations were legally created or presently exist and/or which provide for the management, operation, maintenance, use and enjoyment of any of the Component Sites by the common owners thereof and which establishes benefits and burdens running with, and/or equitable servitudes upon, such property.

“Component Site Owners Association” means the entity responsible for the operation, physical maintenance and repair of a Component Site pursuant to its Component Site Instruments, where the Association is not the party so responsible.

“Exchange Program” means such service (if any) provided by any one or more external exchange companies as may, from time to time, be selected by the Association and Seller, whereby Members, for a fee, may exchange Occupancy Periods for comparable use privileges in other projects in an exchange company network.

“Maintenance Fee(s)” means an annual charge against each Member and such Member’s Membership, representing a pro-rata portion of the annual Common Expenses (including the annual maintenance fees, dues or other charges relating to the Resort Interests), but subject to the special provisions concerning Seller in the Plan. The Maintenance Fee shall be equal for all Memberships of a particular Membership type and Occupancy Period, but may vary among Memberships of different Membership types and Occupancy Periods.

“Manager” means the person or entity, its successors and assigns, engaged from time to time by the Association to undertake the duties, responsibilities, and obligations of managing the Collection and Association, pursuant to the then-effective management agreement.

“Member” or “Purchaser” means (a) any individual who executes a Purchase Agreement and thereby becomes a member of the Association and who is the grantee shown on the deed or leasehold assignment or a properly transferred and recorded subsequent deed or leasehold assignment in proper form, transferred in compliance with the Collection Instruments and/or (b) any individual who executes a Purchase Agreement and thereby becomes a member of the Association and who acquires points in the Collection. Member includes his or her permitted successors and assigns whose name is entered in the Register of Members.

“Membership” means the collection of occupancy and other rights and obligations of a Member set forth and described in the Collection Instruments, including without limitation occupancy and other rights of a Member who acquires points in the Collection. The Membership is initially conveyed, transferred and evidenced by the deed, leasehold assignment or Points Certificate.

“Minimum Points Threshold” means the minimum number of Points a Member needs to own in order to hold a valid Membership, as established by Seller.

“Occupancy Period” means that number of Days during which a Member may reserve the use of a Collection Accommodation in one or more Component Sites in accordance with the provisions of the Collection Instruments.

“Occupancy Year” means each Calendar Year during which a Member is entitled to occupy a Collection Accommodation pursuant to the terms hereof. The Association may designate another period as constituting the Occupancy Year.

“Permitted User” means any person, other than a Member, an exchange user or a hotel guest, occupying a Collection Accommodation or otherwise using a Component Site with or in lieu of, but with the permission of, any Member, such as such Member’s family, guests, employees, licensees or invitees. Any act or omission by a Permitted User shall be deemed the act or omission of the Member under whom such Permitted User occupies or uses.

“Personal Charges” means a charge against a particular Member and such Member’s Membership equal to: (a) any and all charges attributable to or incurred by a Member or a Permitted User during the use of a Collection Accommodation or Component Site; (b) the cost incurred by the Association for any corrective action performed pursuant to the provisions of this Plan; or (c) a reasonable fine or penalty assessed by the Association, plus interest and other charges thereon as provided for in this Plan.

“Plan” means that certain Second Amended and Restated Premiere Vacation Collection Membership Plan, together with all exhibits attached thereto, as may be amended or supplemented from time to time, pursuant to the provisions thereof.

“Points” means the currency of use within the Collection through which Members reserve the use and occupancy of Collection Accommodations in accordance with the Collection Instruments, with a specific number and type of Points being ascribed to each Membership.

“Points Certificate” means the certificate issued by Association to a Member naming that person(s) as a Member and specifying the number and type of Points held by that Member.

“Purchase Agreement” means the purchase agreement between Seller and the person named therein as “Buyer” providing for the sale by Seller and the purchase by Buyer of one or more Memberships.

“Register of Members” means the official register of the then current Members of the Association, including each Member’s name, address, telephone number and other information, as kept by the Secretary of the Association.

“Reservation Services Provider” means the entity engaged by the Association to provide reservation services for the Collection.

“Reservation System” means the method, arrangement, or procedure by which Members reserve use and occupancy of Collection Accommodations pursuant to the terms of the Collection Instruments.

“Resort Interests” mean specific interval ownership interests or other types of real property interests in one of more Component Sites owned or leased by the Association on behalf of and for the benefit of the Association and its Members.

“Rules and Regulations” means the rules and regulations of the Association, including and subject to any applicable rules and regulations as to any particular Component Site and the Collection Accommodations at such resort, all as the same may be amended from time to time.

“Seller” means ILX Acquisition, Inc., a Delaware corporation, and its successors and assigns, or any designated affiliate or subsidiary thereof and their successors and assigns.

“Special Assessment” means an Assessment levied by the Board upon Members as provided in the Plan.

“Term Points” means Points that will be available for a defined term.

EXHIBIT "A"

**Premiere Vacation Collection Owners Association, Inc.
2011 Budget (Points Based)**

Revenues

Maintenance Fee Revenue-Owners	\$ 14,725,232
Maintenance Fee Revenue-Developer (A)	6,494,466
Developer Delinquency Contribution	1,351,776
Late Charge Income	233,763
Total Revenues	\$ 22,805,238

Expenses**Operating Expenses**

Maintenance Fees - Whole Owned by Association	\$ 4,715,210
Maintenance Fees - Partial Owned by Association	10,817,067
Maintenance Fees - Non-managed properties	1,366,523
Credit Card Charges	218,726
Owner Committee Meeting Expense	10,631
Postage	18,285
Audit Fee	20,000
Printing & Stationery	14,262
Contract Service - Fire Alarms - Rancho Manana	4,536
Utilities - Rancho Manana	3,000
Membership Dues & Subscriptions	300
Licenses, Permits, Registration & Fees	130
Corporate Allocation Expense	400,000
Total Operating Expenses	\$ 17,588,671

Other Operating Expenses

Bad Debt	\$2,252,960.57
Management Fee	2,633,043.94
Interest Expense - Bank Term Loan	18,978.95
Insurances-Other - Rancho Manana	10,485.84
Insurances-Other	1,098.36
Total Other Operating Expense	\$ 4,916,568

Total Expenses

Surplus / (Loss)	300,000
Loan Payment - 2011	(300,000)
Total	\$ -

2011 Assessments					
Category	Copper	Silver	Gold	Platinum	
Points Value	2000 - 3500	3501 - 6000	6001-8500	8501+	
Operational Assessment	\$ 400.00	\$ 275.00	\$ 270.00	\$ 150.00	
Point Standard Assessment (Fee					
Per Point)	\$ 0.0858	\$ 0.0858	\$ 0.0858	\$ 0.0858	
THE Club®	\$ 264.00	\$ 264.00	\$ 264.00	\$ 264.00	

THE Club® Dues are provided for informational purposes only. They are not part of the assessments, but are fees associated with THE Club®

(A) Subject to the provisions of that certain Temporary Assessment Agreement by and between ILX Acquisition, Inc. and the Association, which shall expire on December 31, 2011.

Books and records of the Association are currently being maintained at 10615 Park Run Drive, Las Vegas, NV 89144.

EXHIBIT "B"**COMPONENT SITE SUMMARIES
PREMIERE VACATION COLLECTION****LOS ABRIGADOS RESORT & SPA
and
WINNERS CIRCLE AT LOS ABRIGADOS
160 Portal Lane
Sedona, Arizona 86336****Location of units:****a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town

The resorts are located in Sedona, Arizona, approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Unpaved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona-Sez Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for these developments is recorded in Book 3 of Land Surveys, Page 97, Coconino County, Arizona.

Narrative of Offering:

The resort consists of 185 units situated on approximately 20 acres of landscaping, Spanish-styled plazas, walkways and bridges. Los Abrigados offers one- and two-bedroom units, each with a separate living area, bedroom, mini-kitchen and balcony or

patio. Twenty-nine suites have a fireplace, twenty suites offer an outdoor whirlpool spa and eight suites contain a whirlpool bathtub. Twenty-one units offer full kitchenettes.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 312.0 Resort Interests in Cottonwood Units
- 190.5 Resort Interests in Flagstaff Units
- 224.5 Resort Interests in Oak Creek Units
- 104.0 Resort Interests in Orchard Units
- 42.0 Resort Interests in Stonehouse Units
- 104.0 Resort Interests in Winner's Circle Units
- 2879.5 Resort Interests in Jerome Units
- 976.0 Resort Interests in Sedona Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There are four restaurants, sports bar, billiards emporium, library, two pools, tennis courts, sports court, basketball court, bocce ball courts, fitness center and health spa offering, a variety of personal care services, aerobic and yoga classes, whirlpools, steam and sauna rooms, hydrotherapy and other personal care facilities. The project is situated on approximately 20 acres with landscaping, Spanish-styled plazas, walkways and bridges. Twenty suites offer a fireplace and whirlpool spa. Nine units offer full kitchenettes. The resort is designed in Southwestern decor and is surrounded by the red rocks of Oak Creek Canyon.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

INN AT LOS ABRIGADOS
170 Portal Lane
Sedona, Arizona 86336

Location of units:**a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Sedona, Arizona, approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Unpaved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for this development is recorded in Book 2 of Maps, Page 54, Coconino County, Arizona.

Narrative of Offering:

The resort consists of ten units adjacent to Los Abrigados Resort & Spa. The Inn at Los Abrigados consists of the main Morris House and nine bed and breakfast-style units in three buildings situated amidst a former apple orchard. The Morris House includes a multi-level luxury suite sleeping six, and features a sunken living room, full kitchen with dining area, a loft, two full bathrooms and a private backyard with patio and barbecue. The bed and breakfast-style units each feature king-size beds, a sitting area, microwave, refrigerator, coffee maker, full bath with shower and balcony or patio. Guests of the Inn at Los Abrigados have charge privileges at and full use of all Los Abrigados Resort & Spa amenities.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

306.5 Resort Interests in Inn Units

34.0 Resort Interests in Morris House Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

There are no amenities on-site, but the resort is adjacent to Los Abrigados Resort & Spa with full use of their amenities.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

KOHL'S RANCH LODGE
202 South Kohl's Ranch Lodge Road
Payson, Arizona, 85541

Location of units:**a. City/County/State**

Payson/Gila/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located 17 miles northeast of Payson, Arizona, and approximately 105 miles from Phoenix, Arizona. Payson is reached by traveling northeast on Highway 87 (Beeline Highway) from Phoenix. Once in Payson, turn east onto Highway 260 and travel approximately 16 miles. The resort is located on the right hand side of Highway 260.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Payson	15,547	17	0	17

c. Name, location and distance from the development of the nearest civilian airport:

Payson Municipal Airport is located at 806 West Airport Road, Payson, Arizona, and is approximately three and one-half (3-1/2) miles from the resort.

The Project Map for this development is recorded in Book 356 of Maps of the Official Records of Gila County, Arizona.

Narrative of Offering:

Kohl's Ranch is a 10.5 acre parcel bordered on the eastern side by Tonto Creek and is surrounded by the Tonto National Forest. The resort consists of 66 units, 41 of which are at the main lodge, 8 of which are one-and two-bedroom cabins along Tonto Creek, 12 of which are two-bedroom cabins along Tonto Creek, 3 of which are part of a triplex cabin, and a luxury two-bedroom and a one-bedroom unit comprise the Horton House building, also on Tonto Creek.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 157.0 Resort Interests in Christopher Creek Units
- 484.5 Resort Interests in Ponderosa Units
- 1539.0 Resort Interests in Zane Grey Units
- 624.0 Resort Interests in Canyon Creek Units
- 52.0 Resort Interests in Horton House Units
- 141.5 Resort Interests in Tonto Creek Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

There is an outdoor heated pool, outdoor whirlpool spa, exercise room, putting green, bocce ball court, children's playground and gazebos, sport court, food and beverage facilities, and kennel. Kohl's Ranch is a 10.5 acre property bordered on the eastern side by Tonto Creek and is surrounded by the Tonto National Forest. Kohl's Ranch consists of 52 units. Forty-one of the units are at the main lodge; eight units consist of one and two-bedroom cabins along Tonto Creek, and three units are part of a triplex cabin. Each unit is equipped with an air conditioner, telephone, color television and mini-kitchenette or full kitchen, and many have a fireplace.

Shopping Facilities:

There is all types of shopping in Payson, 17 miles from the resort. There are antique and craft shops in Pine, an additional 15 miles from Payson.

Public Transportation:

There is no public transportation at Kohl's Ranch. There is one taxi company in Payson, and a shuttle service to and fro the Payson airport.

Medical Facilities:

The Payson Medical Center, a full-service facility with a helicopter pad, is located 17 miles away.

Fire Protection:

The Christopher Creek Fire Department is located 5 miles from the project, and the Payson Fire Department is located 17 miles away. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Town of Payson Police Department is located 17 miles away.

VARSITY CLUBS OF AMERICA – TUCSON
3855 E. Speedway Blvd.
Tucson, Arizona 85716

Location of units:**a. City/County/State**

Tucson/Pima/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located about 3 miles from The University of Arizona in Tucson and approximately 100 miles from Phoenix, Arizona. Tucson is reached by traveling on Interstate 10 East from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Tucson	548,555	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Tucson International Airport is located at 7005 South Plumer Avenue, Tucson, Arizona, and is approximately 10 miles from the resort.

The Project Map for this development is recorded in Book 4 of Maps and Plats at Page 95, Pima County, Arizona.

Narrative of Offering:

The resort consists of 60 studio, one- and two-bedroom units. Each of the one- and two-bedroom suites features a king master bedroom, living room with sofa sleeper, kitchenette, whirlpool spa, as well as color television with premium movie channels. Amenities at this resort include a Spoils Lounge, Twenty-four Hour Sports Ticker, touchdown breakfast buffet, Joey Pizza (a popular restaurant theme originally introduced at Los Abigados), billiards room, library, gift shop, fitness center, outdoor heated pool, whirlpool spa, children's playground, bocce ball court, business center and special events facilities.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

2134.5 Resort Interests in One Bedroom Units

171.0 Resort Interests in Studio Units

601.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

The resort has a sports lounge, 24-hour sports ticker, touchdown breakfast buffet, Joey Pizza, billiards room library, gift shop, fitness center, outdoor heated pool, whirlpool spa, steam room, children's playground, bocce ball court, business center and special events facilities.

Shopping Facilities:

There are numerous types of shopping facilities in the immediate vicinity.

Public Transportation:

There is a city bus stop in front of the resort on Speedway Boulevard. Taxis are readily available.

Medical Facilities:

The University Medical Center is 3 miles from the resort. The Tucson General Hospital is 6 miles from the resort.

Fire Protection:

The Tucson Municipal Fire Department has a station 3 miles from the resort. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Tucson Police Department has a station 3 miles from the resort.

GOLDEN EAGLE RESORT
(also known as The Historic Crag's Lodge)
300 Riverside Drive
Estes Park, Colorado 80517

Location of units:**a. City/County/State**

Estes Park/Larimer/Colorado

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located within 3 miles of the Rocky Mountain National Park and approximately 70 miles from Denver, Colorado. Estes Park is reached by traveling northwest on US-36 from Denver.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Estes Park	6,543	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Denver International Airport is located at 8500 Peña Boulevard, Denver, Colorado, and is approximately 77 miles from the resort.

The Project Map for this development is recorded at Reception No. 87050249, Larimer County, Colorado.

Narrative of Offering:

This resort consists of 33 total units and is bounded generally by undeveloped forested mountainside land, which offers mountain views from the resort. The Golden Eagle Resort is centered around the historic Crag's Lodge, a four-story wood frame building constructed in the early 1900's, which serves as the resort's main lodge. Amenities offered at this resort include a seasonal restaurant, bar and gathering area, as well as two other freestanding buildings containing six guest rooms and support facilities. Each unit at Golden Eagle features a fully equipped kitchenette, living and dining areas, television and video cassette player.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

601.0 Resort Interests in Executive Units

155.0 Resort Interests in Imperial Units

368.0 Resort Interests in Studio Units

88.0 Resort Interests in Deluxe Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

The resort includes a heated pool and spa as well as local outdoor attractions.

Shopping Facilities:

There are shops one-half mile from the resort.

Public Transportation:

There is no public transportation in Estes Park.

Medical Facilities:

There is a medical center .25 miles from the resort.

Fire Protection:

The Estes Park Fire Department has a station 1.5 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Estes Park Police Department has a station .75 mile from the resort.

VARSITY CLUBS OF AMERICA - SOUTH BEND

**3800 Main Street
Mishawaka, Indiana 46545**

Location of units:**a. City/County/State**

Mishawaka/St. Joseph/Indiana

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located approximately 3 miles from the University of Notre Dame and Notre Dame Stadium in South Bend, Indiana and approximately 90 miles from Chicago, Illinois. South Bend is reached by traveling on Interstate 90 East and Interstate 80 East from Chicago.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
South Bend	104,215	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

South Bend Regional Airport is located at 4477 Progress Drive, South Bend, Indiana, and is approximately 8 miles from the resort.

Narrative of Offering:

The VCA-South Bend offers a total of 86 units, consisting of one- and two-bedroom suites. Each one- and two-bedroom suite at VCA-South Bend includes a king master bedroom, living room with a sofa sleeper, kitchenette and whirlpool spa, steam room, as well as color television with premium movie channels.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

2656.0 Resort Interests in One Bedroom Units

45.0 Resort Interests in Rockne's Roost Units

45.0 Resort Interests in Leahy's Lair Units

282.5 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Commons areas at the resort include the Stadium Sports Lounge, featuring a theater-wall television in a stadium-type setting, fitness center with whirlpool spa, indoor/outdoor heated pool, bocce ball, children's playground, billiards room, library, gift shop, business center and special events facilities.

Shopping Facilities:

The Indian Ridge Shopping Center and University Park Mall are within 1 miles of the resort.

Public Transportation:

The Transpo Bus Service bus stop is 1 block from the project.

Medical Facilities:

The Edison Lakes Medical Center is 1 block away. St. Joseph Community Hospital is 3-4 miles away.

Fire Protection:

The Mishawaka Fire Department is 3 blocks from the resort. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Mishawaka Police Department is 3 miles from the project.

SEA OF CORTEZ BEACH CLUB

**Paseo Mar Bermeio Norte
Parcelo No. 4, Interior 3 Los Algonos
San Carlos, Nuevo Guaymas
Sonora, Mexico CF85506**

Location of units:**a. City/County/State**

San Carlos, Nuevo Guaymas, Sonora, Mexico

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in San Carlos, Nuevo Guaymas, Sonora, Mexico. It can be reached by crossing the United States-Mexico border at Nogales and traveling south on Highway 15 for approximately 260 miles.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Guaymas	130,000	20	0	20

c. Name, location and distance from the development of the nearest civilian airport:

Guaymas International Airport is located in Sonora, Mexico, and is approximately 15 miles from the resort.

Narrative of Offering:

This resort is situated on a 50 meter by 99.2 meter beach front property and consists of a four-level structure comprising 30 studio, one- and two-bedroom units, all overlooking the Sea of Cortez.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

300.0 Resort Interests in One Bedroom Units

400.0 Resort Interests in Studio Units

100.0 Resort Interests in Penthouse Units

700.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The resort includes a reception area and common areas with a pool, whirlpool, showers and bathrooms as well as an oceanside palapa serving meals and beverages. The project also has full use rights to adjacent San Carlos Plaza Hotel. The project is on beach front property.

Shopping Facilities:

There is all types of shopping in San Carlos, including arts and crafts. Shopping I Guaymas is 20 miles away.

Public Transportation:

There is bus service to Guaymas and local taxi service.

Medical Facilities:

There is first aid service and doctors 3 miles from the project. Sanitorio Sanchez Hospital, Municipal Hospital and Sociale Securite are each 20 miles from the project.

Fire Protection:

The Guaymas Fire Department is located 20 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available to the project.

Police Service:

The San Carlos Police Department is 3 miles from the project.

**ROUNDHOUSE RESORT and
PREMIERE VACATION CLUB AT THE ROUNDHOUSE RESORT
5829 Bucksprings Road
P.O. Box 2328
Pinetop, Arizona 85935**

Location of units:**a. City/County/State**

Pinetop/Navajo/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in the White Mountains of northeastern Arizona near Pinetop, Arizona and is approximately 190 miles from Phoenix, Arizona. Pinetop is reached by traveling on Interstate 10 East and US-60 East from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Pinetop	4,522	2	0	2

c. Name, location and distance from the development of the nearest civilian airport:

Show Low Regional Airport is located at 3150 Airport Loop Road, Show Low, Arizona, and is approximately 17 miles from the resort.

The Project Map for this development is recorded in Book 20 of Maps, Page 29, records of Navajo County, Arizona.

Narrative of Offering:

The resort consists of 80 studio and one- and two-bedroom accommodations.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 26.0 Resort Interests in Aspen Units
- 129.0 Resort Interests in Pine Units
- 7.0 Resort Interests in Oak Units
- 32.0 Resort Interests in Juniper Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The Roundhouse project has an indoor pool, racquetball courts, basketball court and fitness center. It is on a 10-acre railroad-themed property located in the White Mountains of northeastern Arizona. Premiere Vacation Club at the Roundhouse Resort has an outdoor recreation area offering various activities.

Shopping Facilities:

There is a Safeway and other shops in Pinetop, 4 miles from the resort.

Public Transportation:

The Four Seasons Connection transit bus runs from Show Low to the Hon Dah Casino on Highway 260.

Medical Facilities:

The Navapache Regional Hospital is located in Show Low, 24 miles from the project.

Fire Protection:

The Pinetop Fire Department is 4 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Pinetop-Lakeside Police Department is 4 miles from the project.

CARRIAGE HOUSE RESORT
105 E. Harmon
Las Vegas, Nevada 89104

Location of units:**a. City/County/State**

Las Vegas/Clark/Nevada

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located one block from the Las Vegas Strip between the MGM Grand and the Aladdin Hotels.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Pahrump, NV	32,979	60	0	60
N. Las Vegas	115,488	10		10
Henderson	175,381	15		15

c. Name, location and distance from the development of the nearest civilian airport:

McCarran International Airport is located at 5757 Wayne Newton Boulevard, Las Vegas, Nevada and is approximately 3 miles from the project.

The Project Map for this development is recorded in Book 16 of Plats, at Page 71, Clark County, Nevada.

Narrative of Offering:

The Carriage House is a 9-story luxury non-gaming hotel which consists of a total of 155 studio, one- and two-bedroom units. Each unit includes either a kitchenette or a fully equipped kitchen.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

1305.0 Resort Interests in One Bedroom Units

806.0 Resort Interests in Studio Units

122.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There is a restaurant, tennis court, basketball court, guest laundry facilities, and a swimming pool and spa at the project.

Shopping Facilities:

There are numerous shopping facilities in the vicinity of the project for all types of shopping.

Public Transportation:

There is a city bus system that services the Las Vegas area with a stop within one block of the Carriage House. Taxicabs are available at the project.

Medical Facilities:

There are eight major hospitals in the area. The hospital nearest the project is the Desert Springs Hospital, 2075 E. Flamingo, Las Vegas, Nevada.

Fire Protection:

The Clark County Fire Department provides fire service. The closest fire station is located approximately 1.5 miles from the project.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Las Vegas Metropolitan Police Department provides service to the project with its main station approximately 2 miles from the project.

BELL ROCK INN
6146 Highway 179
Oak Creek, Arizona 86351

Location of units:**a. City/County/State**

Oak Creek/Yavapai/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in the Village of Oak Creek, the gateway to Sedona, Arizona, approximately 100 miles from Phoenix, Arizona. Oak Creek is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Sedona	11,598	5	0	5

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 10 miles from the resort.

The Project Map for this development is recorded in Book 12 of Maps and Plats, Page 64, Yavapai County, Arizona.

Narrative of Offering:

The resort consists of 85 studio, one- and two-bedroom units. The one- and two-bedroom units have full kitchens, and the studio units have refrigerators, microwaves and in-room coffee makers. Some units have fireplaces and/or whirlpool tubs.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

1300.0 Resort Interests in One Bedroom Units

2704.0 Resort Interests in Studio Units

416.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There is a restaurant, sports bar, billiards room, two heated swimming pools, two hot tubs, and banquet and conference facilities. In addition, members staying at the Bell Rock Inn have use of the facilities at the nearby Los Abrigados Resort and Spa.

Shopping Facilities:

There is an Outlet Mall in the Village of Oak Creek, 1 mile away, and many other shops and strip centers throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 7 miles from the project, and the Sedona Medical Center is 9 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 8 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 8 miles away.

SCOTTSDALE CAMELBACK RESORT
6302 E. Camelback Road
Scottsdale, Arizona 85251

Location of units:**a. City/County/State**

Scottsdale/Maricopa/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Scottsdale, Arizona, a few blocks east of Phoenix, Arizona.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Phoenix	1,601,587	1	0	1

c. Name, location and distance from the development of the nearest civilian airport:

Phoenix Sky Harbor International Airport is located at 3400 E. Sky Harbor Boulevard, Phoenix, Arizona and is approximately 9 miles from the resort.

The Project Map for this development is recorded in Book 240 of Maps, Page 39, and Amended Plats recorded in Book 329 of Maps, Page 26, and in Book 332 of Maps, Page 34, Maricopa County, Arizona.

Narrative of Offering:

The resort consists of a total of 112 studio, two- and three-bedroom units each with a fireplace, kitchen facilities and living and dining areas. Studio unit kitchens do not contain ovens, while two-and three- bedroom units provide full kitchens, including ovens.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

12.0 Resort Interests in Studio Units

24.0 Resort Interests in Three Bedroom Units

98.0 Resort Interests in Two Bedroom Units

40.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Amenities at the resort include a restaurant, indoor and outdoor whirlpool spas, fitness center, sauna, indoor racquetball court, heated outdoor swimming pool, 3 lighted tennis courts, a 9-hole executive putting green, a 9-hole miniature golf course, croquet court, sand volleyball court, horseshoe pits, bocce ball court, tether ball and children's playground.

Shopping Facilities:

There are numerous types of shopping facilities in the immediate vicinity, including the Fashion Square Mall, Old Town Scottsdale and the Fifth Avenue Shops.

Public Transportation:

There is a city bus stop in front of the property. Taxis are readily available.

Medical Facilities:

There is a hospital 2.8 miles from the project.

Fire Protection:

The Phoenix Fire Department has a station 3.4 miles from the project. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The project is served by the Scottsdale Police Department.

CELEBRITY HOUSE
133 Portal Lane
Sedona, Arizona 86336

Location of units:**a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Sedona, Arizona, adjacent to the Los Abrigados Resort & Spa. It is approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for this development is recorded in Book 2 of Maps, Page 54, Coconino County, Arizona.

Narrative of Offering:

The Celebrity House is a two-bedroom suite located in a separate building adjacent to the Los Abrigados Resort & Spa. The Celebrity House sleeps six and contains a hill kitchen, dining area, living room with fireplace and sleeper sofa, master bedroom with king bed and guest bedroom with queen bed.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

52.0 Resort Interests in Celebrity House Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The Celebrity House has a private backyard containing a patio, swimming pool and spa. Guests also have full use of the amenities at the adjacent Los Abrigados Resort & Spa.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

RANCHO MAÑANA RESORT
5720 East Rancho Mañana Boulevard
Cave Creek, Arizona 85331

Location of units:**a. City/County/State**

Cave Creek/Maricopa/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Cave Creek, Arizona, approximately 30 miles north of Phoenix, Arizona. Cave Creek is reached by traveling north from Phoenix on Interstate 10 and Cave Creek Road.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Cave Creek	3,728	0	0	0
Scottsdale	202,705	17		17
Phoenix	1,601,587	22		22

c. Name, location and distance from the development of the nearest civilian airport:

Phoenix Sky Harbor International Airport is located at 3400 E. Sky Harbor Boulevard, Phoenix, Arizona and is approximately 33 miles from the resort.

The Project Map for this development is recorded in Book 457 of Maps, Page 37, Maricopa County, Arizona.

Narrative of Offering:

The resort consists of 38 two-bedroom, two-bath units, (19 of which are Private Residence Club and whole ownership units), each with a full kitchen, living room, fireplace, and whirlpool tub in master bath.

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Amenities at the resort include a swimming pool, two hot tubs, lush landscaping and an outdoor fireplace. Adjacent to the property are a restaurant and a golf course.

Shopping Facilities:

The Carefree Town Center is 3 miles from the project, and there are shopping centers, department stores and malls within 20 miles of the project.

Public Transportation:

There is no city bus stop close to the property. However, taxis are readily available.

Medical Facilities:

The Desert Foothills Medical Center is 2.8 miles from the project, and the Mayo Clinic Hospital is 10 miles away.

Fire Protection:

The Rural Metro Fire Department has a station 28 miles from the project in Scottsdale. There are sprinklers, smoke detectors, and fire extinguishers in all units and fire alarms in each building.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The project is served by the Cave Creek/Carefree Sheriff's Office.



**Arizona Department of Real Estate (ADRE)
Investigations and Development Services Division**

www.azre.gov

developments@azre.gov / investigations@azre.gov

PHOENIX OFFICE

2910 N. 44th STREET STE-100

PHOENIX, AZ 85018

**JANICE K. BREWER
GOVERNOR**

**JUDY LOWE
COMMISSIONER**

**TIME-SHARE DISCLOSURE REPORT
(Public Report)**

FOR

PREMIERE VACATION COLLECTION

Registration No. DM10-055548

SELLER

**ILX ACQUISITION, INC.
10615 Park Run Drive
Las Vegas, Nevada 89144**

March 7, 2011

Effective Date

1st Amendment Date: September 12, 2011

2nd Amendment Date: January 23, 2012

PROPERTY REPORT DISCLAIMER

This report is NOT A RECOMMENDATION NOR AN ENDORSEMENT by the State of Arizona of this land but is provided for informational purposes ONLY. The report reflects information provided by the Seller and obtained by the Department in its review process in accordance with the provisions of Title 32, Chapter 20, Article 9, of the Arizona Revised Statutes, as amended. NOTE that not all of the information in this report has been verified by the Department; certain information has been accepted by the Department as true and accurate based on attestation of the Seller and/or the Seller's agents. The purchaser should verify all facts before signing any documents. The Department has not passed upon the quality or quantity of any improvement or structure and does not assume responsibility in either event.

THE ARIZONA DEPARTMENT OF REAL ESTATE

REQUIRES THAT:

1. You BE GIVEN this public report;
2. YOU SIGN A RECEIPT indicating that you received this report;

RECOMMENDS:

1. You DO NOT SIGN ANY AGREEMENT before you have read this report;
2. You see an ACCURATE REPRESENTATION of the unit you are interested in BEFORE SIGNING any document for lease or purchase.

ARIZONA LAW STATES:

1. A PERSON SHALL NOT SELL OR LEASE OR OFFER FOR SALE OR LEASE IN THIS STATE TWELVE OR MORE TIME-SHARE INTERVALS WITHOUT FIRST OBTAINING A PUBLIC REPORT FROM THE COMMISSIONER. ANY SALE OR LEASE OF TWELVE OR MORE TIME-SHARE INTERVALS PRIOR TO ISSUANCE OF THE PUBLIC REPORT IS VOIDABLE BY THE PURCHASER. AN ACTION BY THE PURCHASER TO VOID SUCH TRANSACTION MUST BE BROUGHT WITHIN FIVE YEARS OF THE DATE OF THE EXECUTION OF THE PURCHASE AGREEMENT BY THE PURCHASER IN ANY SUCH ACTION, THE PREVAILING PARTY IS ENTITLED TO REASONABLE ATTORNEY FEES AS DETERMINED BY THE COURT.
2. ANY PURCHASE AGREEMENT FOR A TIMESHARE INTEREST MAY BE CANCELED BY THE PURCHASER WITHOUT CAUSE OF ANY KIND BY MAILING OR DELIVERING WRITTEN NOTICE OF CANCELLATION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH THE PURCHASER EXECUTED THE PURCHASE AGREEMENT. A NOTICE OF CANCELLATION MUST BE MAILED OR DELIVERED TO ILXA C/O RESCISSION COORDINATOR, DIAMOND RESORTS FINANCIAL SERVICES, INC., 10600 WEST CHARLESTON BOULEVARD, LAS VEGAS, NEVADA 89135.

GENERAL

This report includes: The Premiere Vacation Collection (the “Collection”) includes 156,244,500 timeshare points, or “Points,” representing 25,700 timeshare intervals or “Resort Interests.” The location, period, and quality of accommodation a Member of the Collection may reserve is determined by the number of Points owned by the Member. Definitions for capitalized terms used in this Public Report, such as “Occupancy Periods,” “Member,” and “Points,” may be found in the List of Definitions (“Definitions”) attached to this Public Report.

The Project Map for this development: is recorded in Book ____ of Maps ____ Page __, records of _____ County, State of _____. See **Component Site Summaries attached hereto as Exhibit B.**

The Project: The Collection is a points-based, multisite, timeshare use vacation club, established by the Plan (see Definitions), and presently includes Resort Interests (see Definitions) and opportunities for its Members (see Definitions) to reserve and use Collection Accommodations (see Definitions) in fifteen (15) Component Site (see Definitions) locations: four (4) in Sedona, Arizona; one (1) in Payson, Arizona; one (1) in Tucson, Arizona; two (2) near Pinetop, Arizona; one (1) in Village of Oak Creek, Arizona; one (1) in Scottsdale, Arizona; one (1) in Cave Creek, Arizona; one (1) in Estes Park, Colorado; one (1) in South Bend, Indiana; one (1) in Las Vegas, Nevada; and one (1) in San Carlos, Neuvo Guaymas, Sonora, Mexico.

TIME-SHARE USE

Sales: Memberships (see Definitions) are evidenced by right to use other than fee title. Members will receive a Points Certificate (see Definitions) and be entered on the Register of Members (see Definitions). Points are the currency of use within the Collection. Points are owned in perpetuity, except for Term Points (See Definitions), which will be available for a defined term as set forth in the Member’s Points Certificate. Currently all Resort Interests are held in perpetuity, except the Resort Interests in the Sea of Cortez Beach Club, which are based on a renewable twenty-five (25) year right to use agreement.

Lock-outs: None.

Maintenance period: There are 52 Occupancy Periods (see Definitions) available in each Collection Accommodation, except for Resort Interests at the Golden Eagle Resort, where there are 51 Occupancy Periods in each Collection Accommodation. The Association (see Definitions) or the applicable Component Site Owners Association (see Definitions) has the right to reserve up to one twenty-four (24) hour period (and a one-week period at the Golden Eagle Resort) in each calendar year as the maintenance period for each Collection Accommodation. If needed to maintain or upgrade the Collection Accommodation and if the vacancy rate is high enough to permit it, the Association or the Component Site Owners Association may reserve additional days for maintenance. The Association shall use its best efforts to reserve maintenance periods so as to maximize the use and enjoyment of the Collection Accommodations by Members and minimize any scheduling problems under the Reservation System (see Definitions).

PROJECT LOCATION

The Project: For Component Site addresses and directions, see Exhibit B attached hereto.

NARRATIVE OF OFFERING

Premiere Vacation Collection Owners Association, Inc., an Arizona non-profit corporation (the “Association”), operates the Collection, which is a points-based, multisite, timeshare use vacation club plan. Pursuant to the Second Amended and Restated Premiere Vacation Collection Membership Plan (the “Plan”), ILX Acquisition, Inc. (“Seller”), has the right to sell all Memberships in the Collection owned by the Association. The principal place of business of the Collection and the Seller is 10615 Park Run Drive, Las Vegas, Nevada 89144.

An individual may become a Member by purchasing a Membership in the Collection to which there is appurtenant a specific number of Points, which are the currency of use within the Collection. The Membership allows a Member to use Points to annually reserve Occupancy Periods in Collection Accommodations and related facilities at any Component Site.

The Seller is currently requiring a minimum purchase of at least two thousand five-hundred (2,500) Points for new Members, but may sell any increment of Points to existing Members. The minimum number of Points that must be maintained in order to retain a valid Membership is two thousand (2,000). If the number of a Member’s annual allotment of Points falls below the Minimum Points Threshold for any reason, such as the partial transfer of Points or the expiration of the Member’s Term Points, the affected Membership will cease to be a valid Membership unless sufficient additional Points are acquired to meet the Minimum Points Threshold. The purchase of additional Points will be governed by prices in effect at the time of the purchase.

The Plan defines how the Collection operates and provides for the distribution of Occupancy Periods in Component Sites to its Members. The Collection currently includes Resort Interests in each of fifteen (15) Component Sites, eleven (11) in Arizona; one (1) in Colorado; one (1) in Indiana; one (1) in Nevada; and one (1) in Sonora, Mexico. The Seller holds the exclusive right, but not the obligation, to add additional Resort Interests to the Collection at these or at additional Component Sites, in its sole discretion. Such additional Resort Interests may be either fee simple interests that are perpetual in duration or leasehold interests that will not be available in perpetuity, but will have a definite term of duration.

Subject to the terms and conditions set forth in the Plan and the Collection Instruments (see Definitions), each Member or such Member’s Permitted User (see Definitions), for each Membership owned, has: (a) the exclusive right to occupy a Collection Accommodation and to use the common furnishings contained within such Collection Accommodation during the Member’s reserved Occupancy Period; and (b) the non-exclusive right to use and enjoy the common areas at the Component Site during the Member’s reserved Occupancy Period.

1. Reservation System:
 - (a) Ownership.

The Collection Instruments contemplate the use of a Reservation System that is owned and operated by Diamond Resorts International Club, Inc. (“DRIC”), a Florida corporation and the Reservation Services Provider (see Definitions), which provides such services to the Members as provided for in an agreement between DRIC and the Association, a copy of which is available from the Association upon request. In the event that such agreement is terminated by either party for any reason, the Association will need to make arrangements with another Reservation Services Provider for such services and a replacement Reservation System.

(b) Operating Entity.

DRIC, which is an affiliate of the Manager (see Definitions), owns and operates the Reservation System. DRIC does not charge Members for making reservations. However, in order to make a reservation, a Member must be current in all Assessments (see Definitions) and other charges due the Association. DRIC may, in the future, charge a fee for making reservations in accordance with the Rules and Regulations (see Definitions).

(c) Summary of Rules Governing Reservation System:

The Rules and Regulations contain the required procedures concerning the making and cancelling of reservations and the use of Collection Accommodations. The following is a summary of the Rules and Regulations with respect to the Reservation System:

- (i) All reservations are on a first come, first served basis. The Rules and Regulations set forth any limitations on how far in advance a reservation may be made.
- (ii) All reservations are subject to space availability.
- (iii) A Member must have sufficient Points for each reservation made. Points may be saved from the current Occupancy Year (see Definitions) or borrowed from a future Occupancy Year in accordance with the Rules and Regulations.
- (iv) Reservations are subject to immediate cancellation without notice upon delinquency in payment of Assessments or delinquency in payment of any obligation owing to Seller, or if such reservations have been obtained in a manner designed to circumvent the intent of the Plan or any applicable Rules and Regulations.

PURCHASERS SHOULD CAREFULLY NOTE THE DATES AND “FIRST-COME, FIRST-SERVED” BASIS FOR HONORING RESERVATION REQUESTS. THE LONGER A MEMBER WAITS TO MAKE A RESERVATION, THE LESS LIKELY IT IS THAT THE MEMBER WILL BE ABLE TO RESERVE THE MEMBER’S FIRST CHOICE OF OCCUPANCY PERIODS.

COMPONENT SITES CONTAINED IN THIS MULTISITE TIMESHARE PLAN MAY BE SUBJECT TO PRIORITY RESERVATION FEATURES, WHICH MAY AFFECT YOUR ABILITY TO OBTAIN A RESERVATION.

2. Component Site Additions, Substitutions and Deletions:

(a) Component Site Additions.

(i) Basis For Additions.

Pursuant to the Plan, the Seller has the exclusive right, in its sole and absolute discretion, to add an unlimited number of additional Collection Accommodations to the Collection by arranging for the transfer of additional Resort Interests to the Association for the benefit of the Members and by executing appropriate amendments or supplements to the Collection Instruments and filing the same with the appropriate governmental authorities.

(ii) Authority Retaining Addition Right.

The Plan authorizes the Seller to unilaterally add Resort Interests and Collection Accommodations to the Collection.

(iii) Anticipated Effect of Additions Upon the Reservation System and Availability of Collection Accommodations.

The anticipated effect of the addition of Collection Accommodations to the Collection is expected to be positive, as Members will have additional alternative facilities at which to use their Points. Any negative effects of adding Collection Accommodations are expected to be minimal.

(b) Cap Upon Multisite Common Expenses if Additions.

The only limit on any increase that might be caused to Common Expenses (see Definitions) and Assessments due to the addition of Collection Accommodations to the Collection is the CPI Dues Adjustment Percentage (as defined in the Plan).

(c) Purchaser Right of Consent to Additions.

Members do not have the right to consent to or withhold their consent from any proposed addition of Resort Interests and Collection Accommodations and facilities to the Collection. The Plan grants the Seller the right to add Resort Interests to the Collection, but does not impose any obligation to do so, which the Seller may do in its sole and absolute discretion.

COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE ADDED TO THIS MULTISITE TIMESHARE PLAN WITHOUT THE CONSENT OF THE PURCHASERS/MEMBERS. THE ADDITION OF COLLECTION ACCOMMODATIONS AND FACILITIES TO THE TIMESHARE PLAN MAY RESULT IN THE ADDITION OF NEW MEMBERS WHO WILL COMPETE WITH EXISTING MEMBERS IN MAKING RESERVATIONS FOR THE USE OF AVAILABLE COLLECTION ACCOMMODATIONS AND FACILITIES WITHIN THE TIMESHARE PLAN, AND MAY ALSO RESULT IN AN INCREASE IN THE ANNUAL MAINTENANCE FEES AGAINST MEMBERS FOR COMMON EXPENSES.

(d) Component Site Substitution.

(i) Basis for Substitution.

The Seller may substitute Collection Accommodations through annexation and deannexation, as described herein, and may contract for additional Collection Accommodations to be made available without annexation as described in the Plan.

(ii) Anticipated Effect of Substitutions Upon the Reservation System and Availability of Collection Accommodations.

No material effects on the Reservation System or the availability of Component Sites or the operation of the Collection are expected from any needed replacements of Collection Accommodations. Purchasers should be aware, however, that as a result of a decision not to reconstruct damaged or dilapidated Collection Accommodations or during any reconstruction, replacement or acquisition period, or in the event the Sea of Cortez Beach Club 25-year right to use agreement is not renewed, Members in the Collection may temporarily compete for available Collection Accommodations on the basis of a greater than one-to-one Member to accommodation ratio.

(iii) Purchaser Right of Consent to Substitutions.

Members do not have the right to consent to or withhold their consent from any proposed replacement of Resort Interests and Collection Accommodations and facilities within the Collection. The Plan grants the Seller, in its sole and absolute discretion, the right to add Resort Interests to the Collection, but does not impose any obligation to do so.

NEW COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE SUBSTITUTED FOR EXISTING COLLECTION ACCOMMODATIONS AND FACILITIES OF THIS MULTISITE TIMESHARE PLAN WITHOUT THE CONSENT OF THE PURCHASERS. THE REPLACEMENT COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE LOCATED AT A DIFFERENT PLACE OR MAY BE OF A DIFFERENT TYPE OR QUALITY THAN THE REPLACED COLLECTION ACCOMMODATIONS AND FACILITIES. THE SUBSTITUTION OF COLLECTION ACCOMMODATIONS AND FACILITIES MAY ALSO RESULT IN AN INCREASE IN THE ANNUAL MAINTENANCE FEES AGAINST MEMBERS FOR COLLECTION COSTS.

EXCEPT FOR THE ABOVE, NEITHER SELLER NOR THE ASSOCIATION MAKES ANY REPRESENTATIONS WHATSOEVER REGARDING THE ADDITION OR SUBSTITUTION OF COLLECTION ACCOMMODATIONS AND NONE OF SELLER, THE BOARD OR THE ASSOCIATION SHALL HAVE ANY OBLIGATION TO ADD ADDITIONAL COLLECTION ACCOMMODATIONS OR SUBSTITUTE COLLECTION ACCOMMODATIONS.

(e) Component Site Deletion.

(i) Deannexation by Seller.

Pursuant to the Plan, the Seller has the exclusive right, in its sole and absolute discretion, to remove Collection Accommodations from the Collection by recording a declaration of deannexation. No deannexation may occur that would cause there to exist an insufficient amount of Resort Interests to accommodate the occupancy rights of all then existing Members in the manner described in the Plan. Upon a deannexation, the Association shall reconvey the deannexed Resort Interests to the Seller or its designee.

(ii) Deannexation for Casualty or Eminent Domain Action.

Collection Accommodations that are damaged, destroyed or the subject of eminent domain action may be removed from the Collection pursuant to Seller's right to deannex, as described in the Plan. During any period of repair, reconstruction or replacement, or as a result of any decision not to repair or replace, Members may temporarily compete for available Collection Accommodations on the basis of a greater than one-to-one Member to Collection Accommodation ratio.

(iii) Business Interruption Insurance Provision.

The Collection does not maintain business interruption insurance, but the respective Component Site Owners Associations maintain casualty and liability insurance on the respective Collection Accommodations at each location.

(iv) For Term Expiration.

Although only Sea of Cortez Beach Club includes Resort Interests that consist of right-to-use interests, the Plan allows more Resort Interests to be added to the Collection that consist of a leasehold interest or similar interest that will expire as of a certain date. The Points that are or will be appurtenant to such Resort Interests are categorized as Term Points and will be designated on the Member's Points Certificate as expiring by a specified date. Upon the occurrence of such expiration dates, such Term Points and the Resort Interests to which they are appurtenant will be deemed to be no longer included in the Collection and will no longer be subject to the Plan and the other Collection Instruments. No action is required on the part of the Seller, the Board (see Definitions), or the Association to effect this deletion from the Collection, other than the updating of any applicable list, map or other depiction of the Component Sites that are available for use by the Members and appropriately adjusting the Register of Members.

(v) Anticipated Effect of Deletions Upon the Reservation System and Availability of Component Sites.

No material effects on the Reservation System or the availability of Component Sites or the operation of the Collection are expected from any deletions of Collection Accommodations. During any reconstruction, replacement, or acquisition period, or as a result of a decision not to reconstruct damaged or dilapidated Collection Accommodations, or in the event the Sea of Cortez Beach Club 25-year right to use agreement is not renewed, Members may temporarily

compete for available Collection Accommodations on the basis of a greater than one-to-one Members to accommodation ratio.

3. Purchaser's Liability for Fees Association with Multisite Timeshare Plan:

(a) Multisite Vacation Ownership Timeshare Plan Common Expenses.

The Plan provides for the establishment, levying and collection of Assessments to fund the Common Expenses and Capital Assessments (see Definitions).

(b) Annual Assessments and Special Assessments.

(i) Funding Common Expenses.

The Board determines the annual operating budget to provide for Collection operating expenses and capital reserves for each year. The budget is funded by an annual Assessment paid by Members. A copy of the current annual budget for the Association is attached hereto as **Exhibit A**.

The Association is obligated to pay for its share of Common Expenses to the appropriate Component Site Owners Associations with respect to Collection Accommodations owned in each Component Site. The Association's share of common expenses at all Component Sites is included in the Collection's annual budget. Indirectly, therefore, the Members are charged through the Collection Assessments for the expense of the assessments or dues levied by the Component Site Owners Associations, which are authorized to levy the same on behalf of the owners of each Component Site. Real estate taxes are included in the calculation of annual common expense assessments levied by the Component Site Owners Associations.

The Association and the Seller believe that the projected income in the current year's operating budget will be adequate to meet the Association's estimated Common Expenses and that no Special Assessments (see Definitions) will be necessary.

(ii) Special Assessments.

Under the Plan, the Board may levy a Special Assessment applicable to that period only, as may be necessary for the purpose of defraying, in whole or in part, the cost of any acquisition, construction, reconstruction, repair or replacement of any Collection Accommodation, including the furnishings related thereto, for which no reserves have been established or for deficiencies in such reserves or the purpose of defraying other extraordinary expenses relating to the mutual health, benefit, safety and welfare of the Members and/or the Association, or for purposes of funding any deficits in Assessments. No vote or written assent of the Members shall be required for the adoption of a Special Assessment.

Every Special Assessment shall be levied upon the same basis as that prescribed for the levying of the annual Assessment. The Board may levy a Special Assessment against all or fewer than all Members, depending upon the reason for the Special Assessment and the Members who will be affected by that reason. Special Assessments are to be collected as specified by the Board. Except as otherwise provided in the Collection Instruments, any Special

Assessment shall be due and payable within thirty (30) days after the date upon which the written notice of such Special Assessment is mailed to the Members, unless the Board determines that instalment payments shall be permitted and provides each Member with an approved payment schedule, in which case each Member's payments shall be made no later than the time specified in such payment schedule. If the Board authorizes the payment of any Special Assessment in instalments, no notice of the due date of each individual instalment payment shall be required to be given, other than the initial Special Assessment notice.

From time to time, the Collection may be billed for special assessments by one or more of the Component Sites Owners Associations. In the event a special assessment is assessed by a Component Site Owners Association, the Collection's portion of the charges will be included as part of the annual assessment or as a separate Special Assessment, as determined by the Board in its sole discretion.

(c) Determining Assessments.

After the Board approves the annual operating budget, the Board shall determine the respective Assessment that shall be levied on each Membership according to the provisions of the Plan.

The Assessments will include all applicable state and local real estate taxes. Any goods and services tax or sales tax payable in connection with the sale of the Points is included in the purchase price for the Points. Any occupancy tax levied by any government entity upon Members using Collection Accommodations will be paid by those Members.

If the Seller transfers additional Resort Interests to the Association during the fiscal year, the Board may prepare a revised budget based on transfer of the additional Resort Interests and the issuance of additional Points and may adjust the Assessments accordingly.

(d) Payment of Assessments.

Except for Seller and Seller's affiliates for Memberships owned or held for sale, Assessments will be collected in advance on a monthly, quarterly or annual basis as determined by the Board. The initial Assessment will be due and payable by each Member, other than the Seller, at the time and in the manner set forth in such Member's Purchase Agreement (see Definitions). Subsequent Assessments will be due and payable by a Member within thirty (30) days after receipt of the applicable invoice or such other time as the Board may determine, commencing with the first fiscal year immediately succeeding the fiscal year in which a Membership was purchased, unless and until the Board institutes a different payment schedule by providing written notice thereof to each Member. In no event will the Assessment be due later than the first day of the Occupancy Year to which it relates. Members will be required to pay an Assessment for every fiscal year, regardless of whether the Member is entitled to, or does or does not, use and occupy a Collection Accommodation during that fiscal year.

Seller may, at its unilateral option without obligation, pay the Assessments attributable to unsold Memberships, however, pursuant to the Plan, Seller is under no obligation to pay Assessments attributable to unsold Memberships owned by the Association or held for sale.

(e) Responsible Entity for Multisite Common Expenses.

The responsible entity for determining the amount of the Common Expenses is the Association, through its Board. All Assessments for the funding of the Common Expenses are determined by the Board, and the Board is empowered by the Plan to increase such Assessments or to levy Special Assessments, if necessary.

(f) Lien Rights for Multisite Common Expenses.

A Member is delinquent if the Member fails to pay a Collection Assessment on or before the due date. In the event of such delinquency, the Association may take any of the following actions: (i) bring an action to recover a money judgement for the amount of any unpaid Assessments; (ii) exercise its rights to enforce its lien upon such Member's Membership and Points; or (iii) it may suspend some or all of the Member's rights.

All liens and unpaid Assessments shall be automatically enforceable in any manner authorized by law including but not limited to seizure, suit or power of sale.

THERE IS A LIEN OR LIEN RIGHT AGAINST EACH MEMBERSHIP TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER AMOUNTS DUE THE ASSOCIATION. A MEMBER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN ENFORCEMENT OF THE LIEN.

(g) Annual Increase Limitations.

The only limit on any increase that might be caused to Common Expenses and Assessments due to the addition of Collection Accommodations to the Collection is the CPI Dues Adjustment Percentage set forth in the Plan. Such limitation may not, however, apply to the level of annual common expense assessments that may be levied from time to time by the respective Component Site Owners Associations.

(h) Bad Debt/Working Capital Reserves.

Currently, each of the Component Site Owners Associations has established reserves to meet their respective bad debts and working capital requirements. The reserves for the current year are set out in the respective Component Site Owners Association budget, a copy of which is available from the Association upon request.

(i) Replacement/Deferred Maintenance Reserves.

Currently, each of the Component Site Owners Associations has established in its annual budget reserves for normal repairs and maintenance of the Collection Accommodations and replacement of equipment and furnishings. The reserves for the current year are set out in the respective Component Site Owners Association budget, a copy of which is available from the Association upon request.

UTILITIES

Electricity: Electricity is available at all Component Sites.

Telephone: Telephone service is available at all Component Sites.

Natural Gas: Natural gas and/or propane is available at all Component Sites.

Water: Water is available at all Component Sites.

Water Disclaimer for Kohl's Ranch Lodge:

The water supply is derived from two sources at Kohl's Ranch Lodge (the "Property"), a well on the Property, which feeds into a 200,000 gallon storage tank, and Indian Gardens Spring (approximately one-half mile south of the Property). It is unknown how potential drought conditions in the area will affect the quantity and long-term dependability of water available from the well or the Spring in relation to the current and proposed demands. Prior to 1984, the Spring met all the water requirements of the Property. Since drilling the well in 1984, the Spring has been unnecessary to service the Property. The well has been adequate to meet the Property's water requirements and Seller anticipates it will be adequate in the future. In the event it would be necessary, the Spring would be available to supplement the well source. The quality of the water supply has been acceptable for domestic use. Notwithstanding the foregoing, for reasons of the costs involved, Seller has chosen not to demonstrate to the Arizona Department of Water Resources that an adequate water supply exists, and as a consequence, that Department is required by law to find the Property's water supply to be inadequate.

Sewage Disposal: Sewage disposal is available at all Component Sites.

ACCESS STREETS AND ROADS

Access to the Development: Public streets are complete at all Component Sites and will be maintained by the appropriate municipality, county or state.

Access within the Development: Interior streets are complete at all Component Sites and will be maintained by the Component Site Owners Associations.

COMMON AREA FACILITIES

Within the Development: See Component Site Summaries attached hereto as Exhibit B.

Maintenance of Development Facilities: Development facilities are complete and will be maintained by the Component Site Owners Associations.

ASSURANCES FOR COMPLETION OF FACILITIES

Assurances for Completion of Development Facilities: All facilities at all Component Sites are complete.

LOCAL SERVICE AND FACILITIES

Shopping Facilities: See Component Site Summaries attached hereto as Exhibit B.

Public Transportation: Public transportation is available near all Component Sites, but may be more developed and frequent at some Component Sites than others. See Component Site Summaries attached hereto as Exhibit B.

Medical Facilities: See Component Site Summaries attached hereto as Exhibit B.

Fire Protection: See Component Site Summaries attached hereto as Exhibit B.

Ambulance Service: See Component Site Summaries attached hereto as Exhibit B.

Police Service: See Component Site Summaries attached hereto as Exhibit B.

SALES

Sales: Will be evidenced by a Purchase and Security Agreement. Purchaser will receive a Points Certificate and be entered into the Register of Members. The Purchaser's earnest money will be deposited into escrow with First American Title Insurance Company, 1160 Town Center Drive, Suite 100, Las Vegas, Nevada 89144.

TITLE AND ENCUMBRANCES

Title: Title to all Resort Interests is vested in the Association, for the benefit of the Members pursuant to the Plan, except for Resort Interests in the Sea of Cortez Beach Club, in which the Association holds a renewable twenty-five (25) year right-to-use.

Association's Interest: The Association holds bare legal title to the Resort Interests, subject to Seller's exclusive right to market and sell the Memberships as described in the Plan.

Seller's Interest: Seller or its affiliates or their predecessors in interest are the developers or assignee developers of the Collection. Seller has retained equitable title to the Resort Interests and has also received an assignment of the exclusive right to sell the Collection Memberships and Points associated with the unsold Resort Interests conveyed or to be conveyed to the Association.

Condition of Title and Encumbrances: All Memberships shall be conveyed to Members by Seller free and clear of any voluntary monetary encumbrances other than any lien securing the

Member's purchase price and/or the obligations of the Member pursuant to the Collection Instruments. Other than the foregoing, all Resort Interests conveyed to the Association by Seller, and Memberships to be conveyed to a Member, shall be, and remain, free and clear of any voluntary monetary encumbrances securing obligations of Seller, its affiliates or the predecessors of either; provided, however, that such voluntary monetary encumbrances or other encumbrances shall be permissible so long as such encumbrances contain provisions that result at all times in there being, at least, sufficient free and clear Resort Interests and Memberships of the number of Memberships sold (other than to Seller) which allow such Members to exercise their occupancy and other rights hereunder without interference by a beneficiary of such encumbrance, as further described in the Plan.

MANAGEMENT AND EXCHANGE NETWORK

The Project: The Manager is Diamond Resorts Management, Inc. The Manager is an affiliate of Seller and has its principal place of business at 10600 West Charleston Blvd., Las Vegas, NV 89135.

Exchange Programs: THE Club® Exchange Program.

1. Functions of THE Club® Exchange Program.

Diamond Resorts International Club, Inc. ("DRIC"), a Florida corporation with offices at 10600 West Charleston Boulevard, Las Vegas, NV 89135 and an affiliate of the Developer, has established an exchange membership program and system known as "THE Club®", pursuant to THE Club® Articles ("THE Club® Articles") and THE Club® Amended and Restated Rules and Regulations ("THE Club® Rules"). DRIC has entered into affiliation agreements with various resorts and multisite vacation ownership time-share plans and thereby created a network of resorts at which members of THE Club® can utilize a wide variety of accommodations and facilities in exchange for the use of the accommodations that they own or have the right to use. DRIC has entered into an affiliation agreement with the Association allowing Members the right to access the accommodations and facilities within THE Club®.

THE Club® is a points-based exchange program. Points (referred to herein as "Exchange Points" to avoid confusion) are allocated to each accommodation that is available for use within such program and constitute the currency of use within THE Club®.

DRIC has established certain requirements regarding reservations, cancellations and penalties from time to time, and the member should be familiar with those requirements. A copy of the current policies is available from the membership services department of THE Club®. Any representations made regarding THE Club® exchange program by DRIC, its agents or employees or in its literature, brochures, videos or other promotional materials are solely the representations of DRIC and should not be relied upon as representations of the Seller or the Association.

(a) THE Club[®] Membership.

Purchasers will automatically be enrolled in THE Club[®]. Persons who acquire their membership in THE Club[®] from an existing Collection Member other than the Seller or an affiliate of Seller must be approved by DRIC before they will be enrolled in THE Club[®], but once so approved, their enrolment in THE Club[®] will be mandatory.

According to the affiliation agreement with DRIC, membership in THE Club[®] may not be transferred without the consent of DRIC, and transfer of a Member's Collection Membership does not have the effect of transferring the Member's membership in THE Club[®] unless DRIC consents to such transfer and any transfer fee is paid.

(b) Reservations, Cancellations and Penalties.

Reservations and use of accommodations through THE Club[®] with the use of Exchange Points are subject to availability at the time the request is made. THE Club[®] has established certain requirements regarding reservations, cancellations and penalties from time to time, and the Member should be familiar with those requirements. A copy of the current policies is available from the member services department of THE Club[®].

(c) Cost of Participation.

As with other exchange programs, members of THE Club[®] are responsible for annual THE Club[®] membership fees and other charges to cover the costs of the operation of the exchange program, as provided in THE Club[®] Articles or THE Club[®] Rules. The current annual membership fee is two hundred seventy-seven dollars (\$277.00) (U.S.) ("THE Club[®] Dues"). The affiliation agreement that the Association and the Seller have entered into with THE Club[®] calls for the Association to include the annual THE Club[®] Dues in the Association's budget and Assessments. Accordingly, the Assessments paid by each Member will reflect the annual THE Club[®] Dues paid to THE Club[®] on behalf of participating Members. All members of THE Club[®] may make an exchange within THE Club[®] program without the payment of any transaction fee. Failure on the part of a member of THE Club[®] to pay THE Club[®] Dues may result in suspension or forfeiture of the member's membership and any other applicable remedies. THE Club[®] Dues are subject to change.

2. Interval International Exchange Program.

(a) Functions of the I.I. Exchange Program.

DRIC has entered into an affiliation agreement with Interval International, LLC. ("I.I."), an international vacation exchange company with offices at 6262 Sunshine Drive, Miami, Florida 33243. I.I. is not in any way affiliated with the Seller, the Manager, or any of their respective affiliates or subsidiaries. The affiliation arrangement with I.I. allows Members to temporarily exchange their use rights in a reserved Collection Accommodation for comparable use rights in accommodations at a wide variety of resorts that participate in the I.I. exchange program. Any representations made regarding the I.I. exchange program by I.I., its agents or employees, or in its literature, brochures, videos, or other promotional materials are solely the

representations of I.I. and should not be relied upon as representations of the Seller, the Association, the Manager, THE Club® or DRIC.

(b) I.I. Exchange Program Membership.

Pursuant to the affiliation agreement between DRIC and I.I., each new member of THE Club® will automatically become a member of the I.I. exchange program.

According to the affiliation agreement with DRIC, membership in THE Club® (and therefore in the I.I. exchange program) may not be transferred without the consent of DRIC, and transfer of a Member's Collection Membership does not have the effect of transferring the Member's membership in THE Club® (and therefore in the I.I. exchange program) unless DRIC consents to such transfer and any transfer fee is paid.

(c) Reservations, Cancellations and Penalties.

Reservations and use of accommodations through the I.I. Exchange Program by the use of Exchange Points are subject to availability at the time the request is made. The I.I. Exchange Program has established certain requirements regarding reservations, cancellations, and penalties from time to time, and the Member should be familiar with those requirements. A copy of the current policies is available from the I.I. member services department.

(d) Cost of Participation.

Membership in THE Club® automatically includes membership in the I.I. exchange program with no additional annual membership fee. Members must pay to I.I. an exchange transaction fee of one hundred sixty-nine dollars (\$169.00 U.S.) for a domestic exchange and one hundred seventy-four dollars (\$174.00 U.S.) for an international exchange within the I.I. exchange program. These fees are subject to change.

THERE IS AN EXCHANGE PROGRAM MEMBERSHIP ASSOCIATED WITH THIS MULTISITE VACATION OWNERSHIP TIMESHARE PLAN. THE COLLECTION AND INDIVIDUAL COMPONENT SITES MAY BE AFFILIATED WITH ONE OR MORE EXCHANGE PROGRAMS WHEREBY MEMBERS MAY VOLUNTARILY EXCHANGE THEIR RIGHT TO USE AND OCCUPY COLLECTION ACCOMMODATIONS FOR COMPARABLE RIGHTS TO USE ACCOMMODATIONS IN OTHER RESORTS PARTICIPATING IN THE EXCHANGE PROGRAM. THERE IS NO GUARANTEE THAT THE COLLECTION OR ANY COMPONENT SITE WILL REMAIN AFFILIATED WITH ANY PARTICULAR EXCHANGE PROGRAM.

BUDGETS AND ASSESSMENTS

Operating Costs: A copy of the Collection's budget and proposed annual Maintenance Fees (see Definitions) or Assessments is attached as **Exhibit A**. It should be examined carefully to determine if it realistically and accurately projects current and future costs of managing and maintaining Component Sites. Annual Maintenance Fees are subject to periodic increase. Purchasers are advised that these Maintenance Fees and/or Assessments probably will increase as experience has shown in the industry.

Payment of Operating Costs: Will be paid by the Association through Assessments.

Assessments: Members will be required to pay a yearly Assessment according to Exhibit A attached hereto. Seller indicates the amount set forth in Exhibit A is adequate to support the Collection and the timeshare plan based on estimated costs of operation.

Financial Arrangements: Unsold Memberships are owned by the Association subject to Seller's exclusive right to sell such Memberships, and neither the Association or Seller are obligated to pay Assessments on such unsold Memberships. Notwithstanding the foregoing, Seller may voluntarily pay certain Maintenance Fees on a pro-rata share based on the unsold Memberships without obligation as it shall determine in its sole and subjective discretion.

Other Assessments: Special Assessments may be levied pursuant to the Plan. Personal Charges (see Definitions) may be incurred as a result of the act or omission of a Member pursuant to the Plan.

TAXES

Real Property Taxes: Each Component Site Owners Association will be billed by the applicable tax authority, and a pro rata share of the property tax bill will be included as part of each Member's Assessment.

Other Tax Assessments: May be levied by taxing authorities if deemed necessary.

OWNERS ASSOCIATIONS

Name of Association: Premiere Vacation Collection Owners Association, Inc., an Arizona non-profit corporation (the "Association").

Control of Association: Pursuant to the Plan, Seller has weighted voting power until 95% of the Total Authorized Voting Membership Shares (as defined in the Plan) are sold.

Title to Common Areas: Depending on the nature of the Component Site to which the Resort Interests relate, common areas or common elements are either owned by the Component Site Owners Association or are owned by owners in undivided interests but managed by the Component Site Owners Association. None of the Component Site common areas are titled in Seller.

Membership: A purchase of a Membership in the Collection will require that you be a Member of the Association. Through legally enforceable provisions in the Plan and as provided in your Purchase Agreement, your Membership in the Association will be mandatory and automatic the moment you make your purchase. Membership will mean certain responsibilities and obligations, such as:

In order to provide funds for operation and maintenance of the Collection, the Association will have authority to levy Assessments against your percentage of interest in the property. If you are

delinquent in the payment of Assessments, the Association may enforce payment through court proceedings, or your Membership in the Collection or ability to use or occupy the Collection Accommodations, or participate in the management of the Association, may in other ways be in jeopardy.

The anticipated income and expense of the Association and the amount that you may expect to pay annually through Assessments should be outlined in, and predicated upon, budgets. A copy of the Budget is attached hereto as Exhibit A.

Your ownership or interest rights as a Member of the Association will be controlled by Collection Instruments, which include the Plan, the Articles (see Definitions), the Bylaws (see Definitions), the Rules and Regulations, and any other document or instrument which defines or governs the Collection. The provisions of these documents are intended to be, and, in most cases are, enforceable in a court of law. Study these documents carefully before entering into a contract to purchase a Membership.

Until there are a sufficient number of Members, it is likely that the Seller will effectively control the affairs of the Association. It is frequently necessary and equitable that the developer do so during the early stages of development. It is important to Members that the transition from the Seller to all Members collectively be accomplished in an orderly manner.

When contemplating the purchase of a timeshare interest, you should consider factors beyond the attractiveness of the accommodations themselves. Study the governing instruments and give careful thought to whether you will be able to exist happily in an atmosphere of cooperative living where the interests of the group must be taken into account as well as the interest of the individual.

PAYMENTS, INCLUDING ASSESSMENTS, TO INTERVAL OWNERS ASSOCIATIONS, SUCH AS THE ASSOCIATION, ARE SUBJECT TO CHANGE IN ACCORDANCE WITH THE PLAN. THE ASSOCIATION MAY ALSO IMPOSE SPECIAL ASSESSMENTS. YOU ARE ADVISED TO READ THE PLAN, ARTICLES, BYLAWS, AND RULES AND REGULATIONS FOR THIS TIMESHARE PLAN TO DETERMINE THE RIGHTS OF INTERVAL OWNERS TO PARTICIPATE IN THE CONTROL OF THE INTERVAL OWNERS' ASSOCIATION AND TO DETERMINE THE RIGHTS, DUTIES AND LIMITATIONS OF OWNERS IN AND TO THE USE OF THEIR TIMESHARE INTEREST. FURTHER, YOU SHOULD DETERMINE FOR YOURSELF IF THE SELLER'S ARRANGEMENTS AND PLANS FOR THE PAYMENT OF ASSESSMENTS ON UNSOLD TIMESHARE INTERESTS WILL BE SUFFICIENT TO FULFILL THE NEEDS, DEMANDS AND FINANCIAL OBLIGATIONS OF THE ASSOCIATION, AS SET FORTH IN THE PLAN AND BYLAWS.

List of Definitions

Exhibit A – Budget

Exhibit B – Component Site Summaries

LIST OF DEFINITIONS

“Articles” means the articles of incorporation of Association, as the same may be amended from time to time.

“Assessments” means Maintenance Fees, Capital Assessments, Special Assessments, and Personal Charges which a Member is required to pay, which will include any assessments made pursuant to an Underlying Plan and any other assessments or charges levied by the Board on behalf of the Association that may from time to time be created by the Board, including without limitation all expenses denominated as Common Expenses by the Plan or unilaterally by the Board.

“Association” means Premiere Vacation Collection Owners Association, Inc., an Arizona nonprofit corporation, being the organization of persons who own Memberships in the Association, together with its successors and assigns.

“Board” means the board of directors of the Association.

“Bylaws” means the bylaws of the Association, as the same may be amended from time to time.

“Capital Assessment” means a charge against each Member (other than Seller) and such Member’s Membership which the Board may approve from time to time, representing the cost to the Association for purchase, lease, installation, construction or reconstruction of any capital improvements for the benefit of the Association, or for any other item for which sufficient funds are otherwise unavailable.

“Collection” means the Premiere Vacation Collection, a points-based, multisite, timeshare use vacation club, established by the Plan.

“Collection Accommodation” means the accommodations, where such accommodations are an apartment, condominium, home, villa, cooperative unit, cabin, lodge, hotel or motel room, or any other private or commercial structure or facility forming part of a parcel of real property, in which the Association owns one or more Resort Interests for the benefit of the Association and its Members.

“Collection Instruments” means the Plan, the Articles, the Bylaws, the Rules and Regulations, the Purchase Agreement, the Points Certificate and any other documents executed concurrently or in connection with the Purchase Agreement, and, where applicable, any Component Site Instruments.

“Common Expenses” means the actual and estimated costs of operating and managing the Association and its property including, but not limited to: Assessments, Association administrative costs, taxes, insurance, utilities, reserves, legal fees and accounting fees, and the annual maintenance fees or dues and other costs of ownership of the Resort Interests.

“Component Site” means a resort or other location at which at least one (1) Resort Interest and Collection Accommodation is located.

“Component Site Instruments” means the written instrument(s) pursuant to which any of the Resort Interests or Collection Accommodations were legally created or presently exist and/or which provide for the management, operation, maintenance, use and enjoyment of any of the Component Sites by the common owners thereof and which establishes benefits and burdens running with, and/or equitable servitudes upon, such property.

“Component Site Owners Association” means the entity responsible for the operation, physical maintenance and repair of a Component Site pursuant to its Component Site Instruments, where the Association is not the party so responsible.

“Exchange Program” means such service (if any) provided by any one or more external exchange companies as may, from time to time, be selected by the Association and Seller, whereby Members, for a fee, may exchange Occupancy Periods for comparable use privileges in other projects in an exchange company network.

“Maintenance Fee(s)” means an annual charge against each Member and such Member’s Membership, representing a pro-rata portion of the annual Common Expenses (including the annual maintenance fees, dues or other charges relating to the Resort Interests), but subject to the special provisions concerning Seller in the Plan. The Maintenance Fee shall be equal for all Memberships of a particular Membership type and Occupancy Period, but may vary among Memberships of different Membership types and Occupancy Periods.

“Manager” means the person or entity, its successors and assigns, engaged from time to time by the Association to undertake the duties, responsibilities, and obligations of managing the Collection and Association, pursuant to the then-effective management agreement.

“Member” or “Purchaser” means (a) any individual who executes a Purchase Agreement and thereby becomes a member of the Association and who is the grantee shown on the deed or leasehold assignment or a properly transferred and recorded subsequent deed or leasehold assignment in proper form, transferred in compliance with the Collection Instruments and/or (b) any individual who executes a Purchase Agreement and thereby becomes a member of the Association and who acquires points in the Collection. Member includes his or her permitted successors and assigns whose name is entered in the Register of Members.

“Membership” means the collection of occupancy and other rights and obligations of a Member set forth and described in the Collection Instruments, including without limitation occupancy and other rights of a Member who acquires points in the Collection. The Membership is initially conveyed, transferred and evidenced by the deed, leasehold assignment or Points Certificate.

“Minimum Points Threshold” means the minimum number of Points a Member needs to own in order to hold a valid Membership, as established by Seller.

“Occupancy Period” means that number of Days during which a Member may reserve the use of a Collection Accommodation in one or more Component Sites in accordance with the provisions of the Collection Instruments.

“Occupancy Year” means each Calendar Year during which a Member is entitled to occupy a Collection Accommodation pursuant to the terms hereof. The Association may designate another period as constituting the Occupancy Year.

“Permitted User” means any person, other than a Member, an exchange user or a hotel guest, occupying a Collection Accommodation or otherwise using a Component Site with or in lieu of, but with the permission of, any Member, such as such Member’s family, guests, employees, licensees or invitees. Any act or omission by a Permitted User shall be deemed the act or omission of the Member under whom such Permitted User occupies or uses.

“Personal Charges” means a charge against a particular Member and such Member’s Membership equal to: (a) any and all charges attributable to or incurred by a Member or a Permitted User during the use of a Collection Accommodation or Component Site; (b) the cost incurred by the Association for any corrective action performed pursuant to the provisions of this Plan; or (c) a reasonable fine or penalty assessed by the Association, plus interest and other charges thereon as provided for in this Plan.

“Plan” means that certain Second Amended and Restated Premiere Vacation Collection Membership Plan, together with all exhibits attached thereto, as may be amended or supplemented from time to time, pursuant to the provisions thereof.

“Points” means the currency of use within the Collection through which Members reserve the use and occupancy of Collection Accommodations in accordance with the Collection Instruments, with a specific number and type of Points being ascribed to each Membership.

“Points Certificate” means the certificate issued by Association to a Member naming that person(s) as a Member and specifying the number and type of Points held by that Member.

“Purchase Agreement” means the purchase agreement between Seller and the person named therein as “Buyer” providing for the sale by Seller and the purchase by Buyer of one or more Memberships.

“Register of Members” means the official register of the then current Members of the Association, including each Member’s name, address, telephone number and other information, as kept by the Secretary of the Association.

“Reservation Services Provider” means the entity engaged by the Association to provide reservation services for the Collection.

“Reservation System” means the method, arrangement, or procedure by which Members reserve use and occupancy of Collection Accommodations pursuant to the terms of the Collection Instruments.

“Resort Interests” mean specific interval ownership interests or other types of real property interests in one of more Component Sites owned or leased by the Association on behalf of and for the benefit of the Association and its Members.

“Rules and Regulations” means the rules and regulations of the Association, including and subject to any applicable rules and regulations as to any particular Component Site and the Collection Accommodations at such resort, all as the same may be amended from time to time.

“Seller” means ILX Acquisition, Inc., a Delaware corporation, and its successors and assigns, or any designated affiliate or subsidiary thereof and their successors and assigns.

“Special Assessment” means an Assessment levied by the Board upon Members as provided in the Plan.

“Term Points” means Points that will be available for a defined term.

EXHIBIT "A"**Premiere Vacation Collection Owners Association, Inc.**

	2012 Budget
REVENUES	
Assessment Revenue - Owners	\$ 16,513,212
Assessment Revenue - Developer ^(A)	8,145,410
Other Income	218,000
TOTAL REVENUES	24,876,622
EXPENSES	
Maintenance Fee Obligation	19,883,816
Management Fees	3,072,118
Bad Debt Expense	4,128,303
Developer Delinquency Contribution	(2,476,982)
Assessment, Billing & Accounting Fees	886,159
General & Administrative	199,852
TOTAL EXPENSES	25,693,266
SURPLUS/(DEFICIT)	(816,644)
Fund Balance/(Deficit), prior years	(2,022,168)
PROJ. FUND BALANCE/(DEFICIT), end of year	\$ (2,838,812)

2012 Assessments				
Points Values	0-3500	3501-6000	6001-8500	8501+
	\$	\$	\$	\$
Base Standard Assessment	400.00	275.00	270.00	150.00
	\$	\$	\$	\$
Point Standard Assessment	0.1027	0.1027	0.1027	0.1027
	\$	\$	\$	\$
THE Club®	277.00	277.00	277.00	277.00

2012 Assessments - Every Other Year				
Points Values	0-3500	3501-6000	6001-8500	8501+
	\$	\$	\$	\$
Base Standard Assessment	200.00	137.50	135.00	75.00
	\$	\$	\$	\$
Point Standard Assessment	0.1027	0.1027	0.1027	0.1027
	\$	\$	\$	\$
THE Club®	277.00	277.00	277.00	277.00

THE Club® Dues are provided for informational purposes only. They are not part of the assessments, but are fees associated with THE Club®

(A) Subject to the provisions of that certain Temporary Assessment Agreement by and between ILX Acquisition, Inc. and the Association, which shall expire on December 31, 2012.

Books and records of the Association are currently being maintained at 10615 Park Run Drive, Las Vegas, NV 89144.

EXHIBIT "B"**COMPONENT SITE SUMMARIES
PREMIERE VACATION COLLECTION****LOS ABRIGADOS RESORT & SPA
and
WINNERS CIRCLE AT LOS ABRIGADOS
160 Portal Lane
Sedona, Arizona 86336****Location of units:****a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town

The resorts are located in Sedona, Arizona, approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Unpaved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona-Sez Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for these developments is recorded in Book 3 of Land Surveys, Page 97, Coconino County, Arizona.

Narrative of Offering:

The resort consists of 185 units situated on approximately 20 acres of landscaping, Spanish-styled plazas, walkways and bridges. Los Abrigados offers one- and two-bedroom units, each with a separate living area, bedroom, mini-kitchen and balcony or

patio. Twenty-nine suites have a fireplace, twenty suites offer an outdoor whirlpool spa and eight suites contain a whirlpool bathtub. Twenty-one units offer full kitchenettes.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 312.0 Resort Interests in Cottonwood Units
- 190.5 Resort Interests in Flagstaff Units
- 224.5 Resort Interests in Oak Creek Units
- 104.0 Resort Interests in Orchard Units
- 42.0 Resort Interests in Stonehouse Units
- 104.0 Resort Interests in Winner's Circle Units
- 2879.5 Resort Interests in Jerome Units
- 976.0 Resort Interests in Sedona Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There are four restaurants, sports bar, billiards emporium, library, two pools, tennis courts, sports court, basketball court, bocce ball courts, fitness center and health spa offering, a variety of personal care services, aerobic and yoga classes, whirlpools, steam and sauna rooms, hydrotherapy and other personal care facilities. The project is situated on approximately 20 acres with landscaping, Spanish-styled plazas, walkways and bridges. Twenty suites offer a fireplace and whirlpool spa. Nine units offer full kitchenettes. The resort is designed in Southwestern decor and is surrounded by the red rocks of Oak Creek Canyon.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

INN AT LOS ABRIGADOS
170 Portal Lane
Sedona, Arizona 86336

Location of units:**a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Sedona, Arizona, approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Unpaved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for this development is recorded in Book 2 of Maps, Page 54, Coconino County, Arizona.

Narrative of Offering:

The resort consists of ten units adjacent to Los Abrigados Resort & Spa. The Inn at Los Abrigados consists of the main Morris House and nine bed and breakfast-style units in three buildings situated amidst a former apple orchard. The Morris House includes a multi-level luxury suite sleeping six, and features a sunken living room, full kitchen with dining area, a loft, two full bathrooms and a private backyard with patio and barbecue. The bed and breakfast-style units each feature king-size beds, a sitting area, microwave, refrigerator, coffee maker, full bath with shower and balcony or patio. Guests of the Inn at Los Abrigados have charge privileges at and full use of all Los Abrigados Resort & Spa amenities.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

306.5 Resort Interests in Inn Units

34.0 Resort Interests in Morris House Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

There are no amenities on-site, but the resort is adjacent to Los Abrigados Resort & Spa with full use of their amenities.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

KOHL'S RANCH LODGE
202 South Kohl's Ranch Lodge Road
Payson, Arizona, 85541

Location of units:**a. City/County/State**

Payson/Gila/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located 17 miles northeast of Payson, Arizona, and approximately 105 miles from Phoenix, Arizona. Payson is reached by traveling northeast on Highway 87 (Beeline Highway) from Phoenix. Once in Payson, turn east onto Highway 260 and travel approximately 16 miles. The resort is located on the right hand side of Highway 260.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Payson	15,547	17	0	17

c. Name, location and distance from the development of the nearest civilian airport:

Payson Municipal Airport is located at 806 West Airport Road, Payson, Arizona, and is approximately three and one-half (3-1/2) miles from the resort.

The Project Map for this development is recorded in Book 356 of Maps of the Official Records of Gila County, Arizona.

Narrative of Offering:

Kohl's Ranch is a 10.5 acre parcel bordered on the eastern side by Tonto Creek and is surrounded by the Tonto National Forest. The resort consists of 66 units, 41 of which are at the main lodge, 8 of which are one-and two-bedroom cabins along Tonto Creek, 12 of which are two-bedroom cabins along Tonto Creek, 3 of which are part of a triplex cabin, and a luxury two-bedroom and a one-bedroom unit comprise the Horton House building, also on Tonto Creek.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 157.0 Resort Interests in Christopher Creek Units
- 484.5 Resort Interests in Ponderosa Units
- 1539.0 Resort Interests in Zane Grey Units
- 624.0 Resort Interests in Canyon Creek Units
- 52.0 Resort Interests in Horton House Units
- 141.5 Resort Interests in Tonto Creek Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

There is an outdoor heated pool, outdoor whirlpool spa, exercise room, putting green, bocce ball court, children's playground and gazebos, sport court, food and beverage facilities, and kennel. Kohl's Ranch is a 10.5 acre property bordered on the eastern side by Tonto Creek and is surrounded by the Tonto National Forest. Kohl's Ranch consists of 52 units. Forty-one of the units are at the main lodge; eight units consist of one and two-bedroom cabins along Tonto Creek, and three units are part of a triplex cabin. Each unit is equipped with an air conditioner, telephone, color television and mini-kitchenette or full kitchen, and many have a fireplace.

Shopping Facilities:

There is all types of shopping in Payson, 17 miles from the resort. There are antique and craft shops in Pine, an additional 15 miles from Payson.

Public Transportation:

There is no public transportation at Kohl's Ranch. There is one taxi company in Payson, and a shuttle service to and fro the Payson airport.

Medical Facilities:

The Payson Medical Center, a full-service facility with a helicopter pad, is located 17 miles away.

Fire Protection:

The Christopher Creek Fire Department is located 5 miles from the project, and the Payson Fire Department is located 17 miles away. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Town of Payson Police Department is located 17 miles away.

VARSITY CLUBS OF AMERICA – TUCSON
3855 E. Speedway Blvd.
Tucson, Arizona 85716

Location of units:**a. City/County/State**

Tucson/Pima/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located about 3 miles from The University of Arizona in Tucson and approximately 100 miles from Phoenix, Arizona. Tucson is reached by traveling on Interstate 10 East from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Tucson	548,555	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Tucson International Airport is located at 7005 South Plumer Avenue, Tucson, Arizona, and is approximately 10 miles from the resort.

The Project Map for this development is recorded in Book 4 of Maps and Plats at Page 95, Pima County, Arizona.

Narrative of Offering:

The resort consists of 60 studio, one- and two-bedroom units. Each of the one- and two-bedroom suites features a king master bedroom, living room with sofa sleeper, kitchenette, whirlpool spa, as well as color television with premium movie channels. Amenities at this resort include a Spoils Lounge, Twenty-four Hour Sports Ticker, touchdown breakfast buffet, Joey Pizza (a popular restaurant theme originally introduced at Los Abrigados), billiards room, library, gift shop, fitness center, outdoor heated pool, whirlpool spa, children's playground, bocce ball court, business center and special events facilities.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

2134.5 Resort Interests in One Bedroom Units

171.0 Resort Interests in Studio Units

601.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

The resort has a sports lounge, 24-hour sports ticker, touchdown breakfast buffet, Joey Pizza, billiards room library, gift shop, fitness center, outdoor heated pool, whirlpool spa, steam room, children's playground, bocce ball court, business center and special events facilities.

Shopping Facilities:

There are numerous types of shopping facilities in the immediate vicinity.

Public Transportation:

There is a city bus stop in front of the resort on Speedway Boulevard. Taxis are readily available.

Medical Facilities:

The University Medical Center is 3 miles from the resort. The Tucson General Hospital is 6 miles from the resort.

Fire Protection:

The Tucson Municipal Fire Department has a station 3 miles from the resort. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Tucson Police Department has a station 3 miles from the resort.

GOLDEN EAGLE RESORT
(also known as The Historic Crag's Lodge)
300 Riverside Drive
Estes Park, Colorado 80517

Location of units:**a. City/County/State**

Estes Park/Larimer/Colorado

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located within 3 miles of the Rocky Mountain National Park and approximately 70 miles from Denver, Colorado. Estes Park is reached by traveling northwest on US-36 from Denver.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Estes Park	6,543	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Denver International Airport is located at 8500 Peña Boulevard, Denver, Colorado, and is approximately 77 miles from the resort.

The Project Map for this development is recorded at Reception No. 87050249, Larimer County, Colorado.

Narrative of Offering:

This resort consists of 33 total units and is bounded generally by undeveloped forested mountainside land, which offers mountain views from the resort. The Golden Eagle Resort is centered around the historic Crag's Lodge, a four-story wood frame building constructed in the early 1900's, which serves as the resort's main lodge. Amenities offered at this resort include a seasonal restaurant, bar and gathering area, as well as two other freestanding buildings containing six guest rooms and support facilities. Each unit at Golden Eagle features a fully equipped kitchenette, living and dining areas, television and video cassette player.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

601.0 Resort Interests in Executive Units

155.0 Resort Interests in Imperial Units

368.0 Resort Interests in Studio Units

88.0 Resort Interests in Deluxe Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

The resort includes a heated pool and spa as well as local outdoor attractions.

Shopping Facilities:

There are shops one-half mile from the resort.

Public Transportation:

There is no public transportation in Estes Park.

Medical Facilities:

There is a medical center .25 miles from the resort.

Fire Protection:

The Estes Park Fire Department has a station 1.5 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Estes Park Police Department has a station .75 mile from the resort.

VARSITY CLUBS OF AMERICA - SOUTH BEND

**3800 Main Street
Mishawaka, Indiana 46545**

Location of units:**a. City/County/State**

Mishawaka/St. Joseph/Indiana

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located approximately 3 miles from the University of Notre Dame and Notre Dame Stadium in South Bend, Indiana and approximately 90 miles from Chicago, Illinois. South Bend is reached by traveling on Interstate 90 East and Interstate 80 East from Chicago.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
South Bend	104,215	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

South Bend Regional Airport is located at 4477 Progress Drive, South Bend, Indiana, and is approximately 8 miles from the resort.

Narrative of Offering:

The VCA-South Bend offers a total of 86 units, consisting of one- and two-bedroom suites. Each one- and two-bedroom suite at VCA-South Bend includes a king master bedroom, living room with a sofa sleeper, kitchenette and whirlpool spa, steam room, as well as color television with premium movie channels.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

2656.0 Resort Interests in One Bedroom Units

45.0 Resort Interests in Rockne's Roost Units

45.0 Resort Interests in Leahy's Lair Units

282.5 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Commons areas at the resort include the Stadium Sports Lounge, featuring a theater-wall television in a stadium-type setting, fitness center with whirlpool spa, indoor/outdoor heated pool, bocce ball, children's playground, billiards room, library, gift shop, business center and special events facilities.

Shopping Facilities:

The Indian Ridge Shopping Center and University Park Mall are within 1 miles of the resort.

Public Transportation:

The Transpo Bus Service bus stop is 1 block from the project.

Medical Facilities:

The Edison Lakes Medical Center is 1 block away. St. Joseph Community Hospital is 3-4 miles away.

Fire Protection:

The Mishawaka Fire Department is 3 blocks from the resort. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Mishawaka Police Department is 3 miles from the project.

SEA OF CORTEZ BEACH CLUB

**Paseo Mar Bermeio Norte
Parcelo No. 4, Interior 3 Los Algonos
San Carlos, Nuevo Guaymas
Sonora, Mexico CF85506**

Location of units:**a. City/County/State**

San Carlos, Nuevo Guaymas, Sonora, Mexico

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in San Carlos, Nuevo Guaymas, Sonora, Mexico. It can be reached by crossing the United States-Mexico border at Nogales and traveling south on Highway 15 for approximately 260 miles.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Guaymas	130,000	20	0	20

c. Name, location and distance from the development of the nearest civilian airport:

Guaymas International Airport is located in Sonora, Mexico, and is approximately 15 miles from the resort.

Narrative of Offering:

This resort is situated on a 50 meter by 99.2 meter beach front property and consists of a four-level structure comprising 30 studio, one- and two-bedroom units, all overlooking the Sea of Cortez.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

300.0 Resort Interests in One Bedroom Units

400.0 Resort Interests in Studio Units

100.0 Resort Interests in Penthouse Units

700.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The resort includes a reception area and common areas with a pool, whirlpool, showers and bathrooms as well as an oceanside palapa serving meals and beverages. The project also has full use rights to adjacent San Carlos Plaza Hotel. The project is on beach front property.

Shopping Facilities:

There is all types of shopping in San Carlos, including arts and crafts. Shopping I Guaymas is 20 miles away.

Public Transportation:

There is bus service to Guaymas and local taxi service.

Medical Facilities:

There is first aid service and doctors 3 miles from the project. Sanitorio Sanchez Hospital, Municipal Hospital and Sociale Securite are each 20 miles from the project.

Fire Protection:

The Guaymas Fire Department is located 20 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available to the project.

Police Service:

The San Carlos Police Department is 3 miles from the project.

**ROUNDHOUSE RESORT and
PREMIERE VACATION CLUB AT THE ROUNDHOUSE RESORT
5829 Bucksprings Road
P.O. Box 2328
Pinetop, Arizona 85935**

Location of units:**a. City/County/State**

Pinetop/Navajo/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in the White Mountains of northeastern Arizona near Pinetop, Arizona and is approximately 190 miles from Phoenix, Arizona. Pinetop is reached by traveling on Interstate 10 East and US-60 East from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Pinetop	4,522	2	0	2

c. Name, location and distance from the development of the nearest civilian airport:

Show Low Regional Airport is located at 3150 Airport Loop Road, Show Low, Arizona, and is approximately 17 miles from the resort.

The Project Map for this development is recorded in Book 20 of Maps, Page 29, records of Navajo County, Arizona.

Narrative of Offering:

The resort consists of 80 studio and one- and two-bedroom accommodations.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 26.0 Resort Interests in Aspen Units
- 129.0 Resort Interests in Pine Units
- 7.0 Resort Interests in Oak Units
- 32.0 Resort Interests in Juniper Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The Roundhouse project has an indoor pool, racquetball courts, basketball court and fitness center. It is on a 10-acre railroad-themed property located in the White Mountains of northeastern Arizona. Premiere Vacation Club at the Roundhouse Resort has an outdoor recreation area offering various activities.

Shopping Facilities:

There is a Safeway and other shops in Pinetop, 4 miles from the resort.

Public Transportation:

The Four Seasons Connection transit bus runs from Show Low to the Hon Dah Casino on Highway 260.

Medical Facilities:

The Navapache Regional Hospital is located in Show Low, 24 miles from the project.

Fire Protection:

The Pinetop Fire Department is 4 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Pinetop-Lakeside Police Department is 4 miles from the project.

CARRIAGE HOUSE RESORT
105 E. Harmon
Las Vegas, Nevada 89104

Location of units:**a. City/County/State**

Las Vegas/Clark/Nevada

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located one block from the Las Vegas Strip between the MGM Grand and the Aladdin Hotels.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Pahrump, NV	32,979	60	0	60
N. Las Vegas	115,488	10		10
Henderson	175,381	15		15

c. Name, location and distance from the development of the nearest civilian airport:

McCarran International Airport is located at 5757 Wayne Newton Boulevard, Las Vegas, Nevada and is approximately 3 miles from the project.

The Project Map for this development is recorded in Book 16 of Plats, at Page 71, Clark County, Nevada.

Narrative of Offering:

The Carriage House is a 9-story luxury non-gaming hotel which consists of a total of 155 studio, one- and two-bedroom units. Each unit includes either a kitchenette or a fully equipped kitchen.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

1305.0 Resort Interests in One Bedroom Units

806.0 Resort Interests in Studio Units

122.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There is a restaurant, tennis court, basketball court, guest laundry facilities, and a swimming pool and spa at the project.

Shopping Facilities:

There are numerous shopping facilities in the vicinity of the project for all types of shopping.

Public Transportation:

There is a city bus system that services the Las Vegas area with a stop within one block of the Carriage House. Taxicabs are available at the project.

Medical Facilities:

There are eight major hospitals in the area. The hospital nearest the project is the Desert Springs Hospital, 2075 E. Flamingo, Las Vegas, Nevada.

Fire Protection:

The Clark County Fire Department provides fire service. The closest fire station is located approximately 1.5 miles from the project.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Las Vegas Metropolitan Police Department provides service to the project with its main station approximately 2 miles from the project.

BELL ROCK INN
6146 Highway 179
Oak Creek, Arizona 86351

Location of units:**a. City/County/State**

Oak Creek/Yavapai/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in the Village of Oak Creek, the gateway to Sedona, Arizona, approximately 100 miles from Phoenix, Arizona. Oak Creek is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Sedona	11,598	5	0	5

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 10 miles from the resort.

The Project Map for this development is recorded in Book 12 of Maps and Plats, Page 64, Yavapai County, Arizona.

Narrative of Offering:

The resort consists of 85 studio, one- and two-bedroom units. The one- and two-bedroom units have full kitchens, and the studio units have refrigerators, microwaves and in-room coffee makers. Some units have fireplaces and/or whirlpool tubs.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

1300.0 Resort Interests in One Bedroom Units

2704.0 Resort Interests in Studio Units

416.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There is a restaurant, sports bar, billiards room, two heated swimming pools, two hot tubs, and banquet and conference facilities. In addition, members staying at the Bell Rock Inn have use of the facilities at the nearby Los Abrigados Resort and Spa.

Shopping Facilities:

There is an Outlet Mall in the Village of Oak Creek, 1 mile away, and many other shops and strip centers throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 7 miles from the project, and the Sedona Medical Center is 9 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 8 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 8 miles away.

SCOTTSDALE CAMELBACK RESORT
6302 E. Camelback Road
Scottsdale, Arizona 85251

Location of units:**a. City/County/State**

Scottsdale/Maricopa/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Scottsdale, Arizona, a few blocks east of Phoenix, Arizona.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Phoenix	1,601,587	1	0	1

c. Name, location and distance from the development of the nearest civilian airport:

Phoenix Sky Harbor International Airport is located at 3400 E. Sky Harbor Boulevard, Phoenix, Arizona and is approximately 9 miles from the resort.

The Project Map for this development is recorded in Book 240 of Maps, Page 39, and Amended Plats recorded in Book 329 of Maps, Page 26, and in Book 332 of Maps, Page 34, Maricopa County, Arizona.

Narrative of Offering:

The resort consists of a total of 112 studio, two- and three-bedroom units each with a fireplace, kitchen facilities and living and dining areas. Studio unit kitchens do not contain ovens, while two-and three- bedroom units provide full kitchens, including ovens.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

12.0 Resort Interests in Studio Units

24.0 Resort Interests in Three Bedroom Units

98.0 Resort Interests in Two Bedroom Units

40.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Amenities at the resort include a restaurant, indoor and outdoor whirlpool spas, fitness center, sauna, indoor racquetball court, heated outdoor swimming pool, 3 lighted tennis courts, a 9-hole executive putting green, a 9-hole miniature golf course, croquet court, sand volleyball court, horseshoe pits, bocce ball court, tether ball and children's playground.

Shopping Facilities:

There are numerous types of shopping facilities in the immediate vicinity, including the Fashion Square Mall, Old Town Scottsdale and the Fifth Avenue Shops.

Public Transportation:

There is a city bus stop in front of the property. Taxis are readily available.

Medical Facilities:

There is a hospital 2.8 miles from the project.

Fire Protection:

The Phoenix Fire Department has a station 3.4 miles from the project. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The project is served by the Scottsdale Police Department.

CELEBRITY HOUSE
133 Portal Lane
Sedona, Arizona 86336

Location of units:**a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Sedona, Arizona, adjacent to the Los Abrigados Resort & Spa. It is approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for this development is recorded in Book 2 of Maps, Page 54, Coconino County, Arizona.

Narrative of Offering:

The Celebrity House is a two-bedroom suite located in a separate building adjacent to the Los Abrigados Resort & Spa. The Celebrity House sleeps six and contains a hill kitchen, dining area, living room with fireplace and sleeper sofa, master bedroom with king bed and guest bedroom with queen bed.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

52.0 Resort Interests in Celebrity House Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The Celebrity House has a private backyard containing a patio, swimming pool and spa. Guests also have full use of the amenities at the adjacent Los Abrigados Resort & Spa.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

RANCHO MAÑANA RESORT
5720 East Rancho Mañana Boulevard
Cave Creek, Arizona 85331

Location of units:**a. City/County/State**

Cave Creek/Maricopa/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Cave Creek, Arizona, approximately 30 miles north of Phoenix, Arizona. Cave Creek is reached by traveling north from Phoenix on Interstate 10 and Cave Creek Road.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Cave Creek	3,728	0	0	0
Scottsdale	202,705	17		17
Phoenix	1,601,587	22		22

c. Name, location and distance from the development of the nearest civilian airport:

Phoenix Sky Harbor International Airport is located at 3400 E. Sky Harbor Boulevard, Phoenix, Arizona and is approximately 33 miles from the resort.

The Project Map for this development is recorded in Book 457 of Maps, Page 37, Maricopa County, Arizona.

Narrative of Offering:

The resort consists of 38 two-bedroom, two-bath units, (19 of which are Private Residence Club and whole ownership units), each with a full kitchen, living room, fireplace, and whirlpool tub in master bath.

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Amenities at the resort include a swimming pool, two hot tubs, lush landscaping and an outdoor fireplace. Adjacent to the property are a restaurant and a golf course.

Shopping Facilities:

The Carefree Town Center is 3 miles from the project, and there are shopping centers, department stores and malls within 20 miles of the project.

Public Transportation:

There is no city bus stop close to the property. However, taxis are readily available.

Medical Facilities:

The Desert Foothills Medical Center is 2.8 miles from the project, and the Mayo Clinic Hospital is 10 miles away.

Fire Protection:

The Rural Metro Fire Department has a station 28 miles from the project in Scottsdale. There are sprinklers, smoke detectors, and fire extinguishers in all units and fire alarms in each building.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The project is served by the Cave Creek/Carefree Sheriff's Office.

TIME-SHARE DISCLOSURE REPORT
(Public Report)

FOR

PREMIERE VACATION COLLECTION

Registration No. DM10-055548

SELLER

ILX ACQUISITION, INC.
10615 Park Run Drive
Las Vegas, Nevada 89144

March 7, 2011

Effective Date

1st Amendment Date: September 12, 2011

2nd Amendment Date: January 23, 2012

3rd Amendment Date: January 3, 2013

PROPERTY REPORT DISCLAIMER

This report is NOT A RECOMMENDATION NOR AN ENDORSEMENT by the State of Arizona of this land but is provided for informational purposes ONLY. The report reflects information provided by the Seller and obtained by the Department in its review process in accordance with the provisions of Title 32, Chapter 20, Article 9, of the Arizona Revised Statutes, as amended. NOTE that not all of the information in this report has been verified by the Department; certain information has been accepted by the Department as true and accurate based on attestation of the Seller and/or the Seller's agents. The purchaser should verify all facts before signing any documents. The Department has not passed upon the quality or quantity of any improvement or structure and does not assume responsibility in either event.

STATE OF ARIZONA DEPARTMENT OF REAL ESTATE

TUCSON OFFICE:
400 West Congress Suite 523
Tucson, Arizona 85701
(520) 628-6940

PHOENIX OFFICE:
2910 N. 44th Street Suite 130
Phoenix, Arizona 85018
(602)771-7750

THE ARIZONA DEPARTMENT OF REAL ESTATE**REQUIRES THAT:**

1. You BE GIVEN this public report;
2. YOU SIGN A RECEIPT indicating that you received this report;

RECOMMENDS:

1. You DO NOT SIGN ANY AGREEMENT before you have read this report;
2. You see an ACCURATE REPRESENTATION of the unit you are interested in BEFORE SIGNING any document for lease or purchase.

ARIZONA LAW STATES:

1. A PERSON SHALL NOT SELL OR LEASE OR OFFER FOR SALE OR LEASE IN THIS STATE TWELVE OR MORE TIME-SHARE INTERVALS WITHOUT FIRST OBTAINING A PUBLIC REPORT FROM THE COMMISSIONER. ANY SALE OR LEASE OF TWELVE OR MORE TIME-SHARE INTERVALS PRIOR TO ISSUANCE OF THE PUBLIC REPORT IS VOIDABLE BY THE PURCHASER. AN ACTION BY THE PURCHASER TO VOID SUCH TRANSACTION MUST BE BROUGHT WITHIN FIVE YEARS OF THE DATE OF THE EXECUTION OF THE PURCHASE AGREEMENT BY THE PURCHASER IN ANY SUCH ACTION, THE PREVAILING PARTY IS ENTITLED TO REASONABLE ATTORNEY FEES AS DETERMINED BY THE COURT.
2. ANY PURCHASE AGREEMENT FOR A TIMESHARE INTEREST MAY BE CANCELED BY THE PURCHASER WITHOUT CAUSE OF ANY KIND BY MAILING OR DELIVERING WRITTEN NOTICE OF CANCELLATION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH THE PURCHASER EXECUTED THE PURCHASE AGREEMENT. A NOTICE OF CANCELLATION MUST BE MAILED OR DELIVERED TO ILXA C/O RESCISSION COORDINATOR, DIAMOND RESORTS FINANCIAL SERVICES, INC., 10600 WEST CHARLESTON BOULEVARD, LAS VEGAS, NEVADA 89135.

GENERAL

This report includes: The Premiere Vacation Collection (the “Collection”) includes 156,236,000 timeshare points, or “Points,” representing 25,699 timeshare intervals or “Resort Interests.” The location, period, and quality of accommodation a Member of the Collection may reserve is determined by the number of Points owned by the Member. Definitions for capitalized terms used in this Public Report, such as “Occupancy Periods,” “Member,” and “Points,” may be found in the List of Definitions (“Definitions”) attached to this Public Report.

The Project Map for this development: is recorded in Book ____ of Maps ____ Page __, records of _____ County, State of _____. See **Component Site Summaries attached hereto as Exhibit B.**

The Project: The Collection is a points-based, multisite, timeshare use vacation club, established by the Plan (see Definitions), and presently includes Resort Interests (see Definitions) and opportunities for its Members (see Definitions) to reserve and use Collection Accommodations (see Definitions) in fifteen (15) Component Site (see Definitions) locations: four (4) in Sedona, Arizona; one (1) in Payson, Arizona; one (1) in Tucson, Arizona; two (2) near Pinetop, Arizona; one (1) in Village of Oak Creek, Arizona; one (1) in Scottsdale, Arizona; one (1) in Cave Creek, Arizona; one (1) in Estes Park, Colorado; one (1) in South Bend, Indiana; one (1) in Las Vegas, Nevada; and one (1) in San Carlos, Nuevo Guaymas, Sonora, Mexico.

TIME-SHARE USE

Sales: Memberships (see Definitions) are evidenced by right to use other than fee title. Members will receive a Points Certificate (see Definitions) and be entered on the Register of Members (see Definitions). Points are the currency of use within the Collection. Points are owned in perpetuity, except for Term Points (See Definitions), which will be available for a defined term as set forth in the Member’s Points Certificate. Currently all Resort Interests are held in perpetuity, except the Resort Interests in the Sea of Cortez Beach Club, which are based on a renewable twenty-five (25) year right to use agreement.

Lock-outs: None.

Maintenance period: There are 52 Occupancy Periods (see Definitions) available in each Collection Accommodation, except for Resort Interests at the Golden Eagle Resort, where there are 51 Occupancy Periods in each Collection Accommodation. The Association (see Definitions) or the applicable Component Site Owners Association (see Definitions) has the right to reserve up to one twenty-four (24) hour period (and a one-week period at the Golden Eagle Resort) in each calendar year as the maintenance period for each Collection Accommodation. If needed to maintain or upgrade the Collection Accommodation and if the vacancy rate is high enough to permit it, the Association or the Component Site Owners Association may reserve additional days for maintenance. The Association shall use its best efforts to reserve maintenance periods so as to maximize the use and enjoyment of the Collection Accommodations by Members and minimize any scheduling problems under the Reservation System (see Definitions).

PROJECT LOCATION

The Project: For Component Site addresses and directions, see Exhibit B attached hereto.

NARRATIVE OF OFFERING

Premiere Vacation Collection Owners Association, Inc., an Arizona non-profit corporation (the “Association”), operates the Collection, which is a points-based, multisite, timeshare use vacation club plan. Pursuant to the Second Amended and Restated Premiere Vacation Collection Membership Plan (the “Plan”), ILX Acquisition, Inc. (“Seller”), has the right to sell all Memberships in the Collection owned by the Association. The principal place of business of the Collection and the Seller is 10615 Park Run Drive, Las Vegas, Nevada 89144.

An individual may become a Member by purchasing a Membership in the Collection to which there is appurtenant a specific number of Points, which are the currency of use within the Collection. The Membership allows a Member to use Points to annually reserve Occupancy Periods in Collection Accommodations and related facilities at any Component Site.

The Seller is currently requiring a minimum purchase of at least two thousand five-hundred (2,500) Points for new Members, but may sell any increment of Points to existing Members. The minimum number of Points that must be maintained in order to retain a valid Membership is two thousand (2,000). If the number of a Member’s annual allotment of Points falls below the Minimum Points Threshold for any reason, such as the partial transfer of Points or the expiration of the Member’s Term Points, the affected Membership will cease to be a valid Membership unless sufficient additional Points are acquired to meet the Minimum Points Threshold. The purchase of additional Points will be governed by prices in effect at the time of the purchase.

The Plan defines how the Collection operates and provides for the distribution of Occupancy Periods in Component Sites to its Members. The Collection currently includes Resort Interests in each of fifteen (15) Component Sites, eleven (11) in Arizona; one (1) in Colorado; one (1) in Indiana; one (1) in Nevada; and one (1) in Sonora, Mexico. The Seller holds the exclusive right, but not the obligation, to add additional Resort Interests to the Collection at these or at additional Component Sites, in its sole discretion. Such additional Resort Interests may be either fee simple interests that are perpetual in duration or leasehold interests that will not be available in perpetuity, but will have a definite term of duration.

Subject to the terms and conditions set forth in the Plan and the Collection Instruments (see Definitions), each Member or such Member’s Permitted User (see Definitions), for each Membership owned, has: (a) the exclusive right to occupy a Collection Accommodation and to use the common furnishings contained within such Collection Accommodation during the Member’s reserved Occupancy Period; and (b) the non-exclusive right to use and enjoy the common areas at the Component Site during the Member’s reserved Occupancy Period.

1. Reservation System:
 - (a) Ownership.

The Collection Instruments contemplate the use of a Reservation System that is owned and operated by Diamond Resorts International Club, Inc. (“DRIC”), a Florida corporation and the Reservation Services Provider (see Definitions), which provides such services to the Members as provided for in an agreement between DRIC and the Association, a copy of which is available from the Association upon request. In the event that such agreement is terminated by either party for any reason, the Association will need to make arrangements with another Reservation Services Provider for such services and a replacement Reservation System.

(b) Operating Entity.

DRIC, which is an affiliate of the Manager (see Definitions), owns and operates the Reservation System. DRIC does not charge Members for making reservations. However, in order to make a reservation, a Member must be current in all Assessments (see Definitions) and other charges due the Association. DRIC may, in the future, charge a fee for making reservations in accordance with the Rules and Regulations (see Definitions).

(c) Summary of Rules Governing Reservation System:

The Rules and Regulations contain the required procedures concerning the making and cancelling of reservations and the use of Collection Accommodations. The following is a summary of the Rules and Regulations with respect to the Reservation System:

- (i) All reservations are on a first come, first served basis. The Rules and Regulations set forth any limitations on how far in advance a reservation may be made.
- (ii) All reservations are subject to space availability.
- (iii) A Member must have sufficient Points for each reservation made. Points may be saved from the current Occupancy Year (see Definitions) or borrowed from a future Occupancy Year in accordance with the Rules and Regulations.
- (iv) Reservations are subject to immediate cancellation without notice upon delinquency in payment of Assessments or delinquency in payment of any obligation owing to Seller, or if such reservations have been obtained in a manner designed to circumvent the intent of the Plan or any applicable Rules and Regulations.

PURCHASERS SHOULD CAREFULLY NOTE THE DATES AND “FIRST-COME, FIRST-SERVED” BASIS FOR HONORING RESERVATION REQUESTS. THE LONGER A MEMBER WAITS TO MAKE A RESERVATION, THE LESS LIKELY IT IS THAT THE MEMBER WILL BE ABLE TO RESERVE THE MEMBER’S FIRST CHOICE OF OCCUPANCY PERIODS.

COMPONENT SITES CONTAINED IN THIS MULTISITE TIMESHARE PLAN MAY BE SUBJECT TO PRIORITY RESERVATION FEATURES, WHICH MAY AFFECT YOUR ABILITY TO OBTAIN A RESERVATION.

2. Component Site Additions, Substitutions and Deletions:

(a) Component Site Additions.

(i) Basis For Additions.

Pursuant to the Plan, the Seller has the exclusive right, in its sole and absolute discretion, to add an unlimited number of additional Collection Accommodations to the Collection by arranging for the transfer of additional Resort Interests to the Association for the benefit of the Members and by executing appropriate amendments or supplements to the Collection Instruments and filing the same with the appropriate governmental authorities.

(ii) Authority Retaining Addition Right.

The Plan authorizes the Seller to unilaterally add Resort Interests and Collection Accommodations to the Collection.

(iii) Anticipated Effect of Additions Upon the Reservation System and Availability of Collection Accommodations.

The anticipated effect of the addition of Collection Accommodations to the Collection is expected to be positive, as Members will have additional alternative facilities at which to use their Points. Any negative effects of adding Collection Accommodations are expected to be minimal.

(b) Cap Upon Multisite Common Expenses if Additions.

The only limit on any increase that might be caused to Common Expenses (see Definitions) and Assessments due to the addition of Collection Accommodations to the Collection is the CPI Dues Adjustment Percentage (as defined in the Plan).

(c) Purchaser Right of Consent to Additions.

Members do not have the right to consent to or withhold their consent from any proposed addition of Resort Interests and Collection Accommodations and facilities to the Collection. The Plan grants the Seller the right to add Resort Interests to the Collection, but does not impose any obligation to do so, which the Seller may do in its sole and absolute discretion.

COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE ADDED TO THIS MULTISITE TIMESHARE PLAN WITHOUT THE CONSENT OF THE PURCHASERS/MEMBERS. THE ADDITION OF COLLECTION ACCOMMODATIONS AND FACILITIES TO THE TIMESHARE PLAN MAY RESULT IN THE ADDITION OF NEW MEMBERS WHO WILL COMPETE WITH EXISTING MEMBERS IN MAKING RESERVATIONS FOR THE USE OF AVAILABLE COLLECTION ACCOMMODATIONS AND FACILITIES WITHIN THE TIMESHARE PLAN, AND MAY ALSO RESULT IN AN INCREASE IN THE ANNUAL MAINTENANCE FEES AGAINST MEMBERS FOR COMMON EXPENSES.

(d) Component Site Substitution.

(i) Basis for Substitution.

The Seller may substitute Collection Accommodations through annexation and deannexation, as described herein, and may contract for additional Collection Accommodations to be made available without annexation as described in the Plan.

(ii) Anticipated Effect of Substitutions Upon the Reservation System and Availability of Collection Accommodations.

No material effects on the Reservation System or the availability of Component Sites or the operation of the Collection are expected from any needed replacements of Collection Accommodations. Purchasers should be aware, however, that as a result of a decision not to reconstruct damaged or dilapidated Collection Accommodations or during any reconstruction, replacement or acquisition period, or in the event the Sea of Cortez Beach Club 25-year right to use agreement is not renewed, Members in the Collection may temporarily compete for available Collection Accommodations on the basis of a greater than one-to-one Member to accommodation ratio.

(iii) Purchaser Right of Consent to Substitutions.

Members do not have the right to consent to or withhold their consent from any proposed replacement of Resort Interests and Collection Accommodations and facilities within the Collection. The Plan grants the Seller, in its sole and absolute discretion, the right to add Resort Interests to the Collection, but does not impose any obligation to do so.

NEW COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE SUBSTITUTED FOR EXISTING COLLECTION ACCOMMODATIONS AND FACILITIES OF THIS MULTISITE TIMESHARE PLAN WITHOUT THE CONSENT OF THE PURCHASERS. THE REPLACEMENT COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE LOCATED AT A DIFFERENT PLACE OR MAY BE OF A DIFFERENT TYPE OR QUALITY THAN THE REPLACED COLLECTION ACCOMMODATIONS AND FACILITIES. THE SUBSTITUTION OF COLLECTION ACCOMMODATIONS AND FACILITIES MAY ALSO RESULT IN AN INCREASE IN THE ANNUAL MAINTENANCE FEES AGAINST MEMBERS FOR COLLECTION COSTS.

EXCEPT FOR THE ABOVE, NEITHER SELLER NOR THE ASSOCIATION MAKES ANY REPRESENTATIONS WHATSOEVER REGARDING THE ADDITION OR SUBSTITUTION OF COLLECTION ACCOMMODATIONS AND NONE OF SELLER, THE BOARD OR THE ASSOCIATION SHALL HAVE ANY OBLIGATION TO ADD ADDITIONAL COLLECTION ACCOMMODATIONS OR SUBSTITUTE COLLECTION ACCOMMODATIONS.

(e) Component Site Deletion.

(i) Deannexation by Seller.

Pursuant to the Plan, the Seller has the exclusive right, in its sole and absolute discretion, to remove Collection Accommodations from the Collection by recording a declaration of deannexation. No deannexation may occur that would cause there to exist an insufficient amount of Resort Interests to accommodate the occupancy rights of all then existing Members in the manner described in the Plan. Upon a deannexation, the Association shall reconvey the deannexed Resort Interests to the Seller or its designee.

(ii) Deannexation for Casualty or Eminent Domain Action.

Collection Accommodations that are damaged, destroyed or the subject of eminent domain action may be removed from the Collection pursuant to Seller's right to deannex, as described in the Plan. During any period of repair, reconstruction or replacement, or as a result of any decision not to repair or replace, Members may temporarily compete for available Collection Accommodations on the basis of a greater than one-to-one Member to Collection Accommodation ratio.

(iii) Business Interruption Insurance Provision.

The Collection does not maintain business interruption insurance, but the respective Component Site Owners Associations maintain casualty and liability insurance on the respective Collection Accommodations at each location.

(iv) For Term Expiration.

Although only Sea of Cortez Beach Club includes Resort Interests that consist of right-to-use interests, the Plan allows more Resort Interests to be added to the Collection that consist of a leasehold interest or similar interest that will expire as of a certain date. The Points that are or will be appurtenant to such Resort Interests are categorized as Term Points and will be designated on the Member's Points Certificate as expiring by a specified date. Upon the occurrence of such expiration dates, such Term Points and the Resort Interests to which they are appurtenant will be deemed to be no longer included in the Collection and will no longer be subject to the Plan and the other Collection Instruments. No action is required on the part of the Seller, the Board (see Definitions), or the Association to effect this deletion from the Collection, other than the updating of any applicable list, map or other depiction of the Component Sites that are available for use by the Members and appropriately adjusting the Register of Members.

(v) Anticipated Effect of Deletions Upon the Reservation System and Availability of Component Sites.

No material effects on the Reservation System or the availability of Component Sites or the operation of the Collection are expected from any deletions of Collection Accommodations. During any reconstruction, replacement, or acquisition period, or as a result of a decision not to reconstruct damaged or dilapidated Collection Accommodations, or in the event the Sea of Cortez Beach Club 25-year right to use agreement is not renewed, Members may temporarily

compete for available Collection Accommodations on the basis of a greater than one-to-one Members to accommodation ratio.

3. Purchaser's Liability for Fees Association with Multisite Timeshare Plan:

(a) Multisite Vacation Ownership Timeshare Plan Common Expenses.

The Plan provides for the establishment, levying and collection of Assessments to fund the Common Expenses and Capital Assessments (see Definitions).

(b) Annual Assessments and Special Assessments.

(i) Funding Common Expenses.

The Board determines the annual operating budget to provide for Collection operating expenses and capital reserves for each year. The budget is funded by an annual Assessment paid by Members. A copy of the current annual budget for the Association is attached hereto as **Exhibit A**.

The Association is obligated to pay for its share of Common Expenses to the appropriate Component Site Owners Associations with respect to Collection Accommodations owned in each Component Site. The Association's share of common expenses at all Component Sites is included in the Collection's annual budget. Indirectly, therefore, the Members are charged through the Collection Assessments for the expense of the assessments or dues levied by the Component Site Owners Associations, which are authorized to levy the same on behalf of the owners of each Component Site. Real estate taxes are included in the calculation of annual common expense assessments levied by the Component Site Owners Associations.

The Association and the Seller believe that the projected income in the current year's operating budget will be adequate to meet the Association's estimated Common Expenses and that no Special Assessments (see Definitions) will be necessary.

(ii) Special Assessments.

Under the Plan, the Board may levy a Special Assessment applicable to that period only, as may be necessary for the purpose of defraying, in whole or in part, the cost of any acquisition, construction, reconstruction, repair or replacement of any Collection Accommodation, including the furnishings related thereto, for which no reserves have been established or for deficiencies in such reserves or the purpose of defraying other extraordinary expenses relating to the mutual health, benefit, safety and welfare of the Members and/or the Association, or for purposes of funding any deficits in Assessments. No vote or written assent of the Members shall be required for the adoption of a Special Assessment.

Every Special Assessment shall be levied upon the same basis as that prescribed for the levying of the annual Assessment. The Board may levy a Special Assessment against all or fewer than all Members, depending upon the reason for the Special Assessment and the Members who will be affected by that reason. Special Assessments are to be collected as specified by the Board. Except as otherwise provided in the Collection Instruments, any Special

Assessment shall be due and payable within thirty (30) days after the date upon which the written notice of such Special Assessment is mailed to the Members, unless the Board determines that instalment payments shall be permitted and provides each Member with an approved payment schedule, in which case each Member's payments shall be made no later than the time specified in such payment schedule. If the Board authorizes the payment of any Special Assessment in instalments, no notice of the due date of each individual instalment payment shall be required to be given, other than the initial Special Assessment notice.

From time to time, the Collection may be billed for special assessments by one or more of the Component Sites Owners Associations. In the event a special assessment is assessed by a Component Site Owners Association, the Collection's portion of the charges will be included as part of the annual Assessments or as a separate Special Assessment, as determined by the Board in its sole discretion.

(c) Determining Assessments.

After the Board approves the annual operating budget, the Board shall determine the respective Assessment that shall be levied on each Membership according to the provisions of the Plan.

The Assessments will include all applicable state and local real estate taxes. Any goods and services tax or sales tax payable in connection with the sale of the Points is included in the purchase price for the Points. Any occupancy tax levied by any government entity upon Members using Collection Accommodations will be paid by those Members.

If the Seller transfers additional Resort Interests to the Association during the fiscal year, the Board may prepare a revised budget based on transfer of the additional Resort Interests and the issuance of additional Points and may adjust the Assessments accordingly.

(d) Payment of Assessments.

Except for Seller and Seller's affiliates for Memberships owned or held for sale, Assessments will be collected in advance on a monthly, quarterly or annual basis as determined by the Board. The initial Assessment will be due and payable by each Member, other than the Seller, at the time and in the manner set forth in such Member's Purchase Agreement (see Definitions). Subsequent Assessments will be due and payable by a Member within thirty (30) days after receipt of the applicable invoice or such other time as the Board may determine, commencing with the first fiscal year immediately succeeding the fiscal year in which a Membership was purchased, unless and until the Board institutes a different payment schedule by providing written notice thereof to each Member. In no event will the Assessment be due later than the first day of the Occupancy Year to which it relates. Members will be required to pay an Assessment for every fiscal year, regardless of whether the Member is entitled to, or does or does not, use and occupy a Collection Accommodation during that fiscal year.

Seller may, at its unilateral option without obligation, pay the Assessments attributable to unsold Memberships, however, pursuant to the Plan, Seller is under no obligation to pay Assessments attributable to unsold Memberships owned by the Association or held for sale.

(e) Responsible Entity for Multisite Common Expenses.

The responsible entity for determining the amount of the Common Expenses is the Association, through its Board. All Assessments for the funding of the Common Expenses are determined by the Board, and the Board is empowered by the Plan to increase such Assessments or to levy Special Assessments, if necessary.

(f) Lien Rights for Multisite Common Expenses.

A Member is delinquent if the Member fails to pay a Collection Assessment on or before the due date. In the event of such delinquency, the Association may take any of the following actions: (i) bring an action to recover a money judgement for the amount of any unpaid Assessments; (ii) exercise its rights to enforce its lien upon such Member's Membership and Points; or (iii) it may suspend some or all of the Member's rights.

All liens and unpaid Assessments shall be automatically enforceable in any manner authorized by law including but not limited to seizure, suit or power of sale.

THERE IS A LIEN OR LIEN RIGHT AGAINST EACH MEMBERSHIP TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER AMOUNTS DUE THE ASSOCIATION. A MEMBER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN ENFORCEMENT OF THE LIEN.

(g) Annual Increase Limitations.

The only limit on any increase that might be caused to Common Expenses and Assessments due to the addition of Collection Accommodations to the Collection is the CPI Dues Adjustment Percentage set forth in the Plan. Such limitation may not, however, apply to the level of annual common expense assessments that may be levied from time to time by the respective Component Site Owners Associations.

(h) Bad Debt/Working Capital Reserves.

Currently, each of the Component Site Owners Associations has established reserves to meet their respective bad debts and working capital requirements. The reserves for the current year are set out in the respective Component Site Owners Association budget, a copy of which is available from the Association upon request.

(i) Replacement/Deferred Maintenance Reserves.

Currently, each of the Component Site Owners Associations has established in its annual budget reserves for normal repairs and maintenance of the Collection Accommodations and replacement of equipment and furnishings. The reserves for the current year are set out in the respective Component Site Owners Association budget, a copy of which is available from the Association upon request.

UTILITIES

Electricity: Electricity is available at all Component Sites.

Telephone: Telephone service is available at all Component Sites.

Natural Gas: Natural gas and/or propane is available at all Component Sites.

Water: Water is available at all Component Sites.

Water Disclaimer for Kohl's Ranch Lodge:

The water supply is derived from two sources at Kohl's Ranch Lodge (the "Property"), a well on the Property, which feeds into a 200,000 gallon storage tank, and Indian Gardens Spring (approximately one-half mile south of the Property). It is unknown how potential drought conditions in the area will affect the quantity and long-term dependability of water available from the well or the Spring in relation to the current and proposed demands. Prior to 1984, the Spring met all the water requirements of the Property. Since drilling the well in 1984, the Spring has been unnecessary to service the Property. The well has been adequate to meet the Property's water requirements and Seller anticipates it will be adequate in the future. In the event it would be necessary, the Spring would be available to supplement the well source. The quality of the water supply has been acceptable for domestic use. Notwithstanding the foregoing, for reasons of the costs involved, Seller has chosen not to demonstrate to the Arizona Department of Water Resources that an adequate water supply exists, and as a consequence, that Department is required by law to find the Property's water supply to be inadequate.

Sewage Disposal: Sewage disposal is available at all Component Sites.

ACCESS STREETS AND ROADS

Access to the Development: Public streets are complete at all Component Sites and will be maintained by the appropriate municipality, county or state.

Access within the Development: Interior streets are complete at all Component Sites and will be maintained by the Component Site Owners Associations.

COMMON AREA FACILITIES

Within the Development: See Component Site Summaries attached hereto as Exhibit B.

Maintenance of Development Facilities: Development facilities are complete and will be maintained by the Component Site Owners Associations.

ASSURANCES FOR COMPLETION OF FACILITIES

Assurances for Completion of Development Facilities: All facilities at all Component Sites are complete.

LOCAL SERVICE AND FACILITIES

Shopping Facilities: See Component Site Summaries attached hereto as Exhibit B.

Public Transportation: Public transportation is available near all Component Sites, but may be more developed and frequent at some Component Sites than others. See Component Site Summaries attached hereto as Exhibit B.

Medical Facilities: See Component Site Summaries attached hereto as Exhibit B.

Fire Protection: See Component Site Summaries attached hereto as Exhibit B.

Ambulance Service: See Component Site Summaries attached hereto as Exhibit B.

Police Service: See Component Site Summaries attached hereto as Exhibit B.

SALES

Sales: Will be evidenced by a Purchase and Security Agreement. Purchaser will receive a Points Certificate and be entered into the Register of Members. The Purchaser's earnest money will be deposited into escrow with First American Title Insurance Company, 1160 Town Center Drive, Suite 100, Las Vegas, Nevada 89144.

TITLE AND ENCUMBRANCES

Title: Title to all Resort Interests is vested in the Association, for the benefit of the Members pursuant to the Plan, except for Resort Interests in the Sea of Cortez Beach Club, in which the Association holds a renewable twenty-five (25) year right-to-use.

Association's Interest: The Association holds bare legal title to the Resort Interests, subject to Seller's exclusive right to market and sell the Memberships as described in the Plan.

Seller's Interest: Seller or its affiliates or their predecessors in interest are the developers or assignee developers of the Collection. Seller has retained equitable title to the Resort Interests and has also received an assignment of the exclusive right to sell the Collection Memberships and Points associated with the unsold Resort Interests conveyed or to be conveyed to the Association.

Condition of Title and Encumbrances: All Memberships shall be conveyed to Members by Seller free and clear of any voluntary monetary encumbrances other than any lien securing the

Member's purchase price and/or the obligations of the Member pursuant to the Collection Instruments. Other than the foregoing, all Resort Interests conveyed to the Association by Seller, and Memberships to be conveyed to a Member, shall be, and remain, free and clear of any voluntary monetary encumbrances securing obligations of Seller, its affiliates or the predecessors of either; provided, however, that such voluntary monetary encumbrances or other encumbrances shall be permissible so long as such encumbrances contain provisions that result at all times in there being, at least, sufficient free and clear Resort Interests and Memberships of the number of Memberships sold (other than to Seller) which allow such Members to exercise their occupancy and other rights hereunder without interference by a beneficiary of such encumbrance, as further described in the Plan.

MANAGEMENT AND EXCHANGE NETWORK

The Project: The Manager is Diamond Resorts Management, Inc. The Manager is an affiliate of Seller and has its principal place of business at 10600 West Charleston Blvd., Las Vegas, NV 89135.

Exchange Programs: THE Club® Exchange Program.

1. Functions of THE Club® Exchange Program.

Diamond Resorts International Club, Inc. ("DRIC"), a Florida corporation with offices at 10600 West Charleston Boulevard, Las Vegas, NV 89135 and an affiliate of the Developer, has established an exchange membership program and system known as "THE Club®", pursuant to THE Club® Articles ("THE Club® Articles") and THE Club® Amended and Restated Rules and Regulations ("THE Club® Rules"). DRIC has entered into affiliation agreements with various resorts and multisite vacation ownership time-share plans and thereby created a network of resorts at which members of THE Club® can utilize a wide variety of accommodations and facilities in exchange for the use of the accommodations that they own or have the right to use. DRIC has entered into an affiliation agreement with the Association allowing Members the right to access the accommodations and facilities within THE Club®.

THE Club® is a points-based exchange program. Points (referred to herein as "Exchange Points" to avoid confusion) are allocated to each accommodation that is available for use within such program and constitute the currency of use within THE Club®.

DRIC has established certain requirements regarding reservations, cancellations and penalties from time to time, and the member should be familiar with those requirements. A copy of the current policies is available from the membership services department of THE Club®. Any representations made regarding THE Club® exchange program by DRIC, its agents or employees or in its literature, brochures, videos or other promotional materials are solely the representations of DRIC and should not be relied upon as representations of the Seller or the Association.

(a) THE Club[®] Membership.

Purchasers will automatically be enrolled in THE Club[®]. Persons who acquire their membership in THE Club[®] from an existing Collection Member other than the Seller or an affiliate of Seller must be approved by DRIC before they will be enrolled in THE Club[®], but once so approved, their enrollment in THE Club[®] will be mandatory.

According to the affiliation agreement with DRIC, membership in THE Club[®] may not be transferred without the consent of DRIC, and transfer of a Member's Collection Membership does not have the effect of transferring the Member's membership in THE Club[®] unless DRIC consents to such transfer and any transfer fee is paid.

(b) Reservations, Cancellations and Penalties.

Reservations and use of accommodations through THE Club[®] with the use of Exchange Points are subject to availability at the time the request is made. THE Club[®] has established certain requirements regarding reservations, cancellations and penalties from time to time, and the Member should be familiar with those requirements. A copy of the current policies is available from the member services department of THE Club[®].

(c) Cost of Participation.

As with other exchange programs, members of THE Club[®] are responsible for annual THE Club[®] membership fees and other charges to cover the costs of the operation of the exchange program, as provided in THE Club[®] Articles or THE Club[®] Rules. The current annual membership fee is two hundred ninety-nine dollars (\$299.00) (U.S.) ("THE Club[®] Dues"). The affiliation agreement that the Association and the Seller have entered into with THE Club[®] calls for the Association to include the annual THE Club[®] Dues in the Association's budget and Assessments. Accordingly, the Assessments paid by each Member will reflect the annual THE Club[®] Dues paid to THE Club[®] on behalf of participating Members. All members of THE Club[®] may make an exchange within THE Club[®] program without the payment of any transaction fee. Failure on the part of a member of THE Club[®] to pay THE Club[®] Dues may result in suspension or forfeiture of the member's membership and any other applicable remedies. THE Club[®] Dues are subject to change.

2. Interval International Exchange Program.

(a) Functions of the I.I. Exchange Program.

DRIC has entered into an affiliation agreement with Interval International, LLC. ("I.I."), an international vacation exchange company with offices at 6262 Sunshine Drive, Miami, Florida 33243. I.I. is not in any way affiliated with the Seller, the Manager, or any of their respective affiliates or subsidiaries. The affiliation arrangement with I.I. allows Members to temporarily exchange their use rights in a reserved Collection Accommodation for comparable use rights in accommodations at a wide variety of resorts that participate in the I.I. exchange program. Any representations made regarding the I.I. exchange program by I.I., its agents or employees, or in its literature, brochures, videos, or other promotional materials are solely the

representations of I.I. and should not be relied upon as representations of the Seller, the Association, the Manager, THE Club® or DRIC.

(b) I.I. Exchange Program Membership.

Pursuant to the affiliation agreement between DRIC and I.I., each new member of THE Club® will automatically become a member of the I.I. exchange program.

According to the affiliation agreement with DRIC, membership in THE Club® (and therefore in the I.I. exchange program) may not be transferred without the consent of DRIC, and transfer of a Member's Collection Membership does not have the effect of transferring the Member's membership in THE Club® (and therefore in the I.I. exchange program) unless DRIC consents to such transfer and any transfer fee is paid.

(c) Reservations, Cancellations and Penalties.

Reservations and use of accommodations through the I.I. Exchange Program by the use of Exchange Points are subject to availability at the time the request is made. The I.I. Exchange Program has established certain requirements regarding reservations, cancellations, and penalties from time to time, and the Member should be familiar with those requirements. A copy of the current policies is available from the I.I. member services department.

(d) Cost of Participation.

Membership in THE Club® automatically includes membership in the I.I. exchange program with no additional annual membership fee. Members must pay to I.I. an exchange transaction fee of one hundred seventy-four dollars (\$174.00) (U.S.) for a 7-night domestic or international vacation exchange within the I.I. exchange program. The I.I. exchange fees may vary for Members living outside of the U.S., Canada and Caribbean. Exchange requests made through I.I.'s website are eligible for a twenty dollar (\$20.00) discount on the applicable transaction fees. All exchange program fees are subject to change.

THERE IS AN EXCHANGE PROGRAM MEMBERSHIP ASSOCIATED WITH THIS MULTISITE VACATION OWNERSHIP TIMESHARE PLAN. THE COLLECTION AND INDIVIDUAL COMPONENT SITES MAY BE AFFILIATED WITH ONE OR MORE EXCHANGE PROGRAMS WHEREBY MEMBERS MAY VOLUNTARILY EXCHANGE THEIR RIGHT TO USE AND OCCUPY COLLECTION ACCOMMODATIONS FOR COMPARABLE RIGHTS TO USE ACCOMMODATIONS IN OTHER RESORTS PARTICIPATING IN THE EXCHANGE PROGRAM. THERE IS NO GUARANTEE THAT THE COLLECTION OR ANY COMPONENT SITE WILL REMAIN AFFILIATED WITH ANY PARTICULAR EXCHANGE PROGRAM.

BUDGETS AND ASSESSMENTS

Operating Costs: A copy of the Collection's budget and proposed annual Maintenance Fees (see Definitions) or Assessments is attached as **Exhibit A**. It should be examined carefully to determine if it realistically and accurately projects current and future costs of managing and maintaining Component Sites. Annual Maintenance Fees are subject to periodic increase.

Purchasers are advised that these Maintenance Fees and/or Assessments probably will increase as experience has shown in the industry.

Payment of Operating Costs: Will be paid by the Association through Assessments.

Assessments: Members will be required to pay a yearly Assessment according to Exhibit A attached hereto. Seller indicates the amount set forth in Exhibit A is adequate to support the Collection and the timeshare plan based on estimated costs of operation.

Financial Arrangements: Unsold Memberships are owned by the Association subject to Seller's exclusive right to sell such Memberships, and neither the Association or Seller are obligated to pay Assessments on such unsold Memberships. Notwithstanding the foregoing, Seller may voluntarily pay certain Maintenance Fees on a pro-rata share based on the unsold Memberships without obligation as it shall determine in its sole and subjective discretion.

Other Assessments: Special Assessments may be levied pursuant to the Plan. Personal Charges (see Definitions) may be incurred as a result of the act or omission of a Member pursuant to the Plan.

TAXES

Real Property Taxes: Each Component Site Owners Association will be billed by the applicable tax authority, and a pro rata share of the property tax bill will be included as part of each Member's Assessment.

Other Tax Assessments: May be levied by taxing authorities if deemed necessary.

OWNERS ASSOCIATIONS

Name of Association: Premiere Vacation Collection Owners Association, Inc., an Arizona non-profit corporation (the "Association").

Control of Association: Pursuant to the Plan, Seller has weighted voting power until 95% of the Total Authorized Voting Membership Shares (as defined in the Plan) are sold.

Title to Common Areas: Depending on the nature of the Component Site to which the Resort Interests relate, common areas or common elements are either owned by the Component Site Owners Association or are owned by owners in undivided interests but managed by the Component Site Owners Association. None of the Component Site common areas are titled in Seller.

Membership: A purchase of a Membership in the Collection will require that you be a Member of the Association. Through legally enforceable provisions in the Plan and as provided in your Purchase Agreement, your Membership in the Association will be mandatory and automatic the moment you make your purchase. Membership will mean certain responsibilities and obligations, such as:

In order to provide funds for operation and maintenance of the Collection, the Association will have authority to levy Assessments against your percentage of interest in the property. If you are delinquent in the payment of Assessments, the Association may enforce payment through court proceedings, or your Membership in the Collection or ability to use or occupy the Collection Accommodations, or participate in the management of the Association, may in other ways be in jeopardy.

The anticipated income and expense of the Association and the amount that you may expect to pay annually through Assessments should be outlined in, and predicated upon, budgets. A copy of the Budget is attached hereto as Exhibit A.

Your ownership or interest rights as a Member of the Association will be controlled by Collection Instruments, which include the Plan, the Articles (see Definitions), the Bylaws (see Definitions), the Rules and Regulations, and any other document or instrument which defines or governs the Collection. The provisions of these documents are intended to be, and, in most cases are, enforceable in a court of law. Study these documents carefully before entering into a contract to purchase a Membership.

Until there are a sufficient number of Members, it is likely that the Seller will effectively control the affairs of the Association. It is frequently necessary and equitable that the developer do so during the early stages of development. It is important to Members that the transition from the Seller to all Members collectively be accomplished in an orderly manner.

When contemplating the purchase of a timeshare interest, you should consider factors beyond the attractiveness of the accommodations themselves. Study the governing instruments and give careful thought to whether you will be able to exist happily in an atmosphere of cooperative living where the interests of the group must be taken into account as well as the interest of the individual.

PAYMENTS, INCLUDING ASSESSMENTS, TO INTERVAL OWNERS ASSOCIATIONS, SUCH AS THE ASSOCIATION, ARE SUBJECT TO CHANGE IN ACCORDANCE WITH THE PLAN. THE ASSOCIATION MAY ALSO IMPOSE SPECIAL ASSESSMENTS. YOU ARE ADVISED TO READ THE PLAN, ARTICLES, BYLAWS, AND RULES AND REGULATIONS FOR THIS TIMESHARE PLAN TO DETERMINE THE RIGHTS OF INTERVAL OWNERS TO PARTICIPATE IN THE CONTROL OF THE INTERVAL OWNERS' ASSOCIATION AND TO DETERMINE THE RIGHTS, DUTIES AND LIMITATIONS OF OWNERS IN AND TO THE USE OF THEIR TIMESHARE INTEREST. FURTHER, YOU SHOULD DETERMINE FOR YOURSELF IF THE SELLER'S ARRANGEMENTS AND PLANS FOR THE PAYMENT OF ASSESSMENTS ON UNSOLD TIMESHARE INTERESTS WILL BE SUFFICIENT TO FULFILL THE NEEDS, DEMANDS AND FINANCIAL OBLIGATIONS OF THE ASSOCIATION, AS SET FORTH IN THE PLAN AND BYLAWS.

List of Definitions

Exhibit A – Budget

Exhibit B – Component Site Summaries

LIST OF DEFINITIONS

“Articles” means the articles of incorporation of Association, as the same may be amended from time to time.

“Assessments” means Maintenance Fees, Capital Assessments, Special Assessments, and Personal Charges which a Member is required to pay, which will include any assessments made pursuant to an Underlying Plan and any other assessments or charges levied by the Board on behalf of the Association that may from time to time be created by the Board, including without limitation all expenses denominated as Common Expenses by the Plan or unilaterally by the Board.

“Association” means Premiere Vacation Collection Owners Association, Inc., an Arizona nonprofit corporation, being the organization of persons who own Memberships in the Association, together with its successors and assigns.

“Board” means the board of directors of the Association.

“Bylaws” means the bylaws of the Association, as the same may be amended from time to time.

“Capital Assessment” means a charge against each Member (other than Seller) and such Member’s Membership which the Board may approve from time to time, representing the cost to the Association for purchase, lease, installation, construction or reconstruction of any capital improvements for the benefit of the Association, or for any other item for which sufficient funds are otherwise unavailable.

“Collection” means the Premiere Vacation Collection, a points-based, multisite, timeshare use vacation club, established by the Plan.

“Collection Accommodation” means the accommodations, where such accommodations are an apartment, condominium, home, villa, cooperative unit, cabin, lodge, hotel or motel room, or any other private or commercial structure or facility forming part of a parcel of real property, in which the Association owns one or more Resort Interests for the benefit of the Association and its Members.

“Collection Instruments” means the Plan, the Articles, the Bylaws, the Rules and Regulations, the Purchase Agreement, the Points Certificate and any other documents executed concurrently or in connection with the Purchase Agreement, and, where applicable, any Component Site Instruments.

“Common Expenses” means the actual and estimated costs of operating and managing the Association and its property including, but not limited to: Assessments, Association administrative costs, taxes, insurance, utilities, reserves, legal fees and accounting fees, and the annual maintenance fees or dues and other costs of ownership of the Resort Interests.

“Component Site” means a resort or other location at which at least one (1) Resort Interest and Collection Accommodation is located.

“Component Site Instruments” means the written instrument(s) pursuant to which any of the Resort Interests or Collection Accommodations were legally created or presently exist and/or which provide for the management, operation, maintenance, use and enjoyment of any of the Component Sites by the common owners thereof and which establishes benefits and burdens running with, and/or equitable servitudes upon, such property.

“Component Site Owners Association” means the entity responsible for the operation, physical maintenance and repair of a Component Site pursuant to its Component Site Instruments, where the Association is not the party so responsible.

“Exchange Program” means such service (if any) provided by any one or more external exchange companies as may, from time to time, be selected by the Association and Seller, whereby Members, for a fee, may exchange Occupancy Periods for comparable use privileges in other projects in an exchange company network.

“Maintenance Fee(s)” means an annual charge against each Member and such Member’s Membership, representing a pro-rata portion of the annual Common Expenses (including the annual maintenance fees, dues or other charges relating to the Resort Interests), but subject to the special provisions concerning Seller in the Plan. The Maintenance Fee shall be equal for all Memberships of a particular Membership type and Occupancy Period, but may vary among Memberships of different Membership types and Occupancy Periods.

“Manager” means the person or entity, its successors and assigns, engaged from time to time by the Association to undertake the duties, responsibilities, and obligations of managing the Collection and Association, pursuant to the then-effective management agreement.

“Member” or “Purchaser” means (a) any individual who executes a Purchase Agreement and thereby becomes a member of the Association and who is the grantee shown on the deed or leasehold assignment or a properly transferred and recorded subsequent deed or leasehold assignment in proper form, transferred in compliance with the Collection Instruments and/or (b) any individual who executes a Purchase Agreement and thereby becomes a member of the Association and who acquires points in the Collection. Member includes his or her permitted successors and assigns whose name is entered in the Register of Members.

“Membership” means the collection of occupancy and other rights and obligations of a Member set forth and described in the Collection Instruments, including without limitation occupancy and other rights of a Member who acquires points in the Collection. The Membership is initially conveyed, transferred and evidenced by the deed, leasehold assignment or Points Certificate.

“Minimum Points Threshold” means the minimum number of Points a Member needs to own in order to hold a valid Membership, as established by Seller.

“Occupancy Period” means that number of Days during which a Member may reserve the use of a Collection Accommodation in one or more Component Sites in accordance with the provisions of the Collection Instruments.

“Occupancy Year” means each Calendar Year during which a Member is entitled to occupy a Collection Accommodation pursuant to the terms hereof. The Association may designate another period as constituting the Occupancy Year.

“Permitted User” means any person, other than a Member, an exchange user or a hotel guest, occupying a Collection Accommodation or otherwise using a Component Site with or in lieu of, but with the permission of, any Member, such as such Member’s family, guests, employees, licensees or invitees. Any act or omission by a Permitted User shall be deemed the act or omission of the Member under whom such Permitted User occupies or uses.

“Personal Charges” means a charge against a particular Member and such Member’s Membership equal to: (a) any and all charges attributable to or incurred by a Member or a Permitted User during the use of a Collection Accommodation or Component Site; (b) the cost incurred by the Association for any corrective action performed pursuant to the provisions of this Plan; or (c) a reasonable fine or penalty assessed by the Association, plus interest and other charges thereon as provided for in this Plan.

“Plan” means that certain Second Amended and Restated Premiere Vacation Collection Membership Plan, together with all exhibits attached thereto, as may be amended or supplemented from time to time, pursuant to the provisions thereof.

“Points” means the currency of use within the Collection through which Members reserve the use and occupancy of Collection Accommodations in accordance with the Collection Instruments, with a specific number and type of Points being ascribed to each Membership.

“Points Certificate” means the certificate issued by Association to a Member naming that person(s) as a Member and specifying the number and type of Points held by that Member.

“Purchase Agreement” means the purchase agreement between Seller and the person named therein as “Buyer” providing for the sale by Seller and the purchase by Buyer of one or more Memberships.

“Register of Members” means the official register of the then current Members of the Association, including each Member’s name, address, telephone number and other information, as kept by the Secretary of the Association.

“Reservation Services Provider” means the entity engaged by the Association to provide reservation services for the Collection.

“Reservation System” means the method, arrangement, or procedure by which Members reserve use and occupancy of Collection Accommodations pursuant to the terms of the Collection Instruments.

“Resort Interests” mean specific interval ownership interests or other types of real property interests in one of more Component Sites owned or leased by the Association on behalf of and for the benefit of the Association and its Members.

“Rules and Regulations” means the rules and regulations of the Association, including and subject to any applicable rules and regulations as to any particular Component Site and the Collection Accommodations at such resort, all as the same may be amended from time to time.

“Seller” means ILX Acquisition, Inc., a Delaware corporation, and its successors and assigns, or any designated affiliate or subsidiary thereof and their successors and assigns.

“Special Assessment” means an Assessment levied by the Board upon Members as provided in the Plan.

“Term Points” means Points that will be available for a defined term.

EXHIBIT "A"**Premiere Vacation Collection Owners Association, Inc.
2013 Budget****REVENUES**

Assessment Revenue - Owners	\$20,375,521
Assessment Revenue - Developer ^(A)	7,887,228
Other Income	218,000
TOTAL REVENUES	28,480,749

EXPENSES

Maintenance Fee Obligation	21,779,465
Management Fees	3,522,993
Bad Debt Expense	5,093,880
Developer Delinquency Contribution	(3,056,328)
Assessment, Billing & Accounting Fees	886,159
General & Administrative	204,580
TOTAL EXPENSES	28,430,749

SURPLUS/(DEFICIT)

Fund Balance/(Deficit), prior years	(525,158)

PROJ. FUND BALANCE/(DEFICIT), end of year**\$(475,158)**

2013 Assessments					
Points Values	0-3500	3501-6000	6001-8500	8501+	
Base Standard Assessment	\$400.00	\$325.00	\$325.00	\$175.00	
Point Standard Assessment	\$0.1302	\$0.1302	\$0.1302	\$0.1302	
THE Club[®]	\$299.00	\$299.00	\$299.00	\$299.00	

2013 Assessments - Every Other Year					
Points Values	0-1750	1751-3000	3001-4250	4251+	
Base Standard Assessment	\$200.00	\$162.50	\$162.50	\$87.50	
Point Standard Assessment	\$0.1302	\$0.1302	\$0.1302	\$0.1302	
THE Club[®]	\$299.00	\$299.00	\$299.00	\$299.00	

THE Club[®] Dues are provided for informational purposes only. They are not part of the assessments, but are fees associated with THE Club[®]

^(A) Subject to the provisions of that certain Temporary Assessment Agreement by and between ILX Acquisition, Inc. and the Association, which shall expire on December 31, 2013.

Books and records of the Association are currently being maintained at 10615 Park Run Drive, Las Vegas, NV 89144.

EXHIBIT "B"**COMPONENT SITE SUMMARIES
PREMIERE VACATION COLLECTION****LOS ABRIGADOS RESORT & SPA
and
WINNERS CIRCLE AT LOS ABRIGADOS
160 Portal Lane
Sedona, Arizona 86336****Location of units:****a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town

The resorts are located in Sedona, Arizona, approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Unpaved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona-Sez Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for these developments is recorded in Book 3 of Land Surveys, Page 97, Coconino County, Arizona.

Narrative of Offering:

The resort consists of 185 units situated on approximately 20 acres of landscaping, Spanish-styled plazas, walkways and bridges. Los Abrigados offers one- and two-bedroom units, each with a separate living area, bedroom, mini-kitchen and balcony or

patio. Twenty-nine suites have a fireplace, twenty suites offer an outdoor whirlpool spa and eight suites contain a whirlpool bathtub. Twenty-one units offer full kitchenettes.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 312.0 Resort Interests in Cottonwood Units
- 190.5 Resort Interests in Flagstaff Units
- 224.5 Resort Interests in Oak Creek Units
- 104.0 Resort Interests in Orchard Units
- 42.0 Resort Interests in Stonehouse Units
- 104.0 Resort Interests in Winner's Circle Units
- 2879.5 Resort Interests in Jerome Units
- 976.0 Resort Interests in Sedona Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There are four restaurants, sports bar, billiards emporium, library, two pools, tennis courts, sports court, basketball court, bocce ball courts, fitness center and health spa offering, a variety of personal care services, aerobic and yoga classes, whirlpools, steam and sauna rooms, hydrotherapy and other personal care facilities. The project is situated on approximately 20 acres with landscaping, Spanish-styled plazas, walkways and bridges. Twenty suites offer a fireplace and whirlpool spa. Nine units offer full kitchenettes. The resort is designed in Southwestern decor and is surrounded by the red rocks of Oak Creek Canyon.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

INN AT LOS ABRIGADOS
170 Portal Lane
Sedona, Arizona 86336

Location of units:**a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Sedona, Arizona, approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Unpaved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for this development is recorded in Book 2 of Maps, Page 54, Coconino County, Arizona.

Narrative of Offering:

The resort consists of ten units adjacent to Los Abrigados Resort & Spa. The Inn at Los Abrigados consists of the main Morris House and nine bed and breakfast-style units in three buildings situated amidst a former apple orchard. The Morris House includes a multi-level luxury suite sleeping six, and features a sunken living room, full kitchen with dining area, a loft, two full bathrooms and a private backyard with patio and barbecue. The bed and breakfast-style units each feature king-size beds, a sitting area, microwave, refrigerator, coffee maker, full bath with shower and balcony or patio. Guests of the Inn at Los Abrigados have charge privileges at and full use of all Los Abrigados Resort & Spa amenities.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

306.5 Resort Interests in Inn Units

34.0 Resort Interests in Morris House Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

There are no amenities on-site, but the resort is adjacent to Los Abrigados Resort & Spa with full use of their amenities.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

KOHL'S RANCH LODGE
202 South Kohl's Ranch Lodge Road
Payson, Arizona, 85541

Location of units:**a. City/County/State**

Payson/Gila/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located 17 miles northeast of Payson, Arizona, and approximately 105 miles from Phoenix, Arizona. Payson is reached by traveling northeast on Highway 87 (Beeline Highway) from Phoenix. Once in Payson, turn east onto Highway 260 and travel approximately 16 miles. The resort is located on the right hand side of Highway 260.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Payson	15,547	17	0	17

c. Name, location and distance from the development of the nearest civilian airport:

Payson Municipal Airport is located at 806 West Airport Road, Payson, Arizona, and is approximately three and one-half (3-1/2) miles from the resort.

The Project Map for this development is recorded in Book 356 of Maps of the Official Records of Gila County, Arizona.

Narrative of Offering:

Kohl's Ranch is a 10.5 acre parcel bordered on the eastern side by Tonto Creek and is surrounded by the Tonto National Forest. The resort consists of 66 units, 41 of which are at the main lodge, 8 of which are one-and two-bedroom cabins along Tonto Creek, 12 of which are two-bedroom cabins along Tonto Creek, 3 of which are part of a triplex cabin, and a luxury two-bedroom and a one-bedroom unit comprise the Horton House building, also on Tonto Creek.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 157.0 Resort Interests in Christopher Creek Units
- 484.5 Resort Interests in Ponderosa Units
- 1539.0 Resort Interests in Zane Grey Units
- 624.0 Resort Interests in Canyon Creek Units
- 52.0 Resort Interests in Horton House Units
- 141.5 Resort Interests in Tonto Creek Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

There is an outdoor heated pool, outdoor whirlpool spa, exercise room, putting green, bocce ball court, children's playground and gazebos, sport court, food and beverage facilities, and kennel. Kohl's Ranch is a 10.5 acre property bordered on the eastern side by Tonto Creek and is surrounded by the Tonto National Forest. Kohl's Ranch consists of 52 units. Forty-one of the units are at the main lodge; eight units consist of one and two-bedroom cabins along Tonto Creek, and three units are part of a triplex cabin. Each unit is equipped with an air conditioner, telephone, color television and mini-kitchenette or full kitchen, and many have a fireplace.

Shopping Facilities:

There is all types of shopping in Payson, 17 miles from the resort. There are antique and craft shops in Pine, an additional 15 miles from Payson.

Public Transportation:

There is no public transportation at Kohl's Ranch. There is one taxi company in Payson, and a shuttle service to and fro the Payson airport.

Medical Facilities:

The Payson Medical Center, a full-service facility with a helicopter pad, is located 17 miles away.

Fire Protection:

The Christopher Creek Fire Department is located 5 miles from the project, and the Payson Fire Department is located 17 miles away. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Town of Payson Police Department is located 17 miles away.

VARSITY CLUBS OF AMERICA – TUCSON
3855 E. Speedway Blvd.
Tucson, Arizona 85716

Location of units:**a. City/County/State**

Tucson/Pima/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located about 3 miles from The University of Arizona in Tucson and approximately 100 miles from Phoenix, Arizona. Tucson is reached by traveling on Interstate 10 East from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Tucson	548,555	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Tucson International Airport is located at 7005 South Plumer Avenue, Tucson, Arizona, and is approximately 10 miles from the resort.

The Project Map for this development is recorded in Book 4 of Maps and Plats at Page 95, Pima County, Arizona.

Narrative of Offering:

The resort consists of 60 studio, one- and two-bedroom units. Each of the one- and two-bedroom suites features a king master bedroom, living room with sofa sleeper, kitchenette, whirlpool spa, as well as color television with premium movie channels. Amenities at this resort include a Spoils Lounge, Twenty-four Hour Sports Ticker, touchdown breakfast buffet, Joey Pizza (a popular restaurant theme originally introduced at Los Abrigados), billiards room, library, gift shop, fitness center, outdoor heated pool, whirlpool spa, children's playground, bocce ball court, business center and special events facilities.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

2134.5 Resort Interests in One Bedroom Units

171.0 Resort Interests in Studio Units

601.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

The resort has a sports lounge, 24-hour sports ticker, touchdown breakfast buffet, Joey Pizza, billiards room library, gift shop, fitness center, outdoor heated pool, whirlpool spa, steam room, children's playground, bocce ball court, business center and special events facilities.

Shopping Facilities:

There are numerous types of shopping facilities in the immediate vicinity.

Public Transportation:

There is a city bus stop in front of the resort on Speedway Boulevard. Taxis are readily available.

Medical Facilities:

The University Medical Center is 3 miles from the resort. The Tucson General Hospital is 6 miles from the resort.

Fire Protection:

The Tucson Municipal Fire Department has a station 3 miles from the resort. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Tucson Police Department has a station 3 miles from the resort.

GOLDEN EAGLE RESORT
(also known as The Historic Crag's Lodge)
300 Riverside Drive
Estes Park, Colorado 80517

Location of units:**a. City/County/State**

Estes Park/Larimer/Colorado

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located within 3 miles of the Rocky Mountain National Park and approximately 70 miles from Denver, Colorado. Estes Park is reached by traveling northwest on US-36 from Denver.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Estes Park	6,543	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Denver International Airport is located at 8500 Peña Boulevard, Denver, Colorado, and is approximately 77 miles from the resort.

The Project Map for this development is recorded at Reception No. 87050249, Larimer County, Colorado.

Narrative of Offering:

This resort consists of 33 total units and is bounded generally by undeveloped forested mountainside land, which offers mountain views from the resort. The Golden Eagle Resort is centered around the historic Crag's Lodge, a four-story wood frame building constructed in the early 1900's, which serves as the resort's main lodge. Amenities offered at this resort include a seasonal restaurant, bar and gathering area, as well as two other freestanding buildings containing six guest rooms and support facilities. Each unit at Golden Eagle features a fully equipped kitchenette, living and dining areas, television and video cassette player.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

601.0 Resort Interests in Executive Units

155.0 Resort Interests in Imperial Units

368.0 Resort Interests in Studio Units

88.0 Resort Interests in Deluxe Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

The resort includes a heated pool and spa as well as local outdoor attractions.

Shopping Facilities:

There are shops one-half mile from the resort.

Public Transportation:

There is no public transportation in Estes Park.

Medical Facilities:

There is a medical center .25 miles from the resort.

Fire Protection:

The Estes Park Fire Department has a station 1.5 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Estes Park Police Department has a station .75 mile from the resort.

VARSITY CLUBS OF AMERICA - SOUTH BEND

3800 Main Street
Mishawaka, Indiana 46545

Location of units:**a. City/County/State**

Mishawaka/St. Joseph/Indiana

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located approximately 3 miles from the University of Notre Dame and Notre Dame Stadium in South Bend, Indiana and approximately 90 miles from Chicago, Illinois. South Bend is reached by traveling on Interstate 90 East and Interstate 80 East from Chicago.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
South Bend	104,215	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

South Bend Regional Airport is located at 4477 Progress Drive, South Bend, Indiana, and is approximately 8 miles from the resort.

Narrative of Offering:

The VCA-South Bend offers a total of 86 units, consisting of one- and two-bedroom suites. Each one- and two-bedroom suite at VCA-South Bend includes a king master bedroom, living room with a sofa sleeper, kitchenette and whirlpool spa, steam room, as well as color television with premium movie channels.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

2656.0 Resort Interests in One Bedroom Units

45.0 Resort Interests in Rockne's Roost Units

45.0 Resort Interests in Leahy's Lair Units

282.5 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Commons areas at the resort include the Stadium Sports Lounge, featuring a theater-wall television in a stadium-type setting, fitness center with whirlpool spa, indoor/outdoor heated pool, bocce ball, children's playground, billiards room, library, gift shop, business center and special events facilities.

Shopping Facilities:

The Indian Ridge Shopping Center and University Park Mall are within 1 miles of the resort.

Public Transportation:

The Transpo Bus Service bus stop is 1 block from the project.

Medical Facilities:

The Edison Lakes Medical Center is 1 block away. St. Joseph Community Hospital is 3-4 miles away.

Fire Protection:

The Mishawaka Fire Department is 3 blocks from the resort. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Mishawaka Police Department is 3 miles from the project.

SEA OF CORTEZ BEACH CLUB

**Paseo Mar Bermeio Norte
Parcelo No. 4, Interior 3 Los Algonos
San Carlos, Nuevo Guaymas
Sonora, Mexico CF85506**

Location of units:**a. City/County/State**

San Carlos, Nuevo Guaymas, Sonora, Mexico

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in San Carlos, Nuevo Guaymas, Sonora, Mexico. It can be reached by crossing the United States-Mexico border at Nogales and traveling south on Highway 15 for approximately 260 miles.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Guaymas	130,000	20	0	20

c. Name, location and distance from the development of the nearest civilian airport:

Guaymas International Airport is located in Sonora, Mexico, and is approximately 15 miles from the resort.

Narrative of Offering:

This resort is situated on a 50 meter by 99.2 meter beach front property and consists of a four-level structure comprising 30 studio, one- and two-bedroom units, all overlooking the Sea of Cortez.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

300.0 Resort Interests in One Bedroom Units

400.0 Resort Interests in Studio Units

100.0 Resort Interests in Penthouse Units

700.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The resort includes a reception area and common areas with a pool, whirlpool, showers and bathrooms as well as an oceanside palapa serving meals and beverages. The project also has full use rights to adjacent San Carlos Plaza Hotel. The project is on beach front property.

Shopping Facilities:

There is all types of shopping in San Carlos, including arts and crafts. Shopping I Guaymas is 20 miles away.

Public Transportation:

There is bus service to Guaymas and local taxi service.

Medical Facilities:

There is first aid service and doctors 3 miles from the project. Sanitorio Sanchez Hospital, Municipal Hospital and Sociale Securite are each 20 miles from the project.

Fire Protection:

The Guaymas Fire Department is located 20 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available to the project.

Police Service:

The San Carlos Police Department is 3 miles from the project.

**ROUNDHOUSE RESORT and
PREMIERE VACATION CLUB AT THE ROUNDHOUSE RESORT
5829 Bucksprings Road
P.O. Box 2328
Pinetop, Arizona 85935**

Location of units:**a. City/County/State**

Pinetop/Navajo/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in the White Mountains of northeastern Arizona near Pinetop, Arizona and is approximately 190 miles from Phoenix, Arizona. Pinetop is reached by traveling on Interstate 10 East and US-60 East from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Pinetop	4,522	2	0	2

c. Name, location and distance from the development of the nearest civilian airport:

Show Low Regional Airport is located at 3150 Airport Loop Road, Show Low, Arizona, and is approximately 17 miles from the resort.

The Project Map for this development is recorded in Book 20 of Maps, Page 29, records of Navajo County, Arizona.

Narrative of Offering:

The resort consists of 80 studio and one- and two-bedroom accommodations.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 1,092.0 Resort Interests in 2-Bedroom Units
- 26.0 Resort Interests in Aspen Units
- 129.0 Resort Interests in Pine Units
- 7.0 Resort Interests in Oak Units

32.0 Resort Interests in Juniper Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The Roundhouse project has an indoor pool, racquetball courts, basketball court and fitness center. It is on a 10-acre railroad-themed property located in the White Mountains of northeastern Arizona. Premiere Vacation Club at the Roundhouse Resort has an outdoor recreation area offering various activities.

Shopping Facilities:

There is a Safeway and other shops in Pinetop, 4 miles from the resort.

Public Transportation:

The Four Seasons Connection transit bus runs from Show Low to the Hon Dah Casino on Highway 260.

Medical Facilities:

The Navapache Regional Hospital is located in Show Low, 24 miles from the project.

Fire Protection:

The Pinetop Fire Department is 4 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Pinetop-Lakeside Police Department is 4 miles from the project.

CARRIAGE HOUSE RESORT
105 E. Harmon
Las Vegas, Nevada 89104

Location of units:**a. City/County/State**

Las Vegas/Clark/Nevada

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located one block from the Las Vegas Strip between the MGM Grand and the Aladdin Hotels.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Pahrump, NV	32,979	60	0	60
N. Las Vegas	115,488	10		10
Henderson	175,381	15		15

c. Name, location and distance from the development of the nearest civilian airport:

McCarran International Airport is located at 5757 Wayne Newton Boulevard, Las Vegas, Nevada and is approximately 3 miles from the project.

The Project Map for this development is recorded in Book 16 of Plats, at Page 71, Clark County, Nevada.

Narrative of Offering:

The Carriage House is a 9-story luxury non-gaming hotel which consists of a total of 155 studio, one- and two-bedroom units. Each unit includes either a kitchenette or a fully equipped kitchen.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

1305.0 Resort Interests in One Bedroom Units

806.0 Resort Interests in Studio Units

122.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There is a restaurant, tennis court, basketball court, guest laundry facilities, and a swimming pool and spa at the project.

Shopping Facilities:

There are numerous shopping facilities in the vicinity of the project for all types of shopping.

Public Transportation:

There is a city bus system that services the Las Vegas area with a stop within one block of the Carriage House. Taxicabs are available at the project.

Medical Facilities:

There are eight major hospitals in the area. The hospital nearest the project is the Desert Springs Hospital, 2075 E. Flamingo, Las Vegas, Nevada.

Fire Protection:

The Clark County Fire Department provides fire service. The closest fire station is located approximately 1.5 miles from the project.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Las Vegas Metropolitan Police Department provides service to the project with its main station approximately 2 miles from the project.

BELL ROCK INN
6146 Highway 179
Oak Creek, Arizona 86351

Location of units:**a. City/County/State**

Oak Creek/Yavapai/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in the Village of Oak Creek, the gateway to Sedona, Arizona, approximately 100 miles from Phoenix, Arizona. Oak Creek is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Sedona	11,598	5	0	5

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 10 miles from the resort.

The Project Map for this development is recorded in Book 12 of Maps and Plats, Page 64, Yavapai County, Arizona.

Narrative of Offering:

The resort consists of 85 studio, one- and two-bedroom units. The one- and two-bedroom units have full kitchens, and the studio units have refrigerators, microwaves and in-room coffee makers. Some units have fireplaces and/or whirlpool tubs.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

1300.0 Resort Interests in One Bedroom Units

2704.0 Resort Interests in Studio Units

416.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There is a restaurant, sports bar, billiards room, two heated swimming pools, two hot tubs, and banquet and conference facilities. In addition, members staying at the Bell Rock Inn have use of the facilities at the nearby Los Abrigados Resort and Spa.

Shopping Facilities:

There is an Outlet Mall in the Village of Oak Creek, 1 mile away, and many other shops and strip centers throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 7 miles from the project, and the Sedona Medical Center is 9 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 8 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 8 miles away.

SCOTTSDALE CAMELBACK RESORT
6302 E. Camelback Road
Scottsdale, Arizona 85251

Location of units:**a. City/County/State**

Scottsdale/Maricopa/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Scottsdale, Arizona, a few blocks east of Phoenix, Arizona.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Phoenix	1,601,587	1	0	1

c. Name, location and distance from the development of the nearest civilian airport:

Phoenix Sky Harbor International Airport is located at 3400 E. Sky Harbor Boulevard, Phoenix, Arizona and is approximately 9 miles from the resort.

The Project Map for this development is recorded in Book 240 of Maps, Page 39, and Amended Plats recorded in Book 329 of Maps, Page 26, and in Book 332 of Maps, Page 34, Maricopa County, Arizona.

Narrative of Offering:

The resort consists of a total of 112 studio, two- and three-bedroom units each with a fireplace, kitchen facilities and living and dining areas. Studio unit kitchens do not contain ovens, while two-and three- bedroom units provide full kitchens, including ovens.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

12.0 Resort Interests in Studio Units

24.0 Resort Interests in Three Bedroom Units

97.0 Resort Interests in Two Bedroom Units

40.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Amenities at the resort include a restaurant, indoor and outdoor whirlpool spas, fitness center, sauna, indoor racquetball court, heated outdoor swimming pool, 3 lighted tennis courts, a 9-hole executive putting green, a 9-hole miniature golf course, croquet court, sand volleyball court, horseshoe pits, bocce ball court, tether ball and children's playground.

Shopping Facilities:

There are numerous types of shopping facilities in the immediate vicinity, including the Fashion Square Mall, Old Town Scottsdale and the Fifth Avenue Shops.

Public Transportation:

There is a city bus stop in front of the property. Taxis are readily available.

Medical Facilities:

There is a hospital 2.8 miles from the project.

Fire Protection:

The Phoenix Fire Department has a station 3.4 miles from the project. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The project is served by the Scottsdale Police Department.

CELEBRITY HOUSE
133 Portal Lane
Sedona, Arizona 86336

Location of units:**a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Sedona, Arizona, adjacent to the Los Abrigados Resort & Spa. It is approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for this development is recorded in Book 2 of Maps, Page 54, Coconino County, Arizona.

Narrative of Offering:

The Celebrity House is a two-bedroom suite located in a separate building adjacent to the Los Abrigados Resort & Spa. The Celebrity House sleeps six and contains a hill kitchen, dining area, living room with fireplace and sleeper sofa, master bedroom with king bed and guest bedroom with queen bed.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

52.0 Resort Interests in Celebrity House Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The Celebrity House has a private backyard containing a patio, swimming pool and spa. Guests also have full use of the amenities at the adjacent Los Abrigados Resort & Spa.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

RANCHO MAÑANA RESORT
5720 East Rancho Mañana Boulevard
Cave Creek, Arizona 85331

Location of units:**a. City/County/State**

Cave Creek/Maricopa/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Cave Creek, Arizona, approximately 30 miles north of Phoenix, Arizona. Cave Creek is reached by traveling north from Phoenix on Interstate 10 and Cave Creek Road.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Cave Creek	3,728	0	0	0
Scottsdale	202,705	17		17
Phoenix	1,601,587	22		22

c. Name, location and distance from the development of the nearest civilian airport:

Phoenix Sky Harbor International Airport is located at 3400 E. Sky Harbor Boulevard, Phoenix, Arizona and is approximately 33 miles from the resort.

The Project Map for this development is recorded in Book 457 of Maps, Page 37, Maricopa County, Arizona.

Narrative of Offering:

The resort consists of 38 two-bedroom, two-bath units, (19 of which are Private Residence Club and whole ownership units), each with a full kitchen, living room, fireplace, and whirlpool tub in master bath.

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Amenities at the resort include a swimming pool, two hot tubs, lush landscaping and an outdoor fireplace. Adjacent to the property are a restaurant and a golf course.

Shopping Facilities:

The Carefree Town Center is 3 miles from the project, and there are shopping centers, department stores and malls within 20 miles of the project.

Public Transportation:

There is no city bus stop close to the property. However, taxis are readily available.

Medical Facilities:

The Desert Foothills Medical Center is 2.8 miles from the project, and the Mayo Clinic Hospital is 10 miles away.

Fire Protection:

The Rural Metro Fire Department has a station 28 miles from the project in Scottsdale. There are sprinklers, smoke detectors, and fire extinguishers in all units and fire alarms in each building.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The project is served by the Cave Creek/Carefree Sheriff's Office.



**Arizona Department of Real Estate (ADRE)
Development Services Division**

www.azre.gov

PHOENIX OFFICE
2910 N. 44th STREET STE-100
PHOENIX, AZ 85018

JANICE K. BREWER
GOVERNOR

JUDY LOWE
COMMISSIONER

TIME-SHARE DISCLOSURE REPORT
(Public Report)

FOR

PREMIERE VACATION COLLECTION

Registration No. DM10-055548

SELLER

**ILX ACQUISITION, INC.
10615 Park Run Drive
Las Vegas, Nevada 89144**

March 7, 2011

Effective Date

1st Amendment Date: September 12, 2011
2nd Amendment Date: January 23, 2012
3rd Amendment Date: January 3, 2013
4th Amendment Date: December 20, 2013

PROPERTY REPORT DISCLAIMER

This report is NOT A RECOMMENDATION NOR AN ENDORSEMENT by the State of Arizona of this land but is provided for informational purposes ONLY. The report reflects information provided by the Seller and obtained by the Department in its review process in accordance with the provisions of Title 32, Chapter 20, Article 9, of the Arizona Revised Statutes, as amended. NOTE that not all of the information in this report has been verified by the Department; certain information has been accepted by the Department as true and accurate based on attestation of the Seller and/or the Seller's agents. The purchaser should verify all facts before signing any documents. The Department has not passed upon the quality or quantity of any improvement or structure and does not assume responsibility in either event.

THE ARIZONA DEPARTMENT OF REAL ESTATE**REQUIRES THAT:**

1. You BE GIVEN this public report;
2. YOU SIGN A RECEIPT indicating that you received this report;

RECOMMENDS:

1. You DO NOT SIGN ANY AGREEMENT before you have read this report;
2. You see an ACCURATE REPRESENTATION of the unit you are interested in BEFORE SIGNING any document for lease or purchase.

ARIZONA LAW STATES:

1. A PERSON SHALL NOT SELL OR LEASE OR OFFER FOR SALE OR LEASE IN THIS STATE TWELVE OR MORE TIME-SHARE INTERVALS WITHOUT FIRST OBTAINING A PUBLIC REPORT FROM THE COMMISSIONER. ANY SALE OR LEASE OF TWELVE OR MORE TIME-SHARE INTERVALS PRIOR TO ISSUANCE OF THE PUBLIC REPORT IS VOIDABLE BY THE PURCHASER. AN ACTION BY THE PURCHASER TO VOID SUCH TRANSACTION MUST BE BROUGHT WITHIN FIVE YEARS OF THE DATE OF THE EXECUTION OF THE PURCHASE AGREEMENT BY THE PURCHASER IN ANY SUCH ACTION, THE PREVAILING PARTY IS ENTITLED TO REASONABLE ATTORNEY FEES AS DETERMINED BY THE COURT.
2. ANY PURCHASE AGREEMENT FOR A TIMESHARE INTEREST MAY BE CANCELED BY THE PURCHASER WITHOUT CAUSE OF ANY KIND BY MAILING OR DELIVERING WRITTEN NOTICE OF CANCELLATION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH THE PURCHASER EXECUTED THE PURCHASE AGREEMENT. A NOTICE OF CANCELLATION MUST BE MAILED OR DELIVERED TO ILXA C/O RESCISSION COORDINATOR, DIAMOND RESORTS FINANCIAL SERVICES, INC., 10600 WEST CHARLESTON BOULEVARD, LAS VEGAS, NEVADA 89135.

GENERAL

This report includes: The Premiere Vacation Collection (the “Collection”) includes 156,236,000 timeshare points, or “Points,” representing 25,699 timeshare intervals or “Resort Interests.” The location, period, and quality of accommodation a Member of the Collection may reserve is determined by the number of Points owned by the Member. Definitions for capitalized terms used in this Public Report, such as “Occupancy Periods,” “Member,” and “Points,” may be found in the List of Definitions (“Definitions”) attached to this Public Report.

The Project Map for this development: is recorded in Book ____ of Maps ____ Page __, records of _____ County, State of _____. **See Component Site Summaries attached hereto as Exhibit B.**

The Project: The Collection is a points-based, multisite, timeshare use vacation club, established by the Plan (see Definitions), and presently includes Resort Interests (see Definitions) and opportunities for its Members (see Definitions) to reserve and use Collection Accommodations (see Definitions) in fifteen (15) Component Site (see Definitions) locations: four (4) in Sedona, Arizona; one (1) in Payson, Arizona; one (1) in Tucson, Arizona; two (2) near Pinetop, Arizona; one (1) in Village of Oak Creek, Arizona; one (1) in Scottsdale, Arizona; one (1) in Cave Creek, Arizona; one (1) in Estes Park, Colorado; one (1) in South Bend, Indiana; one (1) in Las Vegas, Nevada; and one (1) in San Carlos, Nuevo Guaymas, Sonora, Mexico.

TIME-SHARE USE

Sales: Memberships (see Definitions) are evidenced by right to use other than fee title. Members will receive a Points Certificate (see Definitions) and be entered on the Register of Members (see Definitions). Points are the currency of use within the Collection. Points are owned in perpetuity, except for Term Points (See Definitions), which will be available for a defined term as set forth in the Member’s Points Certificate. Currently all Resort Interests are held in perpetuity, except the Resort Interests in the Sea of Cortez Beach Club, which are based on a renewable twenty-five (25) year right to use agreement.

Lock-outs: None.

Maintenance period: There are 52 Occupancy Periods (see Definitions) available in each Collection Accommodation, except for Resort Interests at the Golden Eagle Resort, where there are 51 Occupancy Periods in each Collection Accommodation. The Association (see Definitions) or the applicable Component Site Owners Association (see Definitions) has the right to reserve up to one twenty-four (24) hour period (and a one-week period at the Golden Eagle Resort) in each calendar year as the maintenance period for each Collection Accommodation. If needed to maintain or upgrade the Collection Accommodation and if the vacancy rate is high enough to permit it, the Association or the Component Site Owners Association may reserve additional days for maintenance. The Association shall use its best efforts to reserve maintenance periods so as to maximize the use and enjoyment of the Collection Accommodations by Members and minimize any scheduling problems under the Reservation System (see Definitions).

PROJECT LOCATION

The Project: For Component Site addresses and directions, see Exhibit B attached hereto.

NARRATIVE OF OFFERING

Premiere Vacation Collection Owners Association, Inc., an Arizona non-profit corporation (the “Association”), operates the Collection, which is a points-based, multisite, timeshare use vacation club plan. Pursuant to the Second Amended and Restated Premiere Vacation Collection Membership Plan (the “Plan”), ILX Acquisition, Inc. (“Seller”), has the right to sell all Memberships in the Collection owned by the Association. The principal place of business of the Collection and the Seller is 10615 Park Run Drive, Las Vegas, Nevada 89144.

An individual may become a Member by purchasing a Membership in the Collection to which there is appurtenant a specific number of Points, which are the currency of use within the Collection. The Membership allows a Member to use Points to annually reserve Occupancy Periods in Collection Accommodations and related facilities at any Component Site.

The Seller is currently requiring a minimum purchase of at least two thousand five-hundred (2,500) Points for new Members, but may sell any increment of Points to existing Members. The minimum number of Points that must be maintained in order to retain a valid Membership is two thousand (2,000). If the number of a Member’s annual allotment of Points falls below the Minimum Points Threshold for any reason, such as the partial transfer of Points or the expiration of the Member’s Term Points, the affected Membership will cease to be a valid Membership unless sufficient additional Points are acquired to meet the Minimum Points Threshold. The purchase of additional Points will be governed by prices in effect at the time of the purchase.

The Plan defines how the Collection operates and provides for the distribution of Occupancy Periods in Component Sites to its Members. The Collection currently includes Resort Interests in each of fifteen (15) Component Sites, eleven (11) in Arizona; one (1) in Colorado; one (1) in Indiana; one (1) in Nevada; and one (1) in Sonora, Mexico. The Seller holds the exclusive right, but not the obligation, to add additional Resort Interests to the Collection at these or at additional Component Sites, in its sole discretion. Such additional Resort Interests may be either fee simple interests that are perpetual in duration or leasehold interests that will not be available in perpetuity, but will have a definite term of duration.

Subject to the terms and conditions set forth in the Plan and the Collection Instruments (see Definitions), each Member or such Member’s Permitted User (see Definitions), for each Membership owned, has: (a) the exclusive right to occupy a Collection Accommodation and to use the common furnishings contained within such Collection Accommodation during the Member’s reserved Occupancy Period; and (b) the non-exclusive right to use and enjoy the common areas at the Component Site during the Member’s reserved Occupancy Period.

1. Reservation System:

(a) Ownership.

The Collection Instruments contemplate the use of a Reservation System that is owned and operated by Diamond Resorts International Club, Inc. (“DRIC”), a Florida corporation and the Reservation Services Provider (see Definitions), which provides such services to the Members as provided for in an agreement between DRIC and the Association, a copy of which is available from the Association upon request. In the event that such agreement is terminated by either party for any reason, the Association will need to make arrangements with another Reservation Services Provider for such services and a replacement Reservation System.

(b) Operating Entity.

DRIC, which is an affiliate of the Manager (see Definitions), owns and operates the Reservation System. DRIC does not charge Members for making reservations. However, in order to make a reservation, a Member must be current in all Assessments (see Definitions) and other charges due the Association. DRIC may, in the future, charge a fee for making reservations in accordance with the Rules and Regulations (see Definitions).

(c) Summary of Rules Governing Reservation System.

The Rules and Regulations contain the required procedures concerning the making and cancelling of reservations and the use of Collection Accommodations. The following is a summary of the Rules and Regulations with respect to the Reservation System:

- (i) All reservations are on a first come, first served basis. The Rules and Regulations set forth any limitations on how far in advance a reservation may be made.
- (ii) All reservations are subject to space availability.
- (iii) A Member must have sufficient Points for each reservation made. Points may be saved from the current Occupancy Year (see Definitions) or borrowed from a future Occupancy Year in accordance with the Rules and Regulations.
- (iv) Reservations are subject to immediate cancellation without notice upon delinquency in payment of Assessments or delinquency in payment of any obligation owing to Seller, or if such reservations have been obtained in a manner designed to circumvent the intent of the Plan or any applicable Rules and Regulations.

PURCHASERS SHOULD CAREFULLY NOTE THE DATES AND “FIRST-COME, FIRST-SERVED” BASIS FOR HONORING RESERVATION REQUESTS. THE LONGER A MEMBER WAITS TO MAKE A RESERVATION, THE LESS LIKELY IT IS THAT THE MEMBER WILL BE ABLE TO RESERVE THE MEMBER’S FIRST CHOICE OF OCCUPANCY PERIODS.

COMPONENT SITES CONTAINED IN THIS MULTISITE TIMESHARE PLAN MAY BE SUBJECT TO PRIORITY RESERVATION FEATURES, WHICH MAY AFFECT YOUR ABILITY TO OBTAIN A RESERVATION.

2. Component Site Additions, Substitutions and Deletions:

(a) Component Site Additions.

(i) Basis For Additions.

Pursuant to the Plan, the Seller has the exclusive right, in its sole and absolute discretion, to add an unlimited number of additional Collection Accommodations to the Collection by arranging for the transfer of additional Resort Interests to the Association for the benefit of the Members and by executing appropriate amendments or supplements to the Collection Instruments and filing the same with the appropriate governmental authorities.

(ii) Authority Retaining Addition Right.

The Plan authorizes the Seller to unilaterally add Resort Interests and Collection Accommodations to the Collection.

(iii) Anticipated Effect of Additions Upon the Reservation System and Availability of Collection Accommodations.

The anticipated effect of the addition of Collection Accommodations to the Collection is expected to be positive, as Members will have additional alternative facilities at which to use their Points. Any negative effects of adding Collection Accommodations are expected to be minimal.

(b) Cap Upon Multisite Common Expenses if Additions.

The only limit on any increase that might be caused to Common Expenses (see Definitions) and Assessments due to the addition of Collection Accommodations to the Collection is the CPI Dues Adjustment Percentage (as defined in the Plan).

(c) Purchaser Right of Consent to Additions.

Members do not have the right to consent to or withhold their consent from any proposed addition of Resort Interests and Collection Accommodations and facilities to the Collection. The Plan grants the Seller the right to add Resort Interests to the Collection, but does not impose any obligation to do so, which the Seller may do in its sole and absolute discretion.

COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE ADDED TO THIS MULTISITE TIMESHARE PLAN WITHOUT THE CONSENT OF THE PURCHASERS/MEMBERS. THE ADDITION OF COLLECTION ACCOMMODATIONS AND FACILITIES TO THE TIMESHARE PLAN MAY RESULT IN THE ADDITION OF NEW MEMBERS WHO WILL COMPETE WITH EXISTING MEMBERS IN MAKING RESERVATIONS FOR THE USE OF AVAILABLE COLLECTION ACCOMMODATIONS AND FACILITIES WITHIN THE TIMESHARE PLAN, AND MAY ALSO RESULT IN AN INCREASE IN THE ANNUAL MAINTENANCE FEES AGAINST MEMBERS FOR COMMON EXPENSES.

(d) Component Site Substitution.

(i) Basis for Substitution.

The Seller may substitute Collection Accommodations through annexation and deannexation, as described herein, and may contract for additional Collection Accommodations to be made available without annexation as described in the Plan.

(ii) Anticipated Effect of Substitutions Upon the Reservation System and Availability of Collection Accommodations.

No material effects on the Reservation System or the availability of Component Sites or the operation of the Collection are expected from any needed replacements of Collection Accommodations. Purchasers should be aware, however, that as a result of a decision not to reconstruct damaged or dilapidated Collection Accommodations or during any reconstruction, replacement or acquisition period, or in the event the Sea of Cortez Beach Club 25-year right to use agreement is not renewed, Members in the Collection may temporarily compete for available Collection Accommodations on the basis of a greater than one-to-one Member to accommodation ratio.

(iii) Purchaser Right of Consent to Substitutions.

Members do not have the right to consent to or withhold their consent from any proposed replacement of Resort Interests and Collection Accommodations and facilities within the Collection. The Plan grants the Seller, in its sole and absolute discretion, the right to add Resort Interests to the Collection, but does not impose any obligation to do so.

NEW COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE SUBSTITUTED FOR EXISTING COLLECTION ACCOMMODATIONS AND FACILITIES OF THIS MULTISITE TIMESHARE PLAN WITHOUT THE CONSENT OF THE PURCHASERS. THE REPLACEMENT COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE LOCATED AT A DIFFERENT PLACE OR MAY BE OF A DIFFERENT TYPE OR QUALITY THAN THE REPLACED COLLECTION ACCOMMODATIONS AND FACILITIES. THE SUBSTITUTION OF COLLECTION ACCOMMODATIONS AND FACILITIES MAY ALSO RESULT IN AN INCREASE IN THE ANNUAL MAINTENANCE FEES AGAINST MEMBERS FOR COLLECTION COSTS.

EXCEPT FOR THE ABOVE, NEITHER SELLER NOR THE ASSOCIATION MAKES ANY REPRESENTATIONS WHATSOEVER REGARDING THE ADDITION OR SUBSTITUTION OF COLLECTION ACCOMMODATIONS AND NONE OF SELLER, THE BOARD OR THE ASSOCIATION SHALL HAVE ANY OBLIGATION TO ADD ADDITIONAL COLLECTION ACCOMMODATIONS OR SUBSTITUTE COLLECTION ACCOMMODATIONS.

(e) Component Site Deletion.

(i) Deannexation by Seller.

Pursuant to the Plan, the Seller has the exclusive right, in its sole and absolute discretion, to remove Collection Accommodations from the Collection by recording a declaration of deannexation. No deannexation may occur that would cause there to exist an insufficient amount of Resort Interests to accommodate the occupancy rights of all then existing Members in the manner described in the Plan. Upon a deannexation, the Association shall reconvey the deannexed Resort Interests to the Seller or its designee.

(ii) Deannexation for Casualty or Eminent Domain Action.

Collection Accommodations that are damaged, destroyed or the subject of eminent domain action may be removed from the Collection pursuant to Seller's right to deannex, as described in the Plan. During any period of repair, reconstruction or replacement, or as a result of any decision not to repair or replace, Members may temporarily compete for available Collection Accommodations on the basis of a greater than one-to-one Member to Collection Accommodation ratio.

(iii) Business Interruption Insurance Provision.

The Collection does not maintain business interruption insurance, but the respective Component Site Owners Associations maintain casualty and liability insurance on the respective Collection Accommodations at each location.

(iv) For Term Expiration.

Although only Sea of Cortez Beach Club includes Resort Interests that consist of right-to-use interests, the Plan allows more Resort Interests to be added to the Collection that consist of a leasehold interest or similar interest that will expire as of a certain date. The Points that are or will be appurtenant to such Resort Interests are categorized as Term Points and will be designated on the Member's Points Certificate as expiring by a specified date. Upon the occurrence of such expiration dates, such Term Points and the Resort Interests to which they are appurtenant will be deemed to be no longer included in the Collection and will no longer be subject to the Plan and the other Collection Instruments. No action is required on the part of the Seller, the Board (see Definitions), or the Association to effect this deletion from the Collection, other than the updating of any applicable list, map or other depiction of the Component Sites that are available for use by the Members and appropriately adjusting the Register of Members.

(v) Anticipated Effect of Deletions Upon the Reservation System and Availability of Component Sites.

No material effects on the Reservation System or the availability of Component Sites or the operation of the Collection are expected from any deletions of Collection Accommodations. During any reconstruction, replacement, or acquisition period, or as a result of a decision not to reconstruct damaged or dilapidated Collection Accommodations, or in the event the Sea of Cortez Beach Club 25-year right to use agreement is not renewed, Members may temporarily

compete for available Collection Accommodations on the basis of a greater than one-to-one Members to accommodation ratio.

3. Purchaser's Liability for Fees Association with Multisite Timeshare Plan:

(a) Multisite Vacation Ownership Timeshare Plan Common Expenses.

The Plan provides for the establishment, levying and collection of Assessments to fund the Common Expenses and Capital Assessments (see Definitions).

(b) Annual Assessments and Special Assessments.

(i) Funding Common Expenses.

The Board determines the annual operating budget to provide for Collection operating expenses and capital reserves for each year. The budget is funded by an annual Assessment paid by Members. A copy of the current annual budget for the Association is attached hereto as **Exhibit A**.

The Association is obligated to pay for its share of Common Expenses to the appropriate Component Site Owners Associations with respect to Collection Accommodations owned in each Component Site. The Association's share of common expenses at all Component Sites is included in the Collection's annual budget. Indirectly, therefore, the Members are charged through the Collection Assessments for the expense of the assessments or dues levied by the Component Site Owners Associations, which are authorized to levy the same on behalf of the owners of each Component Site. Real estate taxes are included in the calculation of annual common expense assessments levied by the Component Site Owners Associations.

The Association and the Seller believe that the projected income in the current year's operating budget will be adequate to meet the Association's estimated Common Expenses and that no Special Assessments (see Definitions) will be necessary.

(ii) Special Assessments.

Under the Plan, the Board may levy a Special Assessment applicable to that period only, as may be necessary for the purpose of defraying, in whole or in part, the cost of any acquisition, construction, reconstruction, repair or replacement of any Collection Accommodation, including the furnishings related thereto, for which no reserves have been established or for deficiencies in such reserves or the purpose of defraying other extraordinary expenses relating to the mutual health, benefit, safety and welfare of the Members and/or the Association, or for purposes of funding any deficits in Assessments. No vote or written assent of the Members shall be required for the adoption of a Special Assessment.

Every Special Assessment shall be levied upon the same basis as that prescribed for the levying of the annual Assessment. The Board may levy a Special Assessment against all or fewer than all Members, depending upon the reason for the Special Assessment and the Members who will be affected by that reason. Special Assessments are to be collected as specified by the Board. Except as otherwise provided in the Collection Instruments, any Special

Assessment shall be due and payable within thirty (30) days after the date upon which the written notice of such Special Assessment is mailed to the Members, unless the Board determines that instalment payments shall be permitted and provides each Member with an approved payment schedule, in which case each Member's payments shall be made no later than the time specified in such payment schedule. If the Board authorizes the payment of any Special Assessment in instalments, no notice of the due date of each individual instalment payment shall be required to be given, other than the initial Special Assessment notice.

From time to time, the Collection may be billed for special assessments by one or more of the Component Sites Owners Associations. In the event a special assessment is assessed by a Component Site Owners Association, the Collection's portion of the charges will be included as part of the annual Assessments or as a separate Special Assessment, as determined by the Board in its sole discretion.

(c) Determining Assessments.

After the Board approves the annual operating budget, the Board shall determine the respective Assessment that shall be levied on each Membership according to the provisions of the Plan.

The Assessments will include all applicable state and local real estate taxes. Any goods and services tax or sales tax payable in connection with the sale of the Points is included in the purchase price for the Points. Any occupancy tax levied by any government entity upon Members using Collection Accommodations will be paid by those Members.

If the Seller transfers additional Resort Interests to the Association during the fiscal year, the Board may prepare a revised budget based on transfer of the additional Resort Interests and the issuance of additional Points and may adjust the Assessments accordingly.

(d) Payment of Assessments.

Except for Seller and Seller's affiliates for Memberships owned or held for sale, Assessments will be collected in advance on a monthly, quarterly or annual basis as determined by the Board. The initial Assessment will be due and payable by each Member, other than the Seller, at the time and in the manner set forth in such Member's Purchase Agreement (see Definitions). Subsequent Assessments will be due and payable by a Member within thirty (30) days after receipt of the applicable invoice or such other time as the Board may determine, commencing with the first fiscal year immediately succeeding the fiscal year in which a Membership was purchased, unless and until the Board institutes a different payment schedule by providing written notice thereof to each Member. In no event will the Assessment be due later than the first day of the Occupancy Year to which it relates. Members will be required to pay an Assessment for every fiscal year, regardless of whether the Member is entitled to, or does or does not, use and occupy a Collection Accommodation during that fiscal year.

Seller may, at its unilateral option without obligation, pay the Assessments attributable to unsold Memberships, however, pursuant to the Plan, Seller is under no obligation to pay Assessments attributable to unsold Memberships owned by the Association or held for sale.

(e) Responsible Entity for Multisite Common Expenses.

The responsible entity for determining the amount of the Common Expenses is the Association, through its Board. All Assessments for the funding of the Common Expenses are determined by the Board, and the Board is empowered by the Plan to increase such Assessments or to levy Special Assessments, if necessary.

(f) Lien Rights for Multisite Common Expenses.

A Member is delinquent if the Member fails to pay a Collection Assessment on or before the due date. In the event of such delinquency, the Association may take any of the following actions: (i) bring an action to recover a money judgement for the amount of any unpaid Assessments; (ii) exercise its rights to enforce its lien upon such Member's Membership and Points; or (iii) it may suspend some or all of the Member's rights.

All liens and unpaid Assessments shall be automatically enforceable in any manner authorized by law including but not limited to seizure, suit or power of sale.

THERE IS A LIEN OR LIEN RIGHT AGAINST EACH MEMBERSHIP TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER AMOUNTS DUE THE ASSOCIATION. A MEMBER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN ENFORCEMENT OF THE LIEN.

(g) Annual Increase Limitations.

The only limit on any increase that might be caused to Common Expenses and Assessments due to the addition of Collection Accommodations to the Collection is the CPI Dues Adjustment Percentage set forth in the Plan. Such limitation may not, however, apply to the level of annual common expense assessments that may be levied from time to time by the respective Component Site Owners Associations.

(h) Bad Debt/Working Capital Reserves.

Currently, each of the Component Site Owners Associations has established reserves to meet their respective bad debts and working capital requirements. The reserves for the current year are set out in the respective Component Site Owners Association budget, a copy of which is available from the Association upon request.

(i) Replacement/Deferred Maintenance Reserves.

Currently, each of the Component Site Owners Associations has established in its annual budget reserves for normal repairs and maintenance of the Collection Accommodations and replacement of equipment and furnishings. The reserves for the current year are set out in the respective Component Site Owners Association budget, a copy of which is available from the Association upon request.

UTILITIES

Electricity: Electricity is available at all Component Sites.

Telephone: Telephone service is available at all Component Sites.

Natural Gas: Natural gas and/or propane is available at all Component Sites.

Water: Water is available at all Component Sites.

Water Disclaimer for Kohl's Ranch Lodge:

The water supply is derived from two sources at Kohl's Ranch Lodge (the "Property"), a well on the Property, which feeds into a 200,000 gallon storage tank, and Indian Gardens Spring (approximately one-half mile south of the Property). It is unknown how potential drought conditions in the area will affect the quantity and long-term dependability of water available from the well or the Spring in relation to the current and proposed demands. Prior to 1984, the Spring met all the water requirements of the Property. Since drilling the well in 1984, the Spring has been unnecessary to service the Property. The well has been adequate to meet the Property's water requirements and Seller anticipates it will be adequate in the future. In the event it would be necessary, the Spring would be available to supplement the well source. The quality of the water supply has been acceptable for domestic use. Notwithstanding the foregoing, for reasons of the costs involved, Seller has chosen not to demonstrate to the Arizona Department of Water Resources that an adequate water supply exists, and as a consequence, that Department is required by law to find the Property's water supply to be inadequate.

Sewage Disposal: Sewage disposal is available at all Component Sites.

ACCESS STREETS AND ROADS

Access to the Development: Public streets are complete at all Component Sites and will be maintained by the appropriate municipality, county or state.

Access within the Development: Interior streets are complete at all Component Sites and will be maintained by the Component Site Owners Associations.

COMMON AREA FACILITIES

Within the Development: See Component Site Summaries attached hereto as Exhibit B.

Maintenance of Development Facilities: Development facilities are complete and will be maintained by the Component Site Owners Associations.

ASSURANCES FOR COMPLETION OF FACILITIES

Assurances for Completion of Development Facilities: All facilities at all Component Sites are complete.

LOCAL SERVICE AND FACILITIES

Shopping Facilities: See Component Site Summaries attached hereto as Exhibit B.

Public Transportation: Public transportation is available near all Component Sites, but may be more developed and frequent at some Component Sites than others. See Component Site Summaries attached hereto as Exhibit B.

Medical Facilities: See Component Site Summaries attached hereto as Exhibit B.

Fire Protection: See Component Site Summaries attached hereto as Exhibit B.

Ambulance Service: See Component Site Summaries attached hereto as Exhibit B.

Police Service: See Component Site Summaries attached hereto as Exhibit B.

SALES

Sales: Will be evidenced by a Purchase and Security Agreement. Purchaser will receive a Points Certificate and be entered into the Register of Members. The Purchaser's earnest money will be deposited into escrow with First American Title Insurance Company, 1160 Town Center Drive, Suite 100, Las Vegas, Nevada 89144.

TITLE AND ENCUMBRANCES

Title: Title to all Resort Interests is vested in the Association, for the benefit of the Members pursuant to the Plan, except for Resort Interests in the Sea of Cortez Beach Club, in which the Association holds a renewable twenty-five (25) year right-to-use.

Association's Interest: The Association holds bare legal title to the Resort Interests, subject to Seller's exclusive right to market and sell the Memberships as described in the Plan.

Seller's Interest: Seller or its affiliates or their predecessors in interest are the developers or assignee developers of the Collection. Seller has retained equitable title to the Resort Interests and has also received an assignment of the exclusive right to sell the Collection Memberships and Points associated with the unsold Resort Interests conveyed or to be conveyed to the Association.

Condition of Title and Encumbrances: All Memberships shall be conveyed to Members by Seller free and clear of any voluntary monetary encumbrances other than any lien securing the

Member's purchase price and/or the obligations of the Member pursuant to the Collection Instruments. Other than the foregoing, all Resort Interests conveyed to the Association by Seller, and Memberships to be conveyed to a Member, shall be, and remain, free and clear of any voluntary monetary encumbrances securing obligations of Seller, its affiliates or the predecessors of either; provided, however, that such voluntary monetary encumbrances or other encumbrances shall be permissible so long as such encumbrances contain provisions that result at all times in there being, at least, sufficient free and clear Resort Interests and Memberships of the number of Memberships sold (other than to Seller) which allow such Members to exercise their occupancy and other rights hereunder without interference by a beneficiary of such encumbrance, as further described in the Plan.

MANAGEMENT AND EXCHANGE NETWORK

The Project: The Manager is Diamond Resorts Management, Inc. The Manager is an affiliate of Seller and has its principal place of business at 10600 West Charleston Blvd., Las Vegas, NV 89135.

Exchange Programs: THE Club® Exchange Program.

1. Functions of THE Club® Exchange Program.

Diamond Resorts International Club, Inc. ("DRIC"), a Florida corporation with offices at 10600 West Charleston Boulevard, Las Vegas, NV 89135 and an affiliate of the Developer, has established an exchange membership program and system known as "THE Club®", pursuant to THE Club® Articles ("THE Club® Articles") and THE Club® Amended and Restated Rules and Regulations ("THE Club® Rules"). DRIC has entered into affiliation agreements with various resorts and multisite vacation ownership time-share plans and thereby created a network of resorts at which members of THE Club® can utilize a wide variety of accommodations and facilities in exchange for the use of the accommodations that they own or have the right to use. DRIC has entered into an affiliation agreement with the Association allowing Members the right to access the accommodations and facilities within THE Club®.

THE Club® is a points-based exchange program. Points (referred to herein as "Exchange Points" to avoid confusion) are allocated to each accommodation that is available for use within such program and constitute the currency of use within THE Club®.

DRIC has established certain requirements regarding reservations, cancellations and penalties from time to time, and the member should be familiar with those requirements. A copy of the current policies is available from the membership services department of THE Club®. Any representations made regarding THE Club® exchange program by DRIC, its agents or employees or in its literature, brochures, videos or other promotional materials are solely the representations of DRIC and should not be relied upon as representations of the Seller or the Association.

(a) THE Club[®] Membership.

Purchasers will automatically be enrolled in THE Club[®]. Persons who acquire their membership in THE Club[®] from an existing Collection Member other than the Seller or an affiliate of Seller must be approved by DRIC before they will be enrolled in THE Club[®], but once so approved, their enrollment in THE Club[®] will be mandatory.

According to the affiliation agreement with DRIC, membership in THE Club[®] may not be transferred without the consent of DRIC, and transfer of a Member's Collection Membership does not have the effect of transferring the Member's membership in THE Club[®] unless DRIC consents to such transfer and any transfer fee is paid.

(b) Reservations, Cancellations and Penalties.

Reservations and use of accommodations through THE Club[®] with the use of Exchange Points are subject to availability at the time the request is made. THE Club[®] has established certain requirements regarding reservations, cancellations and penalties from time to time, and the Member should be familiar with those requirements. A copy of the current policies is available from the member services department of THE Club[®].

(c) Cost of Participation.

As with other exchange programs, members of THE Club[®] are responsible for annual THE Club[®] membership fees and other charges to cover the costs of the operation of the exchange program, as provided in THE Club[®] Articles or THE Club[®] Rules. The current annual membership fee is two hundred four dollars (\$204.00) (U.S.) ("THE Club[®] Dues"). The affiliation agreement that the Association and the Seller have entered into with THE Club[®] calls for the Association to collect the annual THE Club[®] Dues together with annual Assessments. All members of THE Club[®] may make an exchange within THE Club[®] program without the payment of any transaction fee. Failure on the part of a member of THE Club[®] to pay THE Club[®] Dues may result in suspension or forfeiture of the member's membership and any other applicable remedies. THE Club[®] Dues are subject to change.

2. Interval International Exchange Program.

(a) Functions of the I.I. Exchange Program.

DRIC has entered into an affiliation agreement with Interval International, LLC. ("I.I."), an international vacation exchange company with offices at 6262 Sunshine Drive, Miami, Florida 33243. I.I. is not in any way affiliated with the Seller, the Manager, or any of their respective affiliates or subsidiaries. The affiliation arrangement with I.I. allows Members to temporarily exchange their use rights in a reserved Collection Accommodation for comparable use rights in accommodations at a wide variety of resorts that participate in the I.I. exchange program. Any representations made regarding the I.I. exchange program by I.I., its agents or employees, or in its literature, brochures, videos, or other promotional materials are solely the representations of I.I. and should not be relied upon as representations of the Seller, the Association, the Manager, THE Club[®] or DRIC.

(b) I.I. Exchange Program Membership.

Pursuant to the affiliation agreement between DRIC and I.I., each new member of THE Club[®] will automatically become a member of the I.I. exchange program.

According to the affiliation agreement with DRIC, membership in THE Club[®] (and therefore in the I.I. exchange program) may not be transferred without the consent of DRIC, and transfer of a Member's Collection Membership does not have the effect of transferring the Member's membership in THE Club[®] (and therefore in the I.I. exchange program) unless DRIC consents to such transfer and any transfer fee is paid.

(c) Reservations, Cancellations and Penalties.

Reservations and use of accommodations through the I.I. Exchange Program by the use of Exchange Points are subject to availability at the time the request is made. The I.I. Exchange Program has established certain requirements regarding reservations, cancellations, and penalties from time to time, and the Member should be familiar with those requirements. A copy of the current policies is available from the I.I. member services department.

(d) Cost of Participation.

Membership in THE Club[®] automatically includes membership in the I.I. exchange program with no additional annual membership fee. Members must pay to I.I. an exchange transaction fee of one hundred eighty-four dollars (\$184.00) (U.S.) for a 7-night domestic or international vacation exchange within the I.I. exchange program. The I.I. exchange fees may vary for Members living outside of the U.S., Canada and Caribbean. Exchange requests made through I.I.'s website are eligible for a discount on the applicable transaction fees. All exchange program fees are subject to change.

THERE IS AN EXCHANGE PROGRAM MEMBERSHIP ASSOCIATED WITH THIS MULTISITE VACATION OWNERSHIP TIMESHARE PLAN. THE COLLECTION AND INDIVIDUAL COMPONENT SITES MAY BE AFFILIATED WITH ONE OR MORE EXCHANGE PROGRAMS WHEREBY MEMBERS MAY VOLUNTARILY EXCHANGE THEIR RIGHT TO USE AND OCCUPY COLLECTION ACCOMMODATIONS FOR COMPARABLE RIGHTS TO USE ACCOMMODATIONS IN OTHER RESORTS PARTICIPATING IN THE EXCHANGE PROGRAM. THERE IS NO GUARANTEE THAT THE COLLECTION OR ANY COMPONENT SITE WILL REMAIN AFFILIATED WITH ANY PARTICULAR EXCHANGE PROGRAM.

BUDGETS AND ASSESSMENTS

Operating Costs: A copy of the Collection's budget and proposed annual Maintenance Fees (see Definitions) or Assessments is attached as **Exhibit A**. It should be examined carefully to determine if it realistically and accurately projects current and future costs of managing and maintaining Component Sites. Annual Maintenance Fees are subject to periodic increase. Purchasers are advised that these Maintenance Fees and/or Assessments probably will increase as experience has shown in the industry.

Payment of Operating Costs: Will be paid by the Association through Assessments.

Assessments: Members will be required to pay a yearly Assessment according to Exhibit A attached hereto. Seller indicates the amount set forth in Exhibit A is adequate to support the Collection and the timeshare plan based on estimated costs of operation.

Financial Arrangements: Unsold Memberships are owned by the Association subject to Seller's exclusive right to sell such Memberships, and neither the Association or Seller are obligated to pay Assessments on such unsold Memberships. Notwithstanding the foregoing, Seller may voluntarily pay certain Maintenance Fees on a pro-rata share based on the unsold Memberships without obligation as it shall determine in its sole and subjective discretion.

Other Assessments: Special Assessments may be levied pursuant to the Plan. Personal Charges (see Definitions) may be incurred as a result of the act or omission of a Member pursuant to the Plan.

TAXES

Real Property Taxes: Each Component Site Owners Association will be billed by the applicable tax authority, and a pro rata share of the property tax bill will be included as part of each Member's Assessment.

Other Tax Assessments: May be levied by taxing authorities if deemed necessary.

OWNERS ASSOCIATIONS

Name of Association: Premiere Vacation Collection Owners Association, Inc., an Arizona non-profit corporation (the "Association").

Control of Association: Pursuant to the Plan, Seller has weighted voting power until 95% of the Total Authorized Voting Membership Shares (as defined in the Plan) are sold.

Title to Common Areas: Depending on the nature of the Component Site to which the Resort Interests relate, common areas or common elements are either owned by the Component Site Owners Association or are owned by owners in undivided interests but managed by the Component Site Owners Association. None of the Component Site common areas are titled in Seller.

Membership: A purchase of a Membership in the Collection will require that you be a Member of the Association. Through legally enforceable provisions in the Plan and as provided in your Purchase Agreement, your Membership in the Association will be mandatory and automatic the moment you make your purchase. Membership will mean certain responsibilities and obligations, such as:

In order to provide funds for operation and maintenance of the Collection, the Association will have authority to levy Assessments against your percentage of interest in the property. If you are

delinquent in the payment of Assessments, the Association may enforce payment through court proceedings, or your Membership in the Collection or ability to use or occupy the Collection Accommodations, or participate in the management of the Association, may in other ways be in jeopardy.

The anticipated income and expense of the Association and the amount that you may expect to pay annually through Assessments should be outlined in, and predicated upon, budgets. A copy of the Budget is attached hereto as Exhibit A.

Your ownership or interest rights as a Member of the Association will be controlled by Collection Instruments, which include the Plan, the Articles (see Definitions), the Bylaws (see Definitions), the Rules and Regulations, and any other document or instrument which defines or governs the Collection. The provisions of these documents are intended to be, and, in most cases are, enforceable in a court of law. Study these documents carefully before entering into a contract to purchase a Membership.

Until there are a sufficient number of Members, it is likely that the Seller will effectively control the affairs of the Association. It is frequently necessary and equitable that the developer do so during the early stages of development. It is important to Members that the transition from the Seller to all Members collectively be accomplished in an orderly manner.

When contemplating the purchase of a timeshare interest, you should consider factors beyond the attractiveness of the accommodations themselves. Study the governing instruments and give careful thought to whether you will be able to exist happily in an atmosphere of cooperative living where the interests of the group must be taken into account as well as the interest of the individual.

PAYMENTS, INCLUDING ASSESSMENTS, TO INTERVAL OWNERS ASSOCIATIONS, SUCH AS THE ASSOCIATION, ARE SUBJECT TO CHANGE IN ACCORDANCE WITH THE PLAN. THE ASSOCIATION MAY ALSO IMPOSE SPECIAL ASSESSMENTS. YOU ARE ADVISED TO READ THE PLAN, ARTICLES, BYLAWS, AND RULES AND REGULATIONS FOR THIS TIMESHARE PLAN TO DETERMINE THE RIGHTS OF INTERVAL OWNERS TO PARTICIPATE IN THE CONTROL OF THE INTERVAL OWNERS' ASSOCIATION AND TO DETERMINE THE RIGHTS, DUTIES AND LIMITATIONS OF OWNERS IN AND TO THE USE OF THEIR TIMESHARE INTEREST. FURTHER, YOU SHOULD DETERMINE FOR YOURSELF IF THE SELLER'S ARRANGEMENTS AND PLANS FOR THE PAYMENT OF ASSESSMENTS ON UNSOLD TIMESHARE INTERESTS WILL BE SUFFICIENT TO FULFILL THE NEEDS, DEMANDS AND FINANCIAL OBLIGATIONS OF THE ASSOCIATION, AS SET FORTH IN THE PLAN AND BYLAWS.

List of Definitions

Exhibit A – Budget

Exhibit B – Component Site Summaries

LIST OF DEFINITIONS

“Articles” means the articles of incorporation of Association, as the same may be amended from time to time.

“Assessments” means Maintenance Fees, Capital Assessments, Special Assessments, and Personal Charges which a Member is required to pay, which will include any assessments made pursuant to an Underlying Plan and any other assessments or charges levied by the Board on behalf of the Association that may from time to time be created by the Board, including without limitation all expenses denominated as Common Expenses by the Plan or unilaterally by the Board.

“Association” means Premiere Vacation Collection Owners Association, Inc., an Arizona nonprofit corporation, being the organization of persons who own Memberships in the Association, together with its successors and assigns.

“Board” means the board of directors of the Association.

“Bylaws” means the bylaws of the Association, as the same may be amended from time to time.

“Capital Assessment” means a charge against each Member (other than Seller) and such Member’s Membership which the Board may approve from time to time, representing the cost to the Association for purchase, lease, installation, construction or reconstruction of any capital improvements for the benefit of the Association, or for any other item for which sufficient funds are otherwise unavailable.

“Collection” means the Premiere Vacation Collection, a points-based, multisite, timeshare use vacation club, established by the Plan.

“Collection Accommodation” means the accommodations, where such accommodations are an apartment, condominium, home, villa, cooperative unit, cabin, lodge, hotel or motel room, or any other private or commercial structure or facility forming part of a parcel of real property, in which the Association owns one or more Resort Interests for the benefit of the Association and its Members.

“Collection Instruments” means the Plan, the Articles, the Bylaws, the Rules and Regulations, the Purchase Agreement, the Points Certificate and any other documents executed concurrently or in connection with the Purchase Agreement, and, where applicable, any Component Site Instruments.

“Common Expenses” means the actual and estimated costs of operating and managing the Association and its property including, but not limited to: Assessments, Association administrative costs, taxes, insurance, utilities, reserves, legal fees and accounting fees, and the annual maintenance fees or dues and other costs of ownership of the Resort Interests.

“Component Site” means a resort or other location at which at least one (1) Resort Interest and Collection Accommodation is located.

“Component Site Instruments” means the written instrument(s) pursuant to which any of the Resort Interests or Collection Accommodations were legally created or presently exist and/or which provide for the management, operation, maintenance, use and enjoyment of any of the Component Sites by the common owners thereof and which establishes benefits and burdens running with, and/or equitable servitudes upon, such property.

“Component Site Owners Association” means the entity responsible for the operation, physical maintenance and repair of a Component Site pursuant to its Component Site Instruments, where the Association is not the party so responsible.

“Exchange Program” means such service (if any) provided by any one or more external exchange companies as may, from time to time, be selected by the Association and Seller, whereby Members, for a fee, may exchange Occupancy Periods for comparable use privileges in other projects in an exchange company network.

“Maintenance Fee(s)” means an annual charge against each Member and such Member’s Membership, representing a pro-rata portion of the annual Common Expenses (including the annual maintenance fees, dues or other charges relating to the Resort Interests), but subject to the special provisions concerning Seller in the Plan. The Maintenance Fee shall be equal for all Memberships of a particular Membership type and Occupancy Period, but may vary among Memberships of different Membership types and Occupancy Periods.

“Manager” means the person or entity, its successors and assigns, engaged from time to time by the Association to undertake the duties, responsibilities, and obligations of managing the Collection and Association, pursuant to the then-effective management agreement.

“Member” or “Purchaser” means (a) any individual who executes a Purchase Agreement and thereby becomes a member of the Association and who is the grantee shown on the deed or leasehold assignment or a properly transferred and recorded subsequent deed or leasehold assignment in proper form, transferred in compliance with the Collection Instruments and/or (b) any individual who executes a Purchase Agreement and thereby becomes a member of the Association and who acquires points in the Collection. Member includes his or her permitted successors and assigns whose name is entered in the Register of Members.

“Membership” means the collection of occupancy and other rights and obligations of a Member set forth and described in the Collection Instruments, including without limitation occupancy and other rights of a Member who acquires points in the Collection. The Membership is initially conveyed, transferred and evidenced by the deed, leasehold assignment or Points Certificate.

“Minimum Points Threshold” means the minimum number of Points a Member needs to own in order to hold a valid Membership, as established by Seller.

“Occupancy Period” means that number of Days during which a Member may reserve the use of a Collection Accommodation in one or more Component Sites in accordance with the provisions of the Collection Instruments.

“Occupancy Year” means each Calendar Year during which a Member is entitled to occupy a Collection Accommodation pursuant to the terms hereof. The Association may designate another period as constituting the Occupancy Year.

“Permitted User” means any person, other than a Member, an exchange user or a hotel guest, occupying a Collection Accommodation or otherwise using a Component Site with or in lieu of, but with the permission of, any Member, such as such Member’s family, guests, employees, licensees or invitees. Any act or omission by a Permitted User shall be deemed the act or omission of the Member under whom such Permitted User occupies or uses.

“Personal Charges” means a charge against a particular Member and such Member’s Membership equal to: (a) any and all charges attributable to or incurred by a Member or a Permitted User during the use of a Collection Accommodation or Component Site; (b) the cost incurred by the Association for any corrective action performed pursuant to the provisions of this Plan; or (c) a reasonable fine or penalty assessed by the Association, plus interest and other charges thereon as provided for in this Plan.

“Plan” means that certain Second Amended and Restated Premiere Vacation Collection Membership Plan, together with all exhibits attached thereto, as may be amended or supplemented from time to time, pursuant to the provisions thereof.

“Points” means the currency of use within the Collection through which Members reserve the use and occupancy of Collection Accommodations in accordance with the Collection Instruments, with a specific number and type of Points being ascribed to each Membership.

“Points Certificate” means the certificate issued by Association to a Member naming that person(s) as a Member and specifying the number and type of Points held by that Member.

“Purchase Agreement” means the purchase agreement between Seller and the person named therein as “Buyer” providing for the sale by Seller and the purchase by Buyer of one or more Memberships.

“Register of Members” means the official register of the then current Members of the Association, including each Member’s name, address, telephone number and other information, as kept by the Secretary of the Association.

“Reservation Services Provider” means the entity engaged by the Association to provide reservation services for the Collection.

“Reservation System” means the method, arrangement, or procedure by which Members reserve use and occupancy of Collection Accommodations pursuant to the terms of the Collection Instruments.

“Resort Interests” mean specific interval ownership interests or other types of real property interests in one of more Component Sites owned or leased by the Association on behalf of and for the benefit of the Association and its Members.

“Rules and Regulations” means the rules and regulations of the Association, including and subject to any applicable rules and regulations as to any particular Component Site and the Collection Accommodations at such resort, all as the same may be amended from time to time.

“Seller” means ILX Acquisition, Inc., a Delaware corporation, and its successors and assigns, or any designated affiliate or subsidiary thereof and their successors and assigns.

“Special Assessment” means an Assessment levied by the Board upon Members as provided in the Plan.

“Term Points” means Points that will be available for a defined term.

EXHIBIT "A"**Premiere Vacation Collection Owners Association, Inc.
2014 Budget****REVENUES**

Assessment Revenue - Owners	\$ 20,663,281
Assessment Revenue - Developer ^(A)	8,899,536
Other Income	218,000

TOTAL REVENUES	29,780,817

EXPENSES

Maintenance Fee Obligation	23,001,833
Management Fees	3,682,648
Bad Debt Expense	5,165,820
Developer Delinquency Contribution	(3,099,492)
Assessment, Billing & Accounting Fees	886,159
General & Administrative	343,849

TOTAL EXPENSES	29,980,817

SURPLUS/(DEFICIT)	(200,000)

Fund Balance/(Deficit), prior years	466,847

PROJ. FUND BALANCE/(DEFICIT), end of year	\$ 266,847

2014 Assessments					
Points Values	0-3500	3501-6000	6001-8500	8501+	
Base Standard Assessment	\$ 400.00	\$ 360.00	\$ 360.00	\$ 275.00	
Point Standard Assessment	\$ 0.1329	\$ 0.1329	\$ 0.1329	\$ 0.1329	
THE Club®	\$ 204.00	\$ 204.00	\$ 204.00	\$ 204.00	

2014 Assessments - Every Other Year					
Points Values	0-3500	3501-6000	6001-8500	8501+	
Base Standard Assessment	\$ 200.00	\$ 180.00	\$ 180.00	\$ 137.50	
Point Standard Assessment	\$ 0.1329	\$ 0.1329	\$ 0.1329	\$ 0.1329	
THE Club®	\$ 204.00	\$ 204.00	\$ 204.00	\$ 204.00	

THE Club® Dues are provided for informational purposes only. They are not part of the assessments, but are fees associated with THE Club®

EXHIBIT "B"**COMPONENT SITE SUMMARIES
PREMIERE VACATION COLLECTION****LOS ABRIGADOS RESORT & SPA
and
WINNERS CIRCLE AT LOS ABRIGADOS
160 Portal Lane
Sedona, Arizona 86336****Location of units:****a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town

The resorts are located in Sedona, Arizona, approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Unpaved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona-Sez Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for these developments is recorded in Book 3 of Land Surveys, Page 97, Coconino County, Arizona.

Narrative of Offering:

The resort consists of 185 units situated on approximately 20 acres of landscaping, Spanish-styled plazas, walkways and bridges. Los Abrigados offers one- and two-bedroom units, each with a separate living area, bedroom, mini-kitchen and balcony or

patio. Twenty-nine suites have a fireplace, twenty suites offer an outdoor whirlpool spa and eight suites contain a whirlpool bathtub. Twenty-one units offer full kitchenettes.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 312.0 Resort Interests in Cottonwood Units
- 190.5 Resort Interests in Flagstaff Units
- 224.5 Resort Interests in Oak Creek Units
- 104.0 Resort Interests in Orchard Units
- 42.0 Resort Interests in Stonehouse Units
- 104.0 Resort Interests in Winner's Circle Units
- 2879.5 Resort Interests in Jerome Units
- 976.0 Resort Interests in Sedona Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There are four restaurants, sports bar, billiards emporium, library, two pools, tennis courts, sports court, basketball court, bocce ball courts, fitness center and health spa offering, a variety of personal care services, aerobic and yoga classes, whirlpools, steam and sauna rooms, hydrotherapy and other personal care facilities. The project is situated on approximately 20 acres with landscaping, Spanish-styled plazas, walkways and bridges. Twenty suites offer a fireplace and whirlpool spa. Nine units offer full kitchenettes. The resort is designed in Southwestern decor and is surrounded by the red rocks of Oak Creek Canyon.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

INN AT LOS ABRIGADOS
170 Portal Lane
Sedona, Arizona 86336

Location of units:**a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Sedona, Arizona, approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Unpaved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for this development is recorded in Book 2 of Maps, Page 54, Coconino County, Arizona.

Narrative of Offering:

The resort consists of ten units adjacent to Los Abrigados Resort & Spa. The Inn at Los Abrigados consists of the main Morris House and nine bed and breakfast-style units in three buildings situated amidst a former apple orchard. The Morris House includes a multi-level luxury suite sleeping six, and features a sunken living room, full kitchen with dining area, a loft, two full bathrooms and a private backyard with patio and barbecue. The bed and breakfast-style units each feature king-size beds, a sitting area, microwave, refrigerator, coffee maker, full bath with shower and balcony or patio. Guests of the Inn at Los Abrigados have charge privileges at and full use of all Los Abrigados Resort & Spa amenities.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

306.5 Resort Interests in Inn Units

34.0 Resort Interests in Morris House Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

There are no amenities on-site, but the resort is adjacent to Los Abrigados Resort & Spa with full use of their amenities.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

KOHL'S RANCH LODGE
202 South Kohl's Ranch Lodge Road
Payson, Arizona, 85541

Location of units:**a. City/County/State**

Payson/Gila/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located 17 miles northeast of Payson, Arizona, and approximately 105 miles from Phoenix, Arizona. Payson is reached by traveling northeast on Highway 87 (Beeline Highway) from Phoenix. Once in Payson, turn east onto Highway 260 and travel approximately 16 miles. The resort is located on the right hand side of Highway 260.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Payson	15,547	17	0	17

c. Name, location and distance from the development of the nearest civilian airport:

Payson Municipal Airport is located at 806 West Airport Road, Payson, Arizona, and is approximately three and one-half (3-1/2) miles from the resort.

The Project Map for this development is recorded in Book 356 of Maps of the Official Records of Gila County, Arizona.

Narrative of Offering:

Kohl's Ranch is a 10.5 acre parcel bordered on the eastern side by Tonto Creek and is surrounded by the Tonto National Forest. The resort consists of 66 units, 41 of which are at the main lodge, 8 of which are one-and two-bedroom cabins along Tonto Creek, 12 of which are two-bedroom cabins along Tonto Creek, 3 of which are part of a triplex cabin, and a luxury two-bedroom and a one-bedroom unit comprise the Horton House building, also on Tonto Creek.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 157.0 Resort Interests in Christopher Creek Units
- 484.5 Resort Interests in Ponderosa Units
- 1539.0 Resort Interests in Zane Grey Units
- 624.0 Resort Interests in Canyon Creek Units
- 52.0 Resort Interests in Horton House Units
- 141.5 Resort Interests in Tonto Creek Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

There is an outdoor heated pool, outdoor whirlpool spa, exercise room, putting green, bocce ball court, children's playground and gazebos, sport court, food and beverage facilities, and kennel. Kohl's Ranch is a 10.5 acre property bordered on the eastern side by Tonto Creek and is surrounded by the Tonto National Forest. Kohl's Ranch consists of 52 units. Forty-one of the units are at the main lodge; eight units consist of one and two-bedroom cabins along Tonto Creek, and three units are part of a triplex cabin. Each unit is equipped with an air conditioner, telephone, color television and mini-kitchenette or full kitchen, and many have a fireplace.

Shopping Facilities:

There is all types of shopping in Payson, 17 miles from the resort. There are antique and craft shops in Pine, an additional 15 miles from Payson.

Public Transportation:

There is no public transportation at Kohl's Ranch. There is one taxi company in Payson, and a shuttle service to and fro the Payson airport.

Medical Facilities:

The Payson Medical Center, a full-service facility with a helicopter pad, is located 17 miles away.

Fire Protection:

The Christopher Creek Fire Department is located 5 miles from the project, and the Payson Fire Department is located 17 miles away. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Town of Payson Police Department is located 17 miles away.

VARSITY CLUBS OF AMERICA – TUCSON
3855 E. Speedway Blvd.
Tucson, Arizona 85716

Location of units:**a. City/County/State**

Tucson/Pima/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located about 3 miles from The University of Arizona in Tucson and approximately 100 miles from Phoenix, Arizona. Tucson is reached by traveling on Interstate 10 East from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Tucson	548,555	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Tucson International Airport is located at 7005 South Plumer Avenue, Tucson, Arizona, and is approximately 10 miles from the resort.

The Project Map for this development is recorded in Book 4 of Maps and Plats at Page 95, Pima County, Arizona.

Narrative of Offering:

The resort consists of 60 studio, one- and two-bedroom units. Each of the one- and two-bedroom suites features a king master bedroom, living room with sofa sleeper, kitchenette, whirlpool spa, as well as color television with premium movie channels. Amenities at this resort include a Spoils Lounge, Twenty-four Hour Sports Ticker, touchdown breakfast buffet, Joey Pizza (a popular restaurant theme originally introduced at Los Abridados), billiards room, library, gift shop, fitness center, outdoor heated pool, whirlpool spa, children's playground, bocce ball court, business center and special events facilities.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

2134.5 Resort Interests in One Bedroom Units

171.0 Resort Interests in Studio Units

601.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

The resort has a sports lounge, 24-hour sports ticker, touchdown breakfast buffet, Joey Pizza, billiards room library, gift shop, fitness center, outdoor heated pool, whirlpool spa, steam room, children's playground, bocce ball court, business center and special events facilities.

Shopping Facilities:

There are numerous types of shopping facilities in the immediate vicinity.

Public Transportation:

There is a city bus stop in front of the resort on Speedway Boulevard. Taxis are readily available.

Medical Facilities:

The University Medical Center is 3 miles from the resort. The Tucson General Hospital is 6 miles from the resort.

Fire Protection:

The Tucson Municipal Fire Department has a station 3 miles from the resort. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Tucson Police Department has a station 3 miles from the resort.

GOLDEN EAGLE RESORT
(also known as The Historic Crag's Lodge)
300 Riverside Drive
Estes Park, Colorado 80517

Location of units:**a. City/County/State**

Estes Park/Larimer/Colorado

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located within 3 miles of the Rocky Mountain National Park and approximately 70 miles from Denver, Colorado. Estes Park is reached by traveling northwest on US-36 from Denver.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Estes Park	6,543	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Denver International Airport is located at 8500 Peña Boulevard, Denver, Colorado, and is approximately 77 miles from the resort.

The Project Map for this development is recorded at Reception No. 87050249, Larimer County, Colorado.

Narrative of Offering:

This resort consists of 33 total units and is bounded generally by undeveloped forested mountainside land, which offers mountain views from the resort. The Golden Eagle Resort is centered around the historic Crag's Lodge, a four-story wood frame building constructed in the early 1900's, which serves as the resort's main lodge. Amenities offered at this resort include a seasonal restaurant, bar and gathering area, as well as two other freestanding buildings containing six guest rooms and support facilities. Each unit at Golden Eagle features a fully equipped kitchenette, living and dining areas, television and video cassette player.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

601.0 Resort Interests in Executive Units

155.0 Resort Interests in Imperial Units

368.0 Resort Interests in Studio Units

88.0 Resort Interests in Deluxe Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

The resort includes a heated pool and spa as well as local outdoor attractions.

Shopping Facilities:

There are shops one-half mile from the resort.

Public Transportation:

There is no public transportation in Estes Park.

Medical Facilities:

There is a medical center .25 miles from the resort.

Fire Protection:

The Estes Park Fire Department has a station 1.5 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Estes Park Police Department has a station .75 mile from the resort.

VARSITY CLUBS OF AMERICA - SOUTH BEND

**3800 Main Street
Mishawaka, Indiana 46545**

Location of units:**a. City/County/State**

Mishawaka/St. Joseph/Indiana

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located approximately 3 miles from the University of Notre Dame and Notre Dame Stadium in South Bend, Indiana and approximately 90 miles from Chicago, Illinois. South Bend is reached by traveling on Interstate 90 East and Interstate 80 East from Chicago.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
South Bend	104,215	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

South Bend Regional Airport is located at 4477 Progress Drive, South Bend, Indiana, and is approximately 8 miles from the resort.

Narrative of Offering:

The VCA-South Bend offers a total of 86 units, consisting of one- and two-bedroom suites. Each one- and two-bedroom suite at VCA-South Bend includes a king master bedroom, living room with a sofa sleeper, kitchenette and whirlpool spa, steam room, as well as color television with premium movie channels.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

2656.0 Resort Interests in One Bedroom Units

45.0 Resort Interests in Rockne's Roost Units

45.0 Resort Interests in Leahy's Lair Units

282.5 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Commons areas at the resort include the Stadium Sports Lounge, featuring a theater-wall television in a stadium-type setting, fitness center with whirlpool spa, indoor/outdoor heated pool, bocce ball, children's playground, billiards room, library, gift shop, business center and special events facilities.

Shopping Facilities:

The Indian Ridge Shopping Center and University Park Mall are within 1 miles of the resort.

Public Transportation:

The Transpo Bus Service bus stop is 1 block from the project.

Medical Facilities:

The Edison Lakes Medical Center is 1 block away. St. Joseph Community Hospital is 3-4 miles away.

Fire Protection:

The Mishawaka Fire Department is 3 blocks from the resort. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Mishawaka Police Department is 3 miles from the project.

SEA OF CORTEZ BEACH CLUB

**Paseo Mar Bermeio Norte
Parcelo No. 4, Interior 3 Los Algonos
San Carlos, Nuevo Guaymas
Sonora, Mexico CF85506**

Location of units:**a. City/County/State**

San Carlos, Nuevo Guaymas, Sonora, Mexico

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in San Carlos, Nuevo Guaymas, Sonora, Mexico. It can be reached by crossing the United States-Mexico border at Nogales and traveling south on Highway 15 for approximately 260 miles.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Guaymas	130,000	20	0	20

c. Name, location and distance from the development of the nearest civilian airport:

Guaymas International Airport is located in Sonora, Mexico, and is approximately 15 miles from the resort.

Narrative of Offering:

This resort is situated on a 50 meter by 99.2 meter beach front property and consists of a four-level structure comprising 30 studio, one- and two-bedroom units, all overlooking the Sea of Cortez.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

300.0 Resort Interests in One Bedroom Units

400.0 Resort Interests in Studio Units

100.0 Resort Interests in Penthouse Units

700.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The resort includes a reception area and common areas with a pool, whirlpool, showers and bathrooms as well as an oceanside palapa serving meals and beverages. The project also has full use rights to adjacent San Carlos Plaza Hotel. The project is on beach front property.

Shopping Facilities:

There is all types of shopping in San Carlos, including arts and crafts. Shopping I Guaymas is 20 miles away.

Public Transportation:

There is bus service to Guaymas and local taxi service.

Medical Facilities:

There is first aid service and doctors 3 miles from the project. Sanitorio Sanchez Hospital, Municipal Hospital and Sociale Securite are each 20 miles from the project.

Fire Protection:

The Guaymas Fire Department is located 20 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available to the project.

Police Service:

The San Carlos Police Department is 3 miles from the project.

**ROUNDHOUSE RESORT and
PREMIERE VACATION CLUB AT THE ROUNDHOUSE RESORT
5829 Bucksprings Road
P.O. Box 2328
Pinetop, Arizona 85935**

Location of units:**a. City/County/State**

Pinetop/Navajo/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in the White Mountains of northeastern Arizona near Pinetop, Arizona and is approximately 190 miles from Phoenix, Arizona. Pinetop is reached by traveling on Interstate 10 East and US-60 East from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Pinetop	4,522	2	0	2

c. Name, location and distance from the development of the nearest civilian airport:

Show Low Regional Airport is located at 3150 Airport Loop Road, Show Low, Arizona, and is approximately 17 miles from the resort.

The Project Map for this development is recorded in Book 20 of Maps, Page 29, records of Navajo County, Arizona.

Narrative of Offering:

The resort consists of 80 studio and one- and two-bedroom accommodations.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 1,092.0 Resort Interests in 2-Bedroom Units
- 26.0 Resort Interests in Aspen Units
- 129.0 Resort Interests in Pine Units
- 7.0 Resort Interests in Oak Units

32.0 Resort Interests in Juniper Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The Roundhouse project has an indoor pool, racquetball courts, basketball court and fitness center. It is on a 10-acre railroad-themed property located in the White Mountains of northeastern Arizona. Premiere Vacation Club at the Roundhouse Resort has an outdoor recreation area offering various activities.

Shopping Facilities:

There is a Safeway and other shops in Pinetop, 4 miles from the resort.

Public Transportation:

The Four Seasons Connection transit bus runs from Show Low to the Hon Dah Casino on Highway 260.

Medical Facilities:

The Navapache Regional Hospital is located in Show Low, 24 miles from the project.

Fire Protection:

The Pinetop Fire Department is 4 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Pinetop-Lakeside Police Department is 4 miles from the project.

CARRIAGE HOUSE RESORT
105 E. Harmon
Las Vegas, Nevada 89104

Location of units:**a. City/County/State**

Las Vegas/Clark/Nevada

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located one block from the Las Vegas Strip between the MGM Grand and the Aladdin Hotels.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Pahrump, NV	32,979	60	0	60
N. Las Vegas	115,488	10		10
Henderson	175,381	15		15

c. Name, location and distance from the development of the nearest civilian airport:

McCarran International Airport is located at 5757 Wayne Newton Boulevard, Las Vegas, Nevada and is approximately 3 miles from the project.

The Project Map for this development is recorded in Book 16 of Plats, at Page 71, Clark County, Nevada.

Narrative of Offering:

The Carriage House is a 9-story luxury non-gaming hotel which consists of a total of 155 studio, one- and two-bedroom units. Each unit includes either a kitchenette or a fully equipped kitchen.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

1305.0 Resort Interests in One Bedroom Units

806.0 Resort Interests in Studio Units

122.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There is a restaurant, tennis court, basketball court, guest laundry facilities, and a swimming pool and spa at the project.

Shopping Facilities:

There are numerous shopping facilities in the vicinity of the project for all types of shopping.

Public Transportation:

There is a city bus system that services the Las Vegas area with a stop within one block of the Carriage House. Taxicabs are available at the project.

Medical Facilities:

There are eight major hospitals in the area. The hospital nearest the project is the Desert Springs Hospital, 2075 E. Flamingo, Las Vegas, Nevada.

Fire Protection:

The Clark County Fire Department provides fire service. The closest fire station is located approximately 1.5 miles from the project.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Las Vegas Metropolitan Police Department provides service to the project with its main station approximately 2 miles from the project.

**BELL ROCK INN
6146 Highway 179
Oak Creek, Arizona 86351**

Location of units:**a. City/County/State**

Oak Creek/Yavapai/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in the Village of Oak Creek, the gateway to Sedona, Arizona, approximately 100 miles from Phoenix, Arizona. Oak Creek is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Sedona	11,598	5	0	5

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 10 miles from the resort.

The Project Map for this development is recorded in Book 12 of Maps and Plats, Page 64, Yavapai County, Arizona.

Narrative of Offering:

The resort consists of 85 studio, one- and two-bedroom units. The one- and two-bedroom units have full kitchens, and the studio units have refrigerators, microwaves and in-room coffee makers. Some units have fireplaces and/or whirlpool tubs.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

1300.0 Resort Interests in One Bedroom Units

2704.0 Resort Interests in Studio Units

416.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There is a restaurant, sports bar, billiards room, two heated swimming pools, two hot tubs, and banquet and conference facilities. In addition, members staying at the Bell Rock Inn have use of the facilities at the nearby Los Abrigados Resort and Spa.

Shopping Facilities:

There is an Outlet Mall in the Village of Oak Creek, 1 mile away, and many other shops and strip centers throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 7 miles from the project, and the Sedona Medical Center is 9 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 8 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 8 miles away.

SCOTTSDALE CAMELBACK RESORT
6302 E. Camelback Road
Scottsdale, Arizona 85251

Location of units:**a. City/County/State**

Scottsdale/Maricopa/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Scottsdale, Arizona, a few blocks east of Phoenix, Arizona.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Phoenix	1,601,587	1	0	1

c. Name, location and distance from the development of the nearest civilian airport:

Phoenix Sky Harbor International Airport is located at 3400 E. Sky Harbor Boulevard, Phoenix, Arizona and is approximately 9 miles from the resort.

The Project Map for this development is recorded in Book 240 of Maps, Page 39, and Amended Plats recorded in Book 329 of Maps, Page 26, and in Book 332 of Maps, Page 34, Maricopa County, Arizona.

Narrative of Offering:

The resort consists of a total of 112 studio, two- and three-bedroom units each with a fireplace, kitchen facilities and living and dining areas. Studio unit kitchens do not contain ovens, while two-and three- bedroom units provide full kitchens, including ovens.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

12.0 Resort Interests in Studio Units

24.0 Resort Interests in Three Bedroom Units

97.0 Resort Interests in Two Bedroom Units

40.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Amenities at the resort include a restaurant, indoor and outdoor whirlpool spas, fitness center, sauna, indoor racquetball court, heated outdoor swimming pool, 3 lighted tennis courts, a 9-hole executive putting green, a 9-hole miniature golf course, croquet court, sand volleyball court, horseshoe pits, bocce ball court, tether ball and children's playground.

Shopping Facilities:

There are numerous types of shopping facilities in the immediate vicinity, including the Fashion Square Mall, Old Town Scottsdale and the Fifth Avenue Shops.

Public Transportation:

There is a city bus stop in front of the property. Taxis are readily available.

Medical Facilities:

There is a hospital 2.8 miles from the project.

Fire Protection:

The Phoenix Fire Department has a station 3.4 miles from the project. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The project is served by the Scottsdale Police Department.

CELEBRITY HOUSE
133 Portal Lane
Sedona, Arizona 86336

Location of units:**a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Sedona, Arizona, adjacent to the Los Abrigados Resort & Spa. It is approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for this development is recorded in Book 2 of Maps, Page 54, Coconino County, Arizona.

Narrative of Offering:

The Celebrity House is a two-bedroom suite located in a separate building adjacent to the Los Abrigados Resort & Spa. The Celebrity House sleeps six and contains a hill kitchen, dining area, living room with fireplace and sleeper sofa, master bedroom with king bed and guest bedroom with queen bed.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

52.0 Resort Interests in Celebrity House Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The Celebrity House has a private backyard containing a patio, swimming pool and spa. Guests also have full use of the amenities at the adjacent Los Abrigados Resort & Spa.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

RANCHO MAÑANA RESORT
5720 East Rancho Mañana Boulevard
Cave Creek, Arizona 85331

Location of units:**a. City/County/State**

Cave Creek/Maricopa/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Cave Creek, Arizona, approximately 30 miles north of Phoenix, Arizona. Cave Creek is reached by traveling north from Phoenix on Interstate 10 and Cave Creek Road.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Cave Creek	3,728	0	0	0
Scottsdale	202,705	17		17
Phoenix	1,601,587	22		22

c. Name, location and distance from the development of the nearest civilian airport:

Phoenix Sky Harbor International Airport is located at 3400 E. Sky Harbor Boulevard, Phoenix, Arizona and is approximately 33 miles from the resort.

The Project Map for this development is recorded in Book 457 of Maps, Page 37, Maricopa County, Arizona.

Narrative of Offering:

The resort consists of 38 two-bedroom, two-bath units, (19 of which are Private Residence Club and whole ownership units), each with a full kitchen, living room, fireplace, and whirlpool tub in master bath.

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Amenities at the resort include a swimming pool, two hot tubs, lush landscaping and an outdoor fireplace. Adjacent to the property are a restaurant and a golf course.

Shopping Facilities:

The Carefree Town Center is 3 miles from the project, and there are shopping centers, department stores and malls within 20 miles of the project.

Public Transportation:

There is no city bus stop close to the property. However, taxis are readily available.

Medical Facilities:

The Desert Foothills Medical Center is 2.8 miles from the project, and the Mayo Clinic Hospital is 10 miles away.

Fire Protection:

The Rural Metro Fire Department has a station 28 miles from the project in Scottsdale. There are sprinklers, smoke detectors, and fire extinguishers in all units and fire alarms in each building.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The project is served by the Cave Creek/Carefree Sheriff's Office.

TIME-SHARE DISCLOSURE REPORT
(Public Report)

FOR

PREMIERE VACATION COLLECTION

Registration No. DM10-055548

SELLER

ILX ACQUISITION, INC.
10615 Park Run Drive
Las Vegas, Nevada 89144

March 7, 2011
Effective Date

PROPERTY REPORT DISCLAIMER

This report is NOT A RECOMMENDATION NOR AN ENDORSEMENT by the State of Arizona of this land but is provided for informational purposes ONLY. The report reflects information provided by the Seller and obtained by the Department in its review process in accordance with the provisions of Title 32, Chapter 20, Article 9, of the Arizona Revised Statutes, as amended. NOTE that not all of the information in this report has been verified by the Department; certain information has been accepted by the Department as true and accurate based on attestation of the Seller and/or the Seller's agents. The purchaser should verify all facts before signing any documents. The Department has not passed upon the quality or quantity of any improvement or structure and does not assume responsibility in either event.

STATE OF ARIZONA DEPARTMENT OF REAL ESTATE

TUCSON OFFICE:
400 West Congress Suite 523
Tucson, Arizona 85701
(520) 628-6940

PHOENIX OFFICE:
2910 N. 44th Street Suite 130
Phoenix, Arizona 85018
(602)771-7750

THE ARIZONA DEPARTMENT OF REAL ESTATE**REQUIRES THAT:**

1. You BE GIVEN this public report;
2. YOU SIGN A RECEIPT indicating that you received this report;

RECOMMENDS:

1. You DO NOT SIGN ANY AGREEMENT before you have read this report;
2. You see an ACCURATE REPRESENTATION of the unit you are interested in BEFORE SIGNING any document for lease or purchase.

ARIZONA LAW STATES:

1. A PERSON SHALL NOT SELL OR LEASE OR OFFER FOR SALE OR LEASE IN THIS STATE TWELVE OR MORE TIME-SHARE INTERVALS WITHOUT FIRST OBTAINING A PUBLIC REPORT FROM THE COMMISSIONER. ANY SALE OR LEASE OF TWELVE OR MORE TIME-SHARE INTERVALS PRIOR TO ISSUANCE OF THE PUBLIC REPORT IS VOIDABLE BY THE PURCHASER. AN ACTION BY THE PURCHASER TO VOID SUCH TRANSACTION MUST BE BROUGHT WITHIN FIVE YEARS OF THE DATE OF THE EXECUTION OF THE PURCHASE AGREEMENT BY THE PURCHASER IN ANY SUCH ACTION, THE PREVAILING PARTY IS ENTITLED TO REASONABLE ATTORNEY FEES AS DETERMINED BY THE COURT.
2. ANY PURCHASE AGREEMENT FOR A TIMESHARE INTEREST MAY BE CANCELED BY THE PURCHASER WITHOUT CAUSE OF ANY KIND BY MAILING OR DELIVERING WRITTEN NOTICE OF CANCELLATION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH THE PURCHASER EXECUTED THE PURCHASE AGREEMENT. A NOTICE OF CANCELLATION MUST BE MAILED OR DELIVERED TO ILXA C/O RESCISSION COORDINATOR, DIAMOND RESORTS FINANCIAL SERVICES, INC., 10600 WEST CHARLESTON BOULEVARD, LAS VEGAS, NEVADA 89135.

GENERAL

This report includes: 48,132,000 unsold timeshare points, or “Points,” representing 7,119 timeshare intervals or “Resort Interests” in the Premiere Vacation Collection (herein the “Collection”). The location, period, and quality of accommodation a Member of the Collection may reserve is determined by the number of Points owned by the Member. Definitions for capitalized terms used in this Public Report, such as “Occupancy Periods,” “Member,” and “Points,” may be found in the List of Definitions (“Definitions”) attached to this Public Report.

The Project Map for this development: is recorded in Book ____ of Maps ____ Page __, records of _____ County, State of _____. See **Component Site Summaries attached hereto as Exhibit B.**

The Project: The Collection is a points-based, multisite, timeshare use vacation club, established by the Plan (see Definitions), and presently includes Resort Interests (see Definitions) and opportunities for its Members (see Definitions) to reserve and use Collection Accommodations (see Definitions) in fourteen (14) Component Site (see Definitions) locations: four (4) in Sedona, Arizona; one (1) in Payson, Arizona; one (1) in Tucson, Arizona; two (2) near Pinetop, Arizona; one (1) in Village of Oak Creek, Arizona, one (1) in Scottsdale, Arizona; one (1) in Estes Park, Colorado; one (1) in South Bend, Indiana; one (1) in Las Vegas, Nevada; and one (1) in San Carlos, Neuvo Guaymas, Sonora, Mexico.

TIME-SHARE USE

Sales: Memberships (see Definitions) are evidenced by right to use other than fee title. Members will receive a Points Certificate (see Definitions) and be entered on the Register of Members (see Definitions). Points are the currency of use within the Collection. Points are owned in perpetuity, except for Term Points (See Definitions), which will be available for a defined term as set forth in the Member’s Points Certificate. Currently all Resort Interests are held in perpetuity, except the Resort Interests in the Sea of Cortez Beach Club, which are based on a renewable twenty-five (25) year right to use agreement.

Lock-outs: None.

Maintenance period: There are 52 Occupancy Periods (see Definitions) available in each Collection Accommodation, except for Resort Interests at the Golden Eagle Resort, where there are 51 Occupancy Periods in each Collection Accommodation. The Association (see Definitions) or the applicable Component Site Owners Association (see Definitions) has the right to reserve up to one twenty-four (24) hour period (and a one-week period at the Golden Eagle Resort) in each calendar year as the maintenance period for each Collection Accommodation. If needed to maintain or upgrade the Collection Accommodation and if the vacancy rate is high enough to permit it, the Association or the Component Site Owners Association may reserve additional days for maintenance. The Association shall use its best efforts to reserve maintenance periods so as to maximize the use and enjoyment of the Collection Accommodations by Members and minimize any scheduling problems under the Reservation System (see Definitions).

PROJECT LOCATION

The Project: For Component Site addresses and directions, see Exhibit B attached hereto.

NARRATIVE OF OFFERING

Premiere Vacation Collection Owners Association, Inc., an Arizona non-profit corporation (the “Association”), operates the Collection, which is a points-based, multisite, timeshare use vacation club plan. Pursuant to the Second Amended and Restated Premiere Vacation Collection Membership Plan (the “Plan”), ILX Acquisition, Inc. (“Seller”), has the right to sell all Memberships in the Collection owned by the Association. The principal place of business of the Collection and the Seller is 10615 Park Run Drive, Las Vegas, Nevada 89144.

An individual may become a Member by purchasing a Membership in the Collection to which there is appurtenant a specific number of Points, which are the currency of use within the Collection. The Membership allows a Member to use Points to annually reserve Occupancy Periods in Collection Accommodations and related facilities at any Component Site.

The Minimum Points Threshold (see Definitions) for valid Membership is currently an annual allotment of 2,000 total Points. If the number of a Member’s annual allotment of Points falls below the Minimum Points Threshold for any reason, such as the partial transfer of Points or the expiration of the Member’s Term Points, the affected Membership will cease to be a valid Membership unless sufficient additional Points are acquired to meet the Minimum Points Threshold. The purchase of additional Points will be governed by prices in effect at the time of the purchase.

The Plan defines how the Collection operates and provides for the distribution of Occupancy Periods in Component Sites to its Members. The Collection currently includes Resort Interests in each of fourteen (14) Component Sites, ten (10) in Arizona; one (1) in Colorado; one (1) in Indiana; one (1) in Nevada; and one (1) in Sonora, Mexico. The Seller holds the exclusive right, but not the obligation, to add additional Resort Interests to the Collection at these or at additional Component Sites, in its sole discretion. Such additional Resort Interests may be either fee simple interests that are perpetual in duration or leasehold interests that will not be available in perpetuity, but will have a definite term of duration.

Subject to the terms and conditions set forth in the Plan and the Collection Instruments (see Definitions), each Member or such Member’s Permitted User (see Definitions), for each Membership owned, has: (a) the exclusive right to occupy a Collection Accommodation and to use the common furnishings contained within such Collection Accommodation during the Member’s reserved Occupancy Period; and (b) the non-exclusive right to use and enjoy the common areas at the Component Site during the Member’s reserved Occupancy Period.

1. Reservation System:

(a) Ownership.

The Collection Instruments contemplate the use of a Reservation System that is owned and operated by Diamond Resorts International Club, Inc. (“DRIC”), a Florida corporation and

the Reservation Services Provider (see Definitions), which provides such services to the Members as provided for in an agreement between DRIC and the Association, a copy of which is available from the Association upon request. In the event that such agreement is terminated by either party for any reason, the Association will need to make arrangements with another Reservation Services Provider for such services and a replacement Reservation System.

(b) Operating Entity.

DRIC, which is an affiliate of the Manager (see Definitions), owns and operates the Reservation System. DRIC does not charge Members for making reservations. However, in order to make a reservation, a Member must be current in all Assessments (see Definitions) and other charges due the Association. DRIC may, in the future, charge a fee for making reservations in accordance with the Rules and Regulations (see Definitions).

(c) Summary of Rules Governing Reservation System:

The Rules and Regulations contain the required procedures concerning the making and cancelling of reservations and the use of Collection Accommodations. The following is a summary of the Rules and Regulations with respect to the Reservation System:

- (i) All reservations are on a first come, first served basis. The Rules and Regulations set forth any limitations on how far in advance a reservation may be made.
- (ii) All reservations are subject to space availability.
- (iii) A Member must have sufficient Points for each reservation made. Points may be saved from the current Occupancy Year (see Definitions) or borrowed from a future Occupancy Year in accordance with the Rules and Regulations.
- (iv) Reservations are subject to immediate cancellation without notice upon delinquency in payment of Assessments or delinquency in payment of any obligation owing to Seller, or if such reservations have been obtained in a manner designed to circumvent the intent of the Plan or any applicable Rules and Regulations.

PURCHASERS SHOULD CAREFULLY NOTE THE DATES AND “FIRST-COME, FIRST-SERVED” BASIS FOR HONORING RESERVATION REQUESTS. THE LONGER A MEMBER WAITS TO MAKE A RESERVATION, THE LESS LIKELY IT IS THAT THE MEMBER WILL BE ABLE TO RESERVE THE MEMBER’S FIRST CHOICE OF OCCUPANCY PERIODS.

COMPONENT SITES CONTAINED IN THIS MULTISITE TIMESHARE PLAN MAY BE SUBJECT TO PRIORITY RESERVATION FEATURES, WHICH MAY AFFECT YOUR ABILITY TO OBTAIN A RESERVATION.

2. Component Site Additions, Substitutions and Deletions:

(a) Component Site Additions.

(i) Basis For Additions.

Pursuant to the Plan, the Seller has the exclusive right, in its sole and absolute discretion, to add an unlimited number of additional Collection Accommodations to the Collection by arranging for the transfer of additional Resort Interests to the Association for the benefit of the Members and by executing appropriate amendments or supplements to the Collection Instruments and filing the same with the appropriate governmental authorities.

(ii) Authority Retaining Addition Right.

The Plan authorizes the Seller to unilaterally add Resort Interests and Collection Accommodations to the Collection.

(iii) Anticipated Effect of Additions Upon the Reservation System and Availability of Collection Accommodations.

The anticipated effect of the addition of Collection Accommodations to the Collection is expected to be positive, as Members will have additional alternative facilities at which to use their Points. Any negative effects of adding Collection Accommodations are expected to be minimal.

(b) Cap Upon Multisite Common Expenses if Additions.

The only limit on any increase that might be caused to Common Expenses (see Definitions) and Assessments due to the addition of Collection Accommodations to the Collection is the CPI Dues Adjustment Percentage (as defined in the Plan).

(c) Purchaser Right of Consent to Additions.

Members do not have the right to consent to or withhold their consent from any proposed addition of Resort Interests and Collection Accommodations and facilities to the Collection. The Plan grants the Seller the right to add Resort Interests to the Collection, but does not impose any obligation to do so, which the Seller may do in its sole and absolute discretion.

COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE ADDED TO THIS MULTISITE TIMESHARE PLAN WITHOUT THE CONSENT OF THE PURCHASERS/MEMBERS. THE ADDITION OF COLLECTION ACCOMMODATIONS AND FACILITIES TO THE TIMESHARE PLAN MAY RESULT IN THE ADDITION OF NEW MEMBERS WHO WILL COMPETE WITH EXISTING MEMBERS IN MAKING RESERVATIONS FOR THE USE OF AVAILABLE COLLECTION ACCOMMODATIONS AND FACILITIES WITHIN THE TIMESHARE PLAN, AND MAY ALSO RESULT IN AN INCREASE IN THE ANNUAL MAINTENANCE FEES AGAINST MEMBERS FOR COMMON EXPENSES.

(d) Component Site Substitution.

(i) Basis for Substitution.

The Seller may substitute Collection Accommodations through annexation and deannexation, as described herein, and may contract for additional Collection Accommodations to be made available without annexation as described in the Plan.

(ii) Anticipated Effect of Substitutions Upon the Reservation System and Availability of Collection Accommodations.

No material effects on the Reservation System or the availability of Component Sites or the operation of the Collection are expected from any needed replacements of Collection Accommodations. Purchasers should be aware, however, that as a result of a decision not to reconstruct damaged or dilapidated Collection Accommodations or during any reconstruction, replacement or acquisition period, or in the event the Sea of Cortez Beach Club 25-year right to use agreement is not renewed, Members in the Collection may temporarily compete for available Collection Accommodations on the basis of a greater than one-to-one Member to accommodation ratio.

(iii) Purchaser Right of Consent to Substitutions.

Members do not have the right to consent to or withhold their consent from any proposed replacement of Resort Interests and Collection Accommodations and facilities within the Collection. The Plan grants the Seller, in its sole and absolute discretion, the right to add Resort Interests to the Collection, but does not impose any obligation to do so.

NEW COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE SUBSTITUTED FOR EXISTING COLLECTION ACCOMMODATIONS AND FACILITIES OF THIS MULTISITE TIMESHARE PLAN WITHOUT THE CONSENT OF THE PURCHASERS. THE REPLACEMENT COLLECTION ACCOMMODATIONS AND FACILITIES MAY BE LOCATED AT A DIFFERENT PLACE OR MAY BE OF A DIFFERENT TYPE OR QUALITY THAN THE REPLACED COLLECTION ACCOMMODATIONS AND FACILITIES. THE SUBSTITUTION OF COLLECTION ACCOMMODATIONS AND FACILITIES MAY ALSO RESULT IN AN INCREASE IN THE ANNUAL MAINTENANCE FEES AGAINST MEMBERS FOR COLLECTION COSTS.

EXCEPT FOR THE ABOVE, NEITHER SELLER NOR THE ASSOCIATION MAKES ANY REPRESENTATIONS WHATSOEVER REGARDING THE ADDITION OR SUBSTITUTION OF COLLECTION ACCOMMODATIONS AND NONE OF SELLER, THE BOARD OR THE ASSOCIATION SHALL HAVE ANY OBLIGATION TO ADD ADDITIONAL COLLECTION ACCOMMODATIONS OR SUBSTITUTE COLLECTION ACCOMMODATIONS.

(e) Component Site Deletion.

(i) Deannexation by Seller.

Pursuant to the Plan, the Seller has the exclusive right, in its sole and absolute discretion, to remove Collection Accommodations from the Collection by recording a declaration of deannexation. No deannexation may occur that would cause there to exist an insufficient amount of Resort Interests to accommodate the occupancy rights of all then existing Members in the manner described in the Plan. Upon a deannexation, the Association shall reconvey the deannexed Resort Interests to the Seller or its designee.

(ii) Deannexation for Casualty or Eminent Domain Action.

Collection Accommodations that are damaged, destroyed or the subject of eminent domain action may be removed from the Collection pursuant to Seller's right to deannex, as described in the Plan. During any period of repair, reconstruction or replacement, or as a result of any decision not to repair or replace, Members may temporarily compete for available Collection Accommodations on the basis of a greater than one-to-one Member to Collection Accommodation ratio.

(iii) Business Interruption Insurance Provision.

The Collection does not maintain business interruption insurance, but the respective Component Site Owners Associations maintain casualty and liability insurance on the respective Collection Accommodations at each location.

(iv) For Term Expiration.

Although only Sea of Cortez Beach Club includes Resort Interests that consist of right-to-use interests, the Plan allows more Resort Interests to be added to the Collection that consist of a leasehold interest or similar interest that will expire as of a certain date. The Points that are or will be appurtenant to such Resort Interests are categorized as Term Points and will be designated on the Member's Points Certificate as expiring by a specified date. Upon the occurrence of such expiration dates, such Term Points and the Resort Interests to which they are appurtenant will be deemed to be no longer included in the Collection and will no longer be subject to the Plan and the other Collection Instruments. No action is required on the part of the Seller, the Board (see Definitions), or the Association to effect this deletion from the Collection, other than the updating of any applicable list, map or other depiction of the Component Sites that are available for use by the Members and appropriately adjusting the Register of Members.

(v) Anticipated Effect of Deletions Upon the Reservation System and Availability of Component Sites.

No material effects on the Reservation System or the availability of Component Sites or the operation of the Collection are expected from any deletions of Collection Accommodations. During any reconstruction, replacement, or acquisition period, or as a result of a decision not to reconstruct damaged or dilapidated Collection Accommodations, or in the event the Sea of Cortez Beach Club 25-year right to use agreement is not renewed, Members may temporarily compete for available Collection Accommodations on the basis of a greater than one-to-one Members to accommodation ratio.

3. Purchaser's Liability for Fees Association with Multisite Timeshare Plan:

(a) Multisite Vacation Ownership Timeshare Plan Common Expenses.

The Plan provides for the establishment, levying and collection of Assessments to fund the Common Expenses and Capital Assessments (see Definitions).

(b) Annual Assessments and Special Assessments.

(i) Funding Common Expenses.

The Board determines the annual operating budget to provide for Collection operating expenses and capital reserves for each year. The budget is funded by an annual Assessment paid by Members. A copy of the current annual budget for the Association is attached hereto as **Exhibit A**.

The Association is obligated to pay for its share of Common Expenses to the appropriate Component Site Owners Associations with respect to Collection Accommodations owned in each Component Site. The Association's share of common expenses at all Component Sites is included in the Collection's annual budget. Indirectly, therefore, the Members are charged through the Collection Assessments for the expense of the assessments or dues levied by the Component Site Owners Associations, which are authorized to levy the same on behalf of the owners of each Component Site. Real estate taxes are included in the calculation of annual common expense assessments levied by the Component Site Owners Associations.

The Association and the Seller believe that the projected income in the current year's operating budget will be adequate to meet the Association's estimated Common Expenses and that no Special Assessments (see Definitions) will be necessary.

(ii) Special Assessments.

Under the Plan, the Board may levy a Special Assessment applicable to that period only, as may be necessary for the purpose of defraying, in whole or in part, the cost of any acquisition, construction, reconstruction, repair or replacement of any Collection Accommodation, including the furnishings related thereto, for which no reserves have been established or for deficiencies in such reserves or the purpose of defraying other extraordinary expenses relating to the mutual health, benefit, safety and welfare of the Members and/or the Association, or for purposes of funding any deficits in Assessments. No vote or written assent of the Members shall be required for the adoption of a Special Assessment.

Every Special Assessment shall be levied upon the same basis as that prescribed for the levying of the annual Assessment. The Board may levy a Special Assessment against all or fewer than all Members, depending upon the reason for the Special Assessment and the Members who will be affected by that reason. Special Assessments are to be collected as specified by the Board. Except as otherwise provided in the Collection Instruments, any Special Assessment shall be due and payable within thirty (30) days after the date upon which the written notice of such Special Assessment is mailed to the Members, unless the Board determines that instalment payments shall be permitted and provides each Member with an approved payment schedule, in which case each Member's payments shall be made no later than the time specified in such payment schedule. If the Board authorizes the payment of any Special Assessment in

instalments, no notice of the due date of each individual instalment payment shall be required to be given, other than the initial Special Assessment notice.

(c) Determining Assessments.

After the Board approves the annual operating budget, the Board shall determine the respective Assessment that shall be levied on each Membership according to the provisions of the Plan.

The Assessments will include all applicable state and local real estate taxes. Any goods and services tax or sales tax payable in connection with the sale of the Points is included in the purchase price for the Points. Any occupancy tax levied by any government entity upon Members using Collection Accommodations will be paid by those Members.

If the Seller transfers additional Resort Interests to the Association during the fiscal year, the Board may prepare a revised budget based on transfer of the additional Resort Interests and the issuance of additional Points and may adjust the Assessments accordingly.

(d) Payment of Assessments.

Except for Seller and Seller's affiliates for Memberships owned or held for sale, Assessments will be collected in advance on a monthly, quarterly or annual basis as determined by the Board. The initial Assessment will be due and payable by each Member, other than the Seller, at the time and in the manner set forth in such Member's Purchase Agreement (see Definitions). Subsequent Assessments will be due and payable by a Member within thirty (30) days after receipt of the applicable invoice or such other time as the Board may determine, commencing with the first fiscal year immediately succeeding the fiscal year in which a Membership was purchased, unless and until the Board institutes a different payment schedule by providing written notice thereof to each Member. In no event will the Assessment be due later than the first day of the Occupancy Year to which it relates. Members will be required to pay an Assessment for every fiscal year, regardless of whether the Member is entitled to, or does or does not, use and occupy a Collection Accommodation during that fiscal year.

Seller may, at its unilateral option without obligation, pay the Assessments attributable to unsold Memberships, however, pursuant to the Plan, Seller is under no obligation to pay Assessments attributable to unsold Memberships owned by the Association or held for sale.

(e) Responsible Entity for Multisite Common Expenses.

The responsible entity for determining the amount of the Common Expenses is the Association, through its Board. All Assessments for the funding of the Common Expenses are determined by the Board, and the Board is empowered by the Plan to increase such Assessments or to levy Special Assessments, if necessary.

(f) Lien Rights for Multisite Common Expenses.

A Member is delinquent if the Member fails to pay a Collection Assessment on or before the due date. In the event of such delinquency, the Association may take any of the following

actions: (i) bring an action to recover a money judgement for the amount of any unpaid Assessments; (ii) exercise its rights to enforce its lien upon such Member's Membership and Points; or (iii) it may suspend some or all of the Member's rights.

All liens and unpaid Assessments shall be automatically enforceable in any manner authorized by law including but not limited to seizure, suit or power of sale.

THERE IS A LIEN OR LIEN RIGHT AGAINST EACH MEMBERSHIP TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER AMOUNTS DUE THE ASSOCIATION. A MEMBER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN ENFORCEMENT OF THE LIEN.

(g) Annual Increase Limitations.

The only limit on any increase that might be caused to Common Expenses and Assessments due to the addition of Collection Accommodations to the Collection is the CPI Dues Adjustment Percentage set forth in the Plan. Such limitation may not, however, apply to the level of annual common expense assessments that may be levied from time to time by the respective Component Site Owners Associations.

(h) Bad Debt/Working Capital Reserves.

Currently, each of the Component Site Owners Associations has established reserves to meet their respective bad debts and working capital requirements. The reserves for the current year are set out in the respective Component Site Owners Association budget, a copy of which is available from the Association upon request.

(i) Replacement/Deferred Maintenance Reserves.

Currently, each of the Component Site Owners Associations has established in its annual budget reserves for normal repairs and maintenance of the Collection Accommodations and replacement of equipment and furnishings. The reserves for the current year are set out in the respective Component Site Owners Association budget, a copy of which is available from the Association upon request.

UTILITIES

Electricity: Electricity is available at all Component Sites.

Telephone: Telephone service is available at all Component Sites.

Natural Gas: Natural gas and/or propane is available at all Component Sites.

Water: Water is available at all Component Sites.

Water Disclaimer for Kohl's Ranch Lodge:

The water supply is derived from two sources at Kohl's Ranch Lodge (the "Property"), a well on the Property, which feeds into a 200,000 gallon storage tank, and Indian Gardens Spring (approximately one-half mile south of the Property). It is unknown how potential drought conditions in the area will affect the quantity and long-term dependability of water available from the well or the Spring in relation to the current and proposed demands. Prior to 1984, the Spring met all the water requirements of the Property. Since drilling the well in 1984, the Spring has been unnecessary to service the Property. The well has been adequate to meet the Property's water requirements and Seller anticipates it will be adequate in the future. In the event it would be necessary, the Spring would be available to supplement the well source. The quality of the water supply has been acceptable for domestic use. Notwithstanding the foregoing, for reasons of the costs involved, Seller has chosen not to demonstrate to the Arizona Department of Water Resources that an adequate water supply exists, and as a consequence, that Department is required by law to find the Property's water supply to be inadequate.

Sewage Disposal: Sewage disposal is available at all Component Sites.

ACCESS STREETS AND ROADS

Access to the Development: Public streets are complete at all Component Sites and will be maintained by the appropriate municipality, county or state.

Access within the Development: Interior streets are complete at all Component Sites and will be maintained by the Component Site Owners Associations.

COMMON AREA FACILITIES

Within the Development: See Component Site Summaries attached hereto as Exhibit B.

Maintenance of Development Facilities: Development facilities are complete and will be maintained by the Component Site Owners Associations.

ASSURANCES FOR COMPLETION OF FACILITIES

Assurances for Completion of Development Facilities: All facilities at all Component Sites are complete.

LOCAL SERVICE AND FACILITIES

Shopping Facilities: See Component Site Summaries attached hereto as Exhibit B.

Public Transportation: Public transportation is available near all Component Sites, but may be more developed and frequent at some Component Sites than others. See Component Site Summaries attached hereto as Exhibit B.

Medical Facilities: See Component Site Summaries attached hereto as Exhibit B.

Fire Protection: See Component Site Summaries attached hereto as Exhibit B.

Ambulance Service: See Component Site Summaries attached hereto as Exhibit B.

Police Service: See Component Site Summaries attached hereto as Exhibit B.

SALES

Sales: Will be evidenced by a Purchase and Security Agreement. Purchaser will receive a Points Certificate and be entered into the Register of Members. The Purchaser's earnest money will be deposited into escrow with First American Title Insurance Company, 1160 Town Center Drive, Suite 100, Las Vegas, Nevada 89144.

TITLE AND ENCUMBRANCES

Title: Title to all Resort Interests is vested in the Association, for the benefit of the Members pursuant to the Plan, except for Resort Interests in the Sea of Cortez Beach Club, in which the Association holds a renewable twenty-five (25) year right-to-use.

Association's Interest: The Association holds bare legal title to the Resort Interests, subject to Seller's exclusive right to market and sell the Memberships as described in the Plan.

Seller's Interest: Seller or its affiliates or their predecessors in interest are the developers or assignee developers of the Collection. Seller has retained equitable title to the Resort Interests and has also received an assignment of the exclusive right to sell the Collection Memberships and Points associated with the unsold Resort Interests conveyed or to be conveyed to the Association.

Condition of Title and Encumbrances: All Memberships shall be conveyed to Members by Seller free and clear of any voluntary monetary encumbrances other than any lien securing the Member's purchase price and/or the obligations of the Member pursuant to the Collection Instruments. Other than the foregoing, all Resort Interests conveyed to the Association by Seller, and Memberships to be conveyed to a Member, shall be, and remain, free and clear of any voluntary monetary encumbrances securing obligations of Seller, its affiliates or the predecessors of either; provided, however, that such voluntary monetary encumbrances or other encumbrances shall be permissible so long as such encumbrances contain provisions that result at all times in there being, at least, sufficient free and clear Resort Interests and Memberships of the number of Memberships sold (other than to Seller) which allow such Members to exercise their occupancy and other rights hereunder without interference by a beneficiary of such encumbrance, as further described in the Plan.

MANAGEMENT AND EXCHANGE NETWORK

The Project: The Manager is Diamond Resorts Management, Inc. The Manager is an affiliate of Seller and has its principal place of business at 10600 West Charleston Blvd., Las Vegas, NV 89135.

Exchange Programs: THE Club[®] Exchange Program.

1. Functions of THE Club[®] Exchange Program.

Diamond Resorts International Club, Inc. (“DRIC”), a Florida corporation with offices at 10600 West Charleston Boulevard, Las Vegas, NV 89135 and an affiliate of the Developer, has established an exchange membership program and system known as “THE Club[®]”, pursuant to THE Club[®] Articles (“THE Club[®] Articles”) and THE Club[®] Amended and Restated Rules and Regulations (“THE Club[®] Rules”). DRIC has entered into affiliation agreements with various resorts and multisite vacation ownership time-share plans and thereby created a network of resorts at which members of THE Club[®] can utilize a wide variety of accommodations and facilities in exchange for the use of the accommodations that they own or have the right to use. DRIC has entered into an affiliation agreement with the Association allowing Members the right to access the accommodations and facilities within THE Club[®].

THE Club[®] is a points-based exchange program. Points (referred to herein as “Exchange Points” to avoid confusion) are allocated to each accommodation that is available for use within such program and constitute the currency of use within THE Club[®].

DRIC has established certain requirements regarding reservations, cancellations and penalties from time to time, and the member should be familiar with those requirements. A copy of the current policies is available from the membership services department of THE Club[®]. Any representations made regarding THE Club[®] exchange program by DRIC, its agents or employees or in its literature, brochures, videos or other promotional materials are solely the representations of DRIC and should not be relied upon as representations of the Seller or the Association.

(a) THE Club[®] Membership.

Purchasers will automatically be enrolled in THE Club[®]. Persons who acquire their membership in THE Club[®] from an existing Collection Member other than the Seller or an affiliate of Seller must be approved by DRIC before they will be enrolled in THE Club[®], but once so approved, their enrolment in THE Club[®] will be mandatory.

According to the affiliation agreement with DRIC, membership in THE Club[®] may not be transferred without the consent of DRIC, and transfer of a Member’s Collection Membership does not have the effect of transferring the Member’s membership in THE Club[®] unless DRIC consents to such transfer and any transfer fee is paid.

(b) Reservations, Cancellations and Penalties.

Reservations and use of accommodations through THE Club[®] with the use of Exchange Points are subject to availability at the time the request is made. THE Club[®] has established certain requirements regarding reservations, cancellations and penalties from time to time, and the Member should be familiar with those requirements. A copy of the current policies is available from the member services department of THE Club[®].

(c) Cost of Participation.

As with other exchange programs, members of THE Club[®] are responsible for annual THE Club[®] membership fees and other charges to cover the costs of the operation of the exchange program, as provided in THE Club[®] Articles or THE Club[®] Rules. The current annual membership fee is two hundred sixty-four dollars (\$264.00) (U.S.) ("THE Club[®] Dues"). The affiliation agreement that the Association and the Seller have entered into with THE Club[®] calls for the Association to include the annual THE Club[®] Dues in the Association's budget and Assessments. Accordingly, the Assessments paid by each Member will reflect the annual THE Club[®] Dues paid to THE Club[®] on behalf of participating Members. All members of THE Club[®] may make an exchange within THE Club[®] program without the payment of any transaction fee. Failure on the part of a member of THE Club[®] to pay THE Club[®] Dues may result in suspension or forfeiture of the member's membership and any other applicable remedies. THE Club[®] Dues are subject to change.

2. Interval International Exchange Program.

(a) Functions of the I.I. Exchange Program.

DRIC has entered into an affiliation agreement with Interval International, LLC. ("I.I."), an international vacation exchange company with offices at 6262 Sunshine Drive, Miami, Florida 33243. I.I. is not in any way affiliated with the Seller, the Manager, or any of their respective affiliates or subsidiaries. The affiliation arrangement with I.I. allows Members to temporarily exchange their use rights in a reserved Collection Accommodation for comparable use rights in accommodations at a wide variety of resorts that participate in the I.I. exchange program. Any representations made regarding the I.I. exchange program by I.I., its agents or employees, or in its literature, brochures, videos, or other promotional materials are solely the representations of I.I. and should not be relied upon as representations of the Seller, the Association, the Manager, THE Club[®] or DRIC.

(b) I.I. Exchange Program Membership.

Pursuant to the affiliation agreement between DRIC and I.I., each new member of THE Club[®] will automatically become a member of the I.I. exchange program.

According to the affiliation agreement with DRIC, membership in THE Club[®] (and therefore in the I.I. exchange program) may not be transferred without the consent of DRIC, and transfer of a Member's Collection Membership does not have the effect of transferring the Member's membership in THE Club[®] (and therefore in the I.I. exchange program) unless DRIC consents to such transfer and any transfer fee is paid.

(c) Reservations, Cancellations and Penalties.

Reservations and use of accommodations through the I.I. Exchange Program by the use of Exchange Points are subject to availability at the time the request is made. The I.I. Exchange Program has established certain requirements regarding reservations, cancellations, and penalties from time to time, and the Member should be familiar with those requirements. A copy of the current policies is available from the I.I. member services department.

(d) Cost of Participation.

Membership in THE Club[®] automatically includes membership in the I.I. exchange program with no additional annual membership fee. Members must pay to I.I. an exchange transaction fee of one hundred fifty-nine dollars (\$159.00 U.S.) for a domestic exchange and one hundred seventy-four dollars (\$174.00 U.S.) for an international exchange within the I.I. exchange program. These fees are subject to change.

THERE IS AN EXCHANGE PROGRAM MEMBERSHIP ASSOCIATED WITH THIS MULTISITE VACATION OWNERSHIP TIMESHARE PLAN. THE COLLECTION AND INDIVIDUAL COMPONENT SITES MAY BE AFFILIATED WITH ONE OR MORE EXCHANGE PROGRAMS WHEREBY MEMBERS MAY VOLUNTARILY EXCHANGE THEIR RIGHT TO USE AND OCCUPY COLLECTION ACCOMMODATIONS FOR COMPARABLE RIGHTS TO USE ACCOMMODATIONS IN OTHER RESORTS PARTICIPATING IN THE EXCHANGE PROGRAM. THERE IS NO GUARANTEE THAT THE COLLECTION OR ANY COMPONENT SITE WILL REMAIN AFFILIATED WITH ANY PARTICULAR EXCHANGE PROGRAM.

BUDGETS AND ASSESSMENTS

Operating Costs: A copy of the Collection's budget and proposed annual Maintenance Fees (see Definitions) or Assessments is attached as **Exhibit A**. It should be examined carefully to determine if it realistically and accurately projects current and future costs of managing and maintaining Component Sites. Annual Maintenance Fees are subject to periodic increase. Purchasers are advised that these Maintenance Fees and/or Assessments probably will increase as experience has shown in the industry.

Payment of Operating Costs: Will be paid by the Association through Assessments.

Assessments: Members will be required to pay a yearly Assessment according to Exhibit A attached hereto. Seller indicates the amount set forth in Exhibit A is adequate to support the Collection and the timeshare plan based on estimated costs of operation.

Financial Arrangements: Unsold Memberships are owned by the Association subject to Seller's exclusive right to sell such Memberships, and neither the Association or Seller are obligated to pay Assessments on such unsold Memberships. Notwithstanding the foregoing, Seller may voluntarily pay certain Maintenance Fees on a pro-rata share based on the unsold Memberships without obligation as it shall determine in its sole and subjective discretion.

Other Assessments: Special Assessments may be levied pursuant to the Plan. Personal Charges (see Definitions) may be incurred as a result of the act or omission of a Member pursuant to the Plan.

TAXES

Real Property Taxes: Each Component Site Owners Association will be billed by the applicable tax authority, and a pro rata share of the property tax bill will be included as part of each Member's Assessment.

Other Tax Assessments: May be levied by taxing authorities if deemed necessary.

OWNERS ASSOCIATIONS

Name of Association: Premiere Vacation Collection Owners Association, Inc., an Arizona non-profit corporation (the "Association").

Control of Association: Pursuant to the Plan, Seller has weighted voting power until 95% of the Total Authorized Voting Membership Shares (as defined in the Plan) are sold.

Title to Common Areas: Depending on the nature of the Component Site to which the Resort Interests relate, common areas or common elements are either owned by the Component Site Owners Association or are owned by owners in undivided interests but managed by the Component Site Owners Association. None of the Component Site common areas are titled in Seller.

Membership: A purchase of a Membership in the Collection will require that you be a Member of the Association. Through legally enforceable provisions in the Plan and as provided in your Purchase Agreement, your Membership in the Association will be mandatory and automatic the moment you make your purchase. Membership will mean certain responsibilities and obligations, such as:

In order to provide funds for operation and maintenance of the Collection, the Association will have authority to levy Assessments against your percentage of interest in the property. If you are delinquent in the payment of Assessments, the Association may enforce payment through court proceedings, or your Membership in the Collection or ability to use or occupy the Collection Accommodations, or participate in the management of the Association, may in other ways be in jeopardy.

The anticipated income and expense of the Association and the amount that you may expect to pay annually through Assessments should be outlined in, and predicated upon, budgets. A copy of the Budget is attached hereto as Exhibit A.

Your ownership or interest rights as a Member of the Association will be controlled by Collection Instruments, which include the Plan, the Articles (see Definitions), the Bylaws (see Definitions), the Rules and Regulations, and any other document or instrument which defines or governs the Collection. The provisions of these documents are intended to be, and, in most cases

are, enforceable in a court of law. Study these documents carefully before entering into a contract to purchase a Membership.

Until there are a sufficient number of Members, it is likely that the Seller will effectively control the affairs of the Association. It is frequently necessary and equitable that the developer do so during the early stages of development. It is important to Members that the transition from the Seller to all Members collectively be accomplished in an orderly manner.

When contemplating the purchase of a timeshare interest, you should consider factors beyond the attractiveness of the accommodations themselves. Study the governing instruments and give careful thought to whether you will be able to exist happily in an atmosphere of cooperative living where the interests of the group must be taken into account as well as the interest of the individual.

PAYMENTS, INCLUDING ASSESSMENTS, TO INTERVAL OWNERS ASSOCIATIONS, SUCH AS THE ASSOCIATION, ARE SUBJECT TO CHANGE IN ACCORDANCE WITH THE PLAN. THE ASSOCIATION MAY ALSO IMPOSE SPECIAL ASSESSMENTS. YOU ARE ADVISED TO READ THE PLAN, ARTICLES, BYLAWS, AND RULES AND REGULATIONS FOR THIS TIMESHARE PLAN TO DETERMINE THE RIGHTS OF INTERVAL OWNERS TO PARTICIPATE IN THE CONTROL OF THE INTERVAL OWNERS' ASSOCIATION AND TO DETERMINE THE RIGHTS, DUTIES AND LIMITATIONS OF OWNERS IN AND TO THE USE OF THEIR TIMESHARE INTEREST. FURTHER, YOU SHOULD DETERMINE FOR YOURSELF IF THE SELLER'S ARRANGEMENTS AND PLANS FOR THE PAYMENT OF ASSESSMENTS ON UNSOLD TIMESHARE INTERESTS WILL BE SUFFICIENT TO FULFILL THE NEEDS, DEMANDS AND FINANCIAL OBLIGATIONS OF THE ASSOCIATION, AS SET FORTH IN THE PLAN AND BYLAWS.

List of Definitions

Exhibit A – Budget

Exhibit B – Component Site Summaries

LIST OF DEFINITIONS

“Articles” means the articles of incorporation of Association, as the same may be amended from time to time.

“Assessments” means Maintenance Fees, Capital Assessments, Special Assessments, and Personal Charges which a Member is required to pay, which will include any assessments made pursuant to an Underlying Plan and any other assessments or charges levied by the Board on behalf of the Association that may from time to time be created by the Board, including without limitation all expenses denominated as Common Expenses by the Plan or unilaterally by the Board.

“Association” means Premiere Vacation Collection Owners Association, Inc., an Arizona nonprofit corporation, being the organization of persons who own Memberships in the Association, together with its successors and assigns.

“Board” means the board of directors of the Association.

“Bylaws” means the bylaws of the Association, as the same may be amended from time to time.

“Capital Assessment” means a charge against each Member (other than Seller) and such Member’s Membership which the Board may approve from time to time, representing the cost to the Association for purchase, lease, installation, construction or reconstruction of any capital improvements for the benefit of the Association, or for any other item for which sufficient funds are otherwise unavailable.

“Collection” means the Premiere Vacation Collection, a points-based, multisite, timeshare use vacation club, established by the Plan.

“Collection Accommodation” means the accommodations, where such accommodations are an apartment, condominium, home, villa, cooperative unit, cabin, lodge, hotel or motel room, or any other private or commercial structure or facility forming part of a parcel of real property, in which the Association owns one or more Resort Interests for the benefit of the Association and its Members.

“Collection Instruments” means the Plan, the Articles, the Bylaws, the Rules and Regulations, the Purchase Agreement, the Points Certificate and any other documents executed concurrently or in connection with the Purchase Agreement, and, where applicable, any Component Site Instruments.

“Common Expenses” means the actual and estimated costs of operating and managing the Association and its property including, but not limited to: Assessments, Association administrative costs, taxes, insurance, utilities, reserves, legal fees and accounting fees, and the annual maintenance fees or dues and other costs of ownership of the Resort Interests.

“Component Site” means a resort or other location at which at least one (1) Resort Interest and Collection Accommodation is located.

“Component Site Instruments” means the written instrument(s) pursuant to which any of the Resort Interests or Collection Accommodations were legally created or presently exist and/or which provide for the management, operation, maintenance, use and enjoyment of any of the Component Sites by the common owners thereof and which establishes benefits and burdens running with, and/or equitable servitudes upon, such property.

“Component Site Owners Association” means the entity responsible for the operation, physical maintenance and repair of a Component Site pursuant to its Component Site Instruments, where the Association is not the party so responsible.

“Exchange Program” means such service (if any) provided by any one or more external exchange companies as may, from time to time, be selected by the Association and Seller, whereby Members, for a fee, may exchange Occupancy Periods for comparable use privileges in other projects in an exchange company network.

“Maintenance Fee(s)” means an annual charge against each Member and such Member’s Membership, representing a pro-rata portion of the annual Common Expenses (including the annual maintenance fees, dues or other charges relating to the Resort Interests), but subject to the special provisions concerning Seller in the Plan. The Maintenance Fee shall be equal for all Memberships of a particular Membership type and Occupancy Period, but may vary among Memberships of different Membership types and Occupancy Periods.

“Manager” means the person or entity, its successors and assigns, engaged from time to time by the Association to undertake the duties, responsibilities, and obligations of managing the Collection and Association, pursuant to the then-effective management agreement.

“Member” or “Purchaser” means (a) any individual who executes a Purchase Agreement and thereby becomes a member of the Association and who is the grantee shown on the deed or leasehold assignment or a properly transferred and recorded subsequent deed or leasehold assignment in proper form, transferred in compliance with the Collection Instruments and/or (b) any individual who executes a Purchase Agreement and thereby becomes a member of the Association and who acquires points in the Collection. Member includes his or her permitted successors and assigns whose name is entered in the Register of Members.

“Membership” means the collection of occupancy and other rights and obligations of a Member set forth and described in the Collection Instruments, including without limitation occupancy and other rights of a Member who acquires points in the Collection. The Membership is initially conveyed, transferred and evidenced by the deed, leasehold assignment or Points Certificate.

“Minimum Points Threshold” means the minimum number of Points a Member needs to own in order to hold a valid Membership, as established by Seller.

“Occupancy Period” means that number of Days during which a Member may reserve the use of a Collection Accommodation in one or more Component Sites in accordance with the provisions of the Collection Instruments.

“Occupancy Year” means each Calendar Year during which a Member is entitled to occupy a Collection Accommodation pursuant to the terms hereof. The Association may designate another period as constituting the Occupancy Year.

“Permitted User” means any person, other than a Member, an exchange user or a hotel guest, occupying a Collection Accommodation or otherwise using a Component Site with or in lieu of, but with the permission of, any Member, such as such Member’s family, guests, employees, licensees or invitees. Any act or omission by a Permitted User shall be deemed the act or omission of the Member under whom such Permitted User occupies or uses.

“Personal Charges” means a charge against a particular Member and such Member’s Membership equal to: (a) any and all charges attributable to or incurred by a Member or a Permitted User during the use of a Collection Accommodation or Component Site; (b) the cost incurred by the Association for any corrective action performed pursuant to the provisions of this Plan; or (c) a reasonable fine or penalty assessed by the Association, plus interest and other charges thereon as provided for in this Plan.

“Plan” means that certain Second Amended and Restated Premiere Vacation Collection Membership Plan, together with all exhibits attached thereto, as may be amended or supplemented from time to time, pursuant to the provisions thereof.

“Points” means the currency of use within the Collection through which Members reserve the use and occupancy of Collection Accommodations in accordance with the Collection Instruments, with a specific number and type of Points being ascribed to each Membership.

“Points Certificate” means the certificate issued by Association to a Member naming that person(s) as a Member and specifying the number and type of Points held by that Member.

“Purchase Agreement” means the purchase agreement between Seller and the person named therein as “Buyer” providing for the sale by Seller and the purchase by Buyer of one or more Memberships.

“Register of Members” means the official register of the then current Members of the Association, including each Member’s name, address, telephone number and other information, as kept by the Secretary of the Association.

“Reservation Services Provider” means the entity engaged by the Association to provide reservation services for the Collection.

“Reservation System” means the method, arrangement, or procedure by which Members reserve use and occupancy of Collection Accommodations pursuant to the terms of the Collection Instruments.

“Resort Interests” mean specific interval ownership interests or other types of real property interests in one of more Component Sites owned or leased by the Association on behalf of and for the benefit of the Association and its Members.

“Rules and Regulations” means the rules and regulations of the Association, including and subject to any applicable rules and regulations as to any particular Component Site and the Collection Accommodations at such resort, all as the same may be amended from time to time.

“Seller” means ILX Acquisition, Inc., a Delaware corporation, and its successors and assigns, or any designated affiliate or subsidiary thereof and their successors and assigns.

“Special Assessment” means an Assessment levied by the Board upon Members as provided in the Plan.

“Term Points” means Points that will be available for a defined term.

EXHIBIT "A"**Premiere Vacation Collection Owners Association, Inc.
2011 Budget (Points Based)****Revenues**

Maintenance Fee Revenue-Owners	\$ 14,725,232
Maintenance Fee Revenue-Developer (A)	6,494,466
Developer Delinquency Contribution	1,351,776
Late Charge Income	233,763
Total Revenues	\$ 22,805,238

Expenses**Operating Expenses**

Maintenance Fees - Whole Owned by Association	\$ 4,715,210
Maintenance Fees - Partial Owned by Association	10,817,067
Maintenance Fees - Non-managed properties	1,366,523
Credit Card Charges	218,726
Owner Committee Meeting Expense	10,631
Postage	18,285
Audit Fee	20,000
Printing & Stationery	14,262
Contract Service - Fire Alarms - Rancho Manana	4,536
Utilities - Rancho Manana	3,000
Membership Dues & Subscriptions	300
Licenses, Permits, Registration & Fees	130
Corporate Allocation Expense	400,000
Total Operating Expenses	\$ 17,588,671

Other Operating Expenses

Bad Debt	\$2,252,960.57
Management Fee	2,633,043.94
Interest Expense - Bank Term Loan	18,978.95
Insurances-Other - Rancho Manana	10,485.84
Insurances-Other	1,098.36
Total Other Operating Expense	\$ 4,916,568

Total Expenses

Total Expenses	\$ 22,505,238
Surplus / (Loss)	300,000
Loan Payment - 2011	(300,000)
Total	\$ -

2011 Assessments					
Category	Copper	Silver	Gold	Platinum	
Points Value	2000 - 3500	3501 - 6000	6001-8500	8501+	
Operational Assessment	\$ 400.00	\$ 275.00	\$ 270.00	\$ 150.00	
Point Standard Assessment (Fee					
Per Point)	\$ 0.0858	\$ 0.0858	\$ 0.0858	\$ 0.0858	
THE Club®	\$ 264.00	\$ 264.00	\$ 264.00	\$ 264.00	

THE Club® Dues are provided for informational purposes only. They are not part of the assessments, but are fees associated with THE Club®

(A) Subject to the provisions of that certain Temporary Assessment Agreement by and between ILX Acquisition, Inc. and the Association, which shall expire on December 31, 2011.

Books and records of the Association are currently being maintained at 10615 Park Run Drive, Las Vegas, NV 89144.

EXHIBIT "B"

**COMPONENT SITE SUMMARIES
PREMIERE VACATION COLLECTION**

**LOS ABRIGADOS RESORT & SPA
and
WINNERS CIRCLE AT LOS ABRIGADOS
160 Portal Lane
Sedona, Arizona 86336**

Location of units:

a. City/County/State

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town

The resorts are located in Sedona, Arizona, approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Unpaved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona-Sez Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for these developments is recorded in Book 3 of Land Surveys, Page 97, Coconino County, Arizona.

Narrative of Offering:

The resort consists of 185 units situated on approximately 20 acres of landscaping, Spanish-styled plazas, walkways and bridges. Los Abrigados offers one- and two-bedroom units, each with a separate living area, bedroom, mini-kitchen and balcony or

patio. Twenty-nine suites have a fireplace, twenty suites offer an outdoor whirlpool spa and eight suites contain a whirlpool bathtub. Twenty-one units offer full kitchenettes.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 312.0 Resort Interests in Cottonwood Units
- 190.5 Resort Interests in Flagstaff Units
- 224.5 Resort Interests in Oak Creek Units
- 104.0 Resort Interests in Orchard Units
- 42.0 Resort Interests in Stonehouse Units
- 104.0 Resort Interests in Winner's Circle Units
- 2879.5 Resort Interests in Jerome Units
- 976.0 Resort Interests in Sedona Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There are four restaurants, sports bar, billiards emporium, library, two pools, tennis courts, sports court, basketball court, bocce ball courts, fitness center and health spa offering, a variety of personal care services, aerobic and yoga classes, whirlpools, steam and sauna rooms, hydrotherapy and other personal care facilities. The project is situated on approximately 20 acres with landscaping, Spanish-styled plazas, walkways and bridges. Twenty suites offer a fireplace and whirlpool spa. Nine units offer full kitchenettes. The resort is designed in Southwestern decor and is surrounded by the red rocks of Oak Creek Canyon.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

INN AT LOS ABRIGADOS
170 Portal Lane
Sedona, Arizona 86336

Location of units:**a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Sedona, Arizona, approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Unpaved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for this development is recorded in Book 2 of Maps, Page 54, Coconino County, Arizona.

Narrative of Offering:

The resort consists of ten units adjacent to Los Abrigados Resort & Spa. The Inn at Los Abrigados consists of the main Morris House and nine bed and breakfast-style units in three buildings situated amidst a former apple orchard. The Morris House includes a multi-level luxury suite sleeping six, and features a sunken living room, full kitchen with dining area, a loft, two full bathrooms and a private backyard with patio and barbecue. The bed and breakfast-style units each feature king-size beds, a sitting area, microwave, refrigerator, coffee maker, full bath with shower and balcony or patio. Guests of the Inn at Los Abrigados have charge privileges at and full use of all Los Abrigados Resort & Spa amenities.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

306.5 Resort Interests in Inn Units

34.0 Resort Interests in Morris House Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

There are no amenities on-site, but the resort is adjacent to Los Abrigados Resort & Spa with full use of their amenities.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

KOHL'S RANCH LODGE
202 South Kohl's Ranch Lodge Road
Payson, Arizona, 85541

Location of units:**a. City/County/State**

Payson/Gila/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located 17 miles northeast of Payson, Arizona, and approximately 105 miles from Phoenix, Arizona. Payson is reached by traveling northeast on Highway 87 (Beeline Highway) from Phoenix. Once in Payson, turn east onto Highway 260 and travel approximately 16 miles. The resort is located on the right hand side of Highway 260.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Payson	15,547	17	0	17

c. Name, location and distance from the development of the nearest civilian airport:

Payson Municipal Airport is located at 806 West Airport Road, Payson, Arizona, and is approximately three and one-half (3-1/2) miles from the resort.

The Project Map for this development is recorded in Book 356 of Maps of the Official Records of Gila County, Arizona.

Narrative of Offering:

Kohl's Ranch is a 10.5 acre parcel bordered on the eastern side by Tonto Creek and is surrounded by the Tonto National Forest. The resort consists of 66 units, 41 of which are at the main lodge, 8 of which are one-and two-bedroom cabins along Tonto Creek, 12 of which are two-bedroom cabins along Tonto Creek, 3 of which are part of a triplex cabin, and a luxury two-bedroom and a one-bedroom unit comprise the Horton House building, also on Tonto Creek.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 157.0 Resort Interests in Christopher Creek Units
- 484.5 Resort Interests in Ponderosa Units
- 1539.0 Resort Interests in Zane Grey Units
- 624.0 Resort Interests in Canyon Creek Units
- 52.0 Resort Interests in Horton House Units
- 141.5 Resort Interests in Tonto Creek Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

There is an outdoor heated pool, outdoor whirlpool spa, exercise room, putting green, bocce ball court, children's playground and gazebos, sport court, food and beverage facilities, and kennel. Kohl's Ranch is a 10.5 acre property bordered on the eastern side by Tonto Creek and is surrounded by the Tonto National Forest. Kohl's Ranch consists of 52 units. Forty-one of the units are at the main lodge; eight units consist of one and two-bedroom cabins along Tonto Creek, and three units are part of a triplex cabin. Each unit is equipped with an air conditioner, telephone, color television and mini-kitchenette or full kitchen, and many have a fireplace.

Shopping Facilities:

There is all types of shopping in Payson, 17 miles from the resort. There are antique and craft shops in Pine, an additional 15 miles from Payson.

Public Transportation:

There is no public transportation at Kohl's Ranch. There is one taxi company in Payson, and a shuttle service to and fro the Payson airport.

Medical Facilities:

The Payson Medical Center, a full-service facility with a helicopter pad, is located 17 miles away.

Fire Protection:

The Christopher Creek Fire Department is located 5 miles from the project, and the Payson Fire Department is located 17 miles away. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Town of Payson Police Department is located 17 miles away.

VARSITY CLUBS OF AMERICA – TUCSON
3855 E. Speedway Blvd.
Tucson, Arizona 85716

Location of units:**a. City/County/State**

Tucson/Pima/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located about 3 miles from The University of Arizona in Tucson and approximately 100 miles from Phoenix, Arizona. Tucson is reached by traveling on Interstate 10 East from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Tucson	548,555	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Tucson International Airport is located at 7005 South Plumer Avenue, Tucson, Arizona, and is approximately 10 miles from the resort.

The Project Map for this development is recorded in Book 4 of Maps and Plats at Page 95, Pima County, Arizona.

Narrative of Offering:

The resort consists of 60 studio, one- and two-bedroom units. Each of the one- and two-bedroom suites features a king master bedroom, living room with sofa sleeper, kitchenette, whirlpool spa, as well as color television with premium movie channels. Amenities at this resort include a Spoils Lounge, Twenty-four Hour Sports Ticker, touchdown breakfast buffet, Joey Pizza (a popular restaurant theme originally introduced at Los Abridados), billiards room, library, gift shop, fitness center, outdoor heated pool, whirlpool spa, children's playground, bocce ball court, business center and special events facilities.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

2134.5 Resort Interests in One Bedroom Units

171.0 Resort Interests in Studio Units

601.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

The resort has a sports lounge, 24-hour sports ticker, touchdown breakfast buffet, Joey Pizza, billiards room library, gift shop, fitness center, outdoor heated pool, whirlpool spa, steam room, children's playground, bocce ball court, business center and special events facilities.

Shopping Facilities:

There are numerous types of shopping facilities in the immediate vicinity.

Public Transportation:

There is a city bus stop in front of the resort on Speedway Boulevard. Taxis are readily available.

Medical Facilities:

The University Medical Center is 3 miles from the resort. The Tucson General Hospital is 6 miles from the resort.

Fire Protection:

The Tucson Municipal Fire Department has a station 3 miles from the resort. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Tucson Police Department has a station 3 miles from the resort.

GOLDEN EAGLE RESORT
(also known as The Historic Crag's Lodge)
300 Riverside Drive
Estes Park, Colorado 80517

Location of units:**a. City/County/State**

Estes Park/Larimer/Colorado

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located within 3 miles of the Rocky Mountain National Park and approximately 70 miles from Denver, Colorado. Estes Park is reached by traveling northwest on US-36 from Denver.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Estes Park	6,543	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Denver International Airport is located at 8500 Peña Boulevard, Denver, Colorado, and is approximately 77 miles from the resort.

The Project Map for this development is recorded at Reception No. 87050249, Larimer County, Colorado.

Narrative of Offering:

This resort consists of 33 total units and is bounded generally by undeveloped forested mountainside land, which offers mountain views from the resort. The Golden Eagle Resort is centered around the historic Crag's Lodge, a four-story wood frame building constructed in the early 1900's, which serves as the resort's main lodge. Amenities offered at this resort include a seasonal restaurant, bar and gathering area, as well as two other freestanding buildings containing six guest rooms and support facilities. Each unit at Golden Eagle features a fully equipped kitchenette, living and dining areas, television and video cassette player.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 601.0 Resort Interests in Executive Units
- 155.0 Resort Interests in Imperial Units
- 368.0 Resort Interests in Studio Units
- 88.0 Resort Interests in Deluxe Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of Component Site Owners Association.

Common Area Facilities:

The resort includes a heated pool and spa as well as local outdoor attractions.

Shopping Facilities:

There are shops one-half mile from the resort.

Public Transportation:

There is no public transportation in Estes Park.

Medical Facilities:

There is a medical center .25 miles from the resort.

Fire Protection:

The Estes Park Fire Department has a station 1.5 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Estes Park Police Department has a station .75 mile from the resort.

VARSITY CLUBS OF AMERICA - SOUTH BEND
3800 Main Street
Mishawaka, Indiana 46545

Location of units:**a. City/County/State**

Mishawaka/St. Joseph/Indiana

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located approximately 3 miles from the University of Notre Dame and Notre Dame Stadium in South Bend, Indiana and approximately 90 miles from Chicago, Illinois. South Bend is reached by traveling on Interstate 90 East and Interstate 80 East from Chicago.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
South Bend	104,215	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

South Bend Regional Airport is located at 4477 Progress Drive, South Bend, Indiana, and is approximately 8 miles from the resort.

Narrative of Offering:

The VCA-South Bend offers a total of 86 units, consisting of one- and two-bedroom suites. Each one- and two-bedroom suite at VCA-South Bend includes a king master bedroom, living room with a sofa sleeper, kitchenette and whirlpool spa, steam room, as well as color television with premium movie channels.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

2656.0 Resort Interests in One Bedroom Units

45.0 Resort Interests in Rockne's Roost Units

45.0 Resort Interests in Leahy's Lair Units

282.5 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Commons areas at the resort include the Stadium Sports Lounge, featuring a theater-wall television in a stadium-type setting, fitness center with whirlpool spa, indoor/outdoor heated pool, bocce ball, children's playground, billiards room, library, gift shop, business center and special events facilities.

Shopping Facilities:

The Indian Ridge Shopping Center and University Park Mall are within 1 miles of the resort.

Public Transportation:

The Transpo Bus Service bus stop is 1 block from the project.

Medical Facilities:

The Edison Lakes Medical Center is 1 block away. St. Joseph Community Hospital is 3-4 miles away.

Fire Protection:

The Mishawaka Fire Department is 3 blocks from the resort. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Mishawaka Police Department is 3 miles from the project.

SEA OF CORTEZ BEACH CLUB

**Paseo Mar Bermeio Norte
Parcelo No. 4, Interior 3 Los Algonos
San Carlos, Nuevo Guaymas
Sonora, Mexico CF85506**

Location of units:**a. City/County/State**

San Carlos, Nuevo Guaymas, Sonora, Mexico

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in San Carlos, Nuevo Guaymas, Sonora, Mexico. It can be reached by crossing the United States-Mexico border at Nogales and traveling south on Highway 15 for approximately 260 miles.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Guaymas	130,000	20	0	20

c. Name, location and distance from the development of the nearest civilian airport:

Guaymas International Airport is located in Sonora, Mexico, and is approximately 15 miles from the resort.

Narrative of Offering:

This resort is situated on a 50 meter by 99.2 meter beach front property and consists of a four-level structure comprising 30 studio, one- and two-bedroom units, all overlooking the Sea of Cortez.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 300.0 Resort Interests in One Bedroom Units
- 400.0 Resort Interests in Studio Units
- 100.0 Resort Interests in Penthouse Units
- 700.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The resort includes a reception area and common areas with a pool, whirlpool, showers and bathrooms as well as an oceanside palapa serving meals and beverages. The project also has full use rights to adjacent San Carlos Plaza Hotel. The project is on beach front property.

Shopping Facilities:

There is all types of shopping in San Carlos, including arts and crafts. Shopping I Guaymas is 20 miles away.

Public Transportation:

There is bus service to Guaymas and local taxi service.

Medical Facilities:

There is first aid service and doctors 3 miles from the project. Sanitorio Sanchez Hospital, Municipal Hospital and Sociale Securite are each 20 miles from the project.

Fire Protection:

The Guaymas Fire Department is located 20 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available to the project.

Police Service:

The San Carlos Police Department is 3 miles from the project.

**ROUNDHOUSE RESORT and
PREMIERE VACATION CLUB AT THE ROUNDHOUSE RESORT
5829 Bucksprings Road
P.O. Box 2328
Pinetop, Arizona 85935**

Location of units:

a. City/County/State

Pinetop/Navajo/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in the White Mountains of northeastern Arizona near Pinetop, Arizona and is approximately 190 miles from Phoenix, Arizona. Pinetop is reached by traveling on Interstate 10 East and US-60 East from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Pinetop	4,522	2	0	2

c. Name, location and distance from the development of the nearest civilian airport:

Show Low Regional Airport is located at 3150 Airport Loop Road, Show Low, Arizona, and is approximately 17 miles from the resort.

The Project Map for this development is recorded in Book 20 of Maps, Page 29, records of Navajo County, Arizona.

Narrative of Offering:

The resort consists of 80 studio and one- and two-bedroom accommodations.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 26.0 Resort Interests in Aspen Units
- 129.0 Resort Interests in Pine Units
- 7.0 Resort Interests in Oak Units
- 32.0 Resort Interests in Juniper Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The Roundhouse project has an indoor pool, racquetball courts, basketball court and fitness center. It is on a 10-acre railroad-themed property located in the White Mountains of northeastern Arizona. Premiere Vacation Club at the Roundhouse Resort has an outdoor recreation area offering various activities.

Shopping Facilities:

There is a Safeway and other shops in Pinetop, 4 miles from the resort.

Public Transportation:

The Four Seasons Connection transit bus runs from Show Low to the Hon Dah Casino on Highway 260.

Medical Facilities:

The Navapache Regional Hospital is located in Show Low, 24 miles from the project.

Fire Protection:

The Pinetop Fire Department is 4 miles from the resort. There are smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Pinetop-Lakeside Police Department is 4 miles from the project.

CARRIAGE HOUSE RESORT
105 E. Harmon
Las Vegas, Nevada 89104

Location of units:**a. City/County/State**

Las Vegas/Clark/Nevada

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located one block from the Las Vegas Strip between the MGM Grand and the Aladdin Hotels.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Pahrump, NV	32,979	60	0	60
N. Las Vegas	115,488	10		10
Henderson	175,381	15		15

c. Name, location and distance from the development of the nearest civilian airport:

McCarran International Airport is located at 5757 Wayne Newton Boulevard, Las Vegas, Nevada and is approximately 3 miles from the project.

The Project Map for this development is recorded in Book 16 of Plats, at Page 71, Clark County, Nevada.

Narrative of Offering:

The Carriage House is a 9-story luxury non-gaming hotel which consists of a total of 155 studio, one- and two-bedroom units. Each unit includes either a kitchenette or a fully equipped kitchen.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

1305.0 Resort Interests in One Bedroom Units

806.0 Resort Interests in Studio Units

122.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There is a restaurant, tennis court, basketball court, guest laundry facilities, and a swimming pool and spa at the project.

Shopping Facilities:

There are numerous shopping facilities in the vicinity of the project for all types of shopping.

Public Transportation:

There is a city bus system that services the Las Vegas area with a stop within one block of the Carriage House. Taxicabs are available at the project.

Medical Facilities:

There are eight major hospitals in the area. The hospital nearest the project is the Desert Springs Hospital, 2075 E. Flamingo, Las Vegas, Nevada.

Fire Protection:

The Clark County Fire Department provides fire service. The closest fire station is located approximately 1.5 miles from the project.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Las Vegas Metropolitan Police Department provides service to the project with its main station approximately 2 miles from the project.

BELL ROCK INN
6146 Highway 179
Oak Creek, Arizona 86351

Location of units:**a. City/County/State**

Oak Creek/Yavapai/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in the Village of Oak Creek, the gateway to Sedona, Arizona, approximately 100 miles from Phoenix, Arizona. Oak Creek is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Sedona	11,598	5	0	5

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 10 miles from the resort.

The Project Map for this development is recorded in Book 12 of Maps and Plats, Page 64, Yavapai County, Arizona.

Narrative of Offering:

The resort consists of 85 studio, one- and two-bedroom units. The one- and two-bedroom units have full kitchens, and the studio units have refrigerators, microwaves and in-room coffee makers. Some units have fireplaces and/or whirlpool tubs.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

1300.0 Resort Interests in One Bedroom Units

2704.0 Resort Interests in Studio Units

416.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

There is a restaurant, sports bar, billiards room, two heated swimming pools, two hot tubs, and banquet and conference facilities. In addition, members staying at the Bell Rock Inn have use of the facilities at the nearby Los Abrigados Resort and Spa.

Shopping Facilities:

There is an Outlet Mall in the Village of Oak Creek, 1 mile away, and many other shops and strip centers throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 7 miles from the project, and the Sedona Medical Center is 9 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 8 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 8 miles away.

SCOTTSDALE CAMELBACK RESORT
6302 E. Camelback Road
Scottsdale, Arizona 85251

Location of units:

a. City/County/State

Scottsdale/Maricopa/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Scottsdale, Arizona, a few blocks east of Phoenix, Arizona.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Phoenix	1,601,587	1	0	1

c. Name, location and distance from the development of the nearest civilian airport:

Phoenix Sky Harbor International Airport is located at 3400 E. Sky Harbor Boulevard, Phoenix, Arizona and is approximately 9 miles from the resort.

The Project Map for this development is recorded in Book 240 of Maps, Page 39, and Amended Plats recorded in Book 329 of Maps, Page 26, and in Book 332 of Maps, Page 34, Maricopa County, Arizona.

Narrative of Offering:

The resort consists of a total of 112 studio, two- and three-bedroom units each with a fireplace, kitchen facilities and living and dining areas. Studio unit kitchens do not contain ovens, while two-and three- bedroom units provide full kitchens, including ovens.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

- 12.0 Resort Interests in Studio Units
- 24.0 Resort Interests in Three Bedroom Units
- 98.0 Resort Interests in Two Bedroom Units
- 40.0 Resort Interests in Two Bedroom Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Amenities at the resort include a restaurant, indoor and outdoor whirlpool spas, fitness center, sauna, indoor racquetball court, heated outdoor swimming pool, 3 lighted tennis courts, a 9-hole executive putting green, a 9-hole miniature golf course, croquet court, sand volleyball court, horseshoe pits, bocce ball court, tether ball and children's playground.

Shopping Facilities:

There are numerous types of shopping facilities in the immediate vicinity, including the Fashion Square Mall, Old Town Scottsdale and the Fifth Avenue Shops.

Public Transportation:

There is a city bus stop in front of the property. Taxis are readily available.

Medical Facilities:

There is a hospital 2.8 miles from the project.

Fire Protection:

The Phoenix Fire Department has a station 3.4 miles from the project. There are sprinklers and smoke detectors in all units.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The project is served by the Scottsdale Police Department.

CELEBRITY HOUSE
133 Portal Lane
Sedona, Arizona 86336

Location of units:**a. City/County/State**

Sedona/Coconino/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Sedona, Arizona, adjacent to the Los Abrigados Resort & Spa. It is approximately 110 miles from Phoenix, Arizona. Sedona is reached by traveling on Interstate 17 North from Phoenix.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Sedona	11,598	0	0	0

c. Name, location and distance from the development of the nearest civilian airport:

Sedona Airport is located at 235 Air Terminal Drive, Sedona, Arizona, and is approximately 3 miles from the resort.

The Project Map for this development is recorded in Book 2 of Maps, Page 54, Coconino County, Arizona.

Narrative of Offering:

The Celebrity House is a two-bedroom suite located in a separate building adjacent to the Los Abrigados Resort & Spa. The Celebrity House sleeps six and contains a hill kitchen, dining area, living room with fireplace and sleeper sofa, master bedroom with king bed and guest bedroom with queen bed.

The following Resort Interests have been annexed into Premiere Vacation Collection for use by Members:

52.0 Resort Interests in Celebrity House Units

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

The Celebrity House has a private backyard containing a patio, swimming pool and spa. Guests also have full use of the amenities at the adjacent Los Abrigados Resort & Spa.

Shopping Facilities:

The Tlaquepaque Shopping Center is located adjacent to the property. There is an Outlet Mall in the Village of Oak Creek, 7 miles away, and many other shops throughout the Sedona area.

Public Transportation:

The Sedona Trolley serves the commercial and resort areas including the Outlet Mall at the Village of Oak Creek. There are no city busses. Taxicab service is available throughout Sedona.

Medical Facilities:

There is an Urgent Care Center 2 miles from the project, and the Sedona Medical Center is 5 miles away.

Fire Protection:

The project has smoke detectors and fire extinguishers. It is 3 miles to the closest fire station of the Sedona Fire Department.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The Sedona Police Department has a station 3 miles away.

RANCHO MAÑANA RESORT
5720 East Rancho Mañana Boulevard
Cave Creek, Arizona 85331

THIS COMPONENT SITE IS CURRENTLY CLOSED AND IS NOT AVAILABLE FOR USE OR OCCUPANCY BY THE MEMBERS.

Location of units:

a. City/County/State

Cave Creek/Maricopa/Arizona

b. Best route for getting to the development including miles and direction from nearest City or Town:

The resort is located in Cave Creek, Arizona, approximately 30 miles north of Phoenix, Arizona. Cave Creek is reached by traveling north from Phoenix on Interstate 10 and Cave Creek Road.

Name of Community	Population	Distance Over Paved Roads	Unpaved Roads	Total
Cave Creek	3,728	0	0	0
Scottsdale	202,705	17		17
Phoenix	1,601,587	22		22

c. Name, location and distance from the development of the nearest civilian airport:

Phoenix Sky Harbor International Airport is located at 3400 E. Sky Harbor Boulevard, Phoenix, Arizona and is approximately 33 miles from the resort.

The Project Map for this development is recorded in Book 457 of Maps, Page 37, Maricopa County, Arizona.

Narrative of Offering:

The resort consists of 38 two-bedroom, two-bath units, (19 of which are Private Residence Club and whole ownership units), each with a full kitchen, living room, fireplace, and whirlpool tub in master bath.

Utilities:

The project is complete and, therefore, all utility services are complete and available.

Access Streets and Roads:

The exterior streets providing access to the development are public. Maintenance of the exterior streets is the responsibility of the appropriate municipality, county or state. The interior streets within the development are private. Maintenance of the interior streets is the responsibility of the Component Site Owners Association.

Common Area Facilities:

Amenities at the resort include a swimming pool, two hot tubs, lush landscaping and an outdoor fireplace. Adjacent to the property are a restaurant and a golf course.

Shopping Facilities:

The Carefree Town Center is 3 miles from the project, and there are shopping centers, department stores and malls within 20 miles of the project.

Public Transportation:

There is no city bus stop close to the property. However, taxis are readily available.

Medical Facilities:

The Desert Foothills Medical Center is 2.8 miles from the project, and the Mayo Clinic Hospital is 10 miles away.

Fire Protection:

The Rural Metro Fire Department has a station 28 miles from the project in Scottsdale. There are sprinklers, smoke detectors, and fire extinguishers in all units and fire alarms in each building.

Ambulance Service:

Ambulance service is available by dialing 9-1-1.

Police Service:

The project is served by the Cave Creek/Carefree Sheriff's Office.