

Arroyo Roble Resort

HOMEOWNER'S GUIDE

To

Operations and Management

Policies

September 1, 2008

NOTE: This pamphlet supercedes the Homeowner's Guides dated June 1, 2005, March 1, 2000, and May 1, 1998.



Arroyo Roble Resort Management

P.O. Box 2264

Sedona, Arizona 86339-2264

Telephone: (928) 282-7777

FAX: (928) 282-0738

www.arroyorable.com

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A. MANAGEMENT AND YOU

Your Resort manager and staff are proud of the Arroyo Roble Resort and all it offers. They pledge to you the very highest standards in housekeeping, maintenance and service. Their goal is to keep this as your second home, a special place which you use as your own and enjoy fully.

Those of you who share ownership at Arroyo Roble represent a broad spectrum of interests and experiences; you have a distinct preference for a quality vacation atmosphere which exhibits good taste and enduring value. You also share a spirit of mutual cooperation, thus ensuring that the rights and obligations of all are observed and protected.

These policies are intended to reflect the consensus of the owners in all matters affecting the management of their Resort and the enjoyment it affords. They are open to continual review and will evolve as the will of the owners is expressed. Please participate in this process by letting management hear your recommendations and preferences. Your comments are always appreciated, as they help everyone better understand your priorities and concerns.

The Board of Directors of the Council of Co-Owners is the final level of review on all matters affecting the operation of your Resort. The members of the Board are elected by you and are accountable to you.

Please take a few minutes to read this Guide. If you find a rule of which you are unsure, call us and ask for clarification. We are always happy to assist you in any way possible.

B. TERMS AND DEFINITIONS

1. **Governing Documents** – These documents consists of the original Public Report, the Declaration of Horizontal Regime & CCRS, Articles of Incorporation, and Bylaws for Arroyo Roble Resort. All are legal documents and are part of the ownership package provided at the time of original purchase. In the case of resales, they are included in the Welcome Packet which is sent to new owners.
2. **INTERVAL** – Ownership at the Resort is held in time units called *Intervals*. Every interval is seven (7) days in length and includes five (5) weekdays and one (1) weekend. There are no specific dates, nor are there specific villas assigned to any interval.
3. **NON-RESIDING STATUS** – When an Arroyo Roble Resort owner is not registered as a resident in a villa, but is at the Resort to use the recreational facilities.
4. **OWNER CARD** – The non-transferable identification card issued to each owner of record but not more than two (2) cards are issued per unit of ownership. Use of these cards helps control access to the Resort and its recreational facilities.
5. **RESIDING STATUS** – When an Arroyo Roble Resort owner is registered as a resident in a villa at the Resort.
6. **VILLA** – Every accommodation is a two-bedroom villa approximately 1,300 square feet in size. Most villas are two-story; however, there are 10 single level villas available.
7. **WEEKEND** – For purposes of reserving time, a weekend is considered to be a Friday and Saturday night.

C. GENERAL INFORMATION

1. **CHECK-IN TIME** - 4:00 p.m. or later.
2. **CHECK-OUT TIME** – Not later than 10:00 a.m. A fee is charged for a late check-out.
3. **MAXIMUM OCCUPANCY OF A VILLA** – Six (6) persons, including children and infants **(required by local fire codes)**.
4. **NO PETS** are allowed on the premises. A fee of \$150.00 per day is charged for pet violations. If you or one of your guests will be accompanied by a certified assistance animal, please notify us when making your reservation and also upon check-in.
5. **TO ASSURE QUIET ENJOYMENT AND THE SAFETY OF ALL RESIDENTS**, the use of portable music systems, skateboards, roller skates, roller-blades and bicycles are not permitted within the Resort.
6. **PARENTS ARE TO SUPERVISE THEIR CHILDREN** to ensure their safety, as well as the rights, privileges and enjoyment of all residents.
7. **SAFE SPEED** – The speed limit on the Resort property is 10-miles per hour as posted.
8. **OWNERS ARE ASKED TO HELP ENFORCE** the operations and management policies and to advise the Front Desk whenever any circumstances appear to warrant further scrutiny by Resort staff.
9. **INSURANCE** - The Governing Documents **require** that the Resort and Council of Co-Owners be protected against all reasonable hazards to the property and from exposure to public liability. The Board of Directors ensures that such insurance is maintained. If an owner wishes, he or she may carry additional insurance, such as personal liability, accident, medical, trip interruption, theft, personal property damage/loss, etc. at his/her own expense. Such personal insurance protection is not included in the coverage maintained by the Resort. (See Article IX, Section 18, of the CC&Rs).

D. RESERVATIONS GUIDELINES

1. **FOURTEEN-MONTH POLICY** – Beginning every January, owners have fourteen (14) months to use their time for the calendar year. Time not used by the end of February of the next year will be forfeited. For example, you have from January 1, 2011 through February 28, 2012 to use your 2011 time.

There is sufficient time available at the Resort for all owners to have full use of their time. However, if too much time in the early part of the year goes unused, the requests for time later in that year may exceed availability. All reservations are booked on a *first-come, first-served basis*. We may not be able to accommodate you if you wait too long; thus, we urge all owners to schedule the use of their time as far in advance as possible.

NOTE: IF YOU PLAN TO WAIT UNTIL THE JANUARY-FEBRUARY PERIOD to schedule your time for the previous year, you may be disappointed. You will be competing with other owners who have also waited. These months are best thought of as a *grace period* for stays of only one or two days.

2. **ELIGIBILITY TO MAKE RESERVATIONS AND USE THE RESORT FACILITIES** begins within 7-days after the Resort receives a copy of the new deed and the transfer fee. Eligibility continues as long as the owner's account does not become delinquent.

NOTE: When an account becomes delinquent, the owner loses all Resort privileges.

3. **RESERVATIONS MAY BEGIN AND END on any day except Saturday.** This avoids the splitting of weekends. (See paragraphs 12 and 13 below)
4. **RESERVATION REQUESTS** may be placed by mail, telephone, or E-mail. They are all processed in the order in which they are received and on a space available basis.

Please address written requests to Arroyo Roble Resort Management, Attn: Reservations, PO Box 2264, Sedona, AZ 86339-2264.

Telephone requests may be made anytime by calling (928) 282-7777 extension 1122. Your call will be recorded by the Resort's automated answering system. Leave your name, telephone number, your interval number and your reservation request(s). Please note: The Resort Reservationists act upon calls in the order in which complete information is received.

WHEN YOU CALL RESERVATIONS, YOU WILL REACH THE VOICE MAIL SYSTEM which is available to you 24 hours a day, seven days a week. The voice mail system is paramount in assuring the strict adherence to our *first come, first served* rule. Using this method, an owner currently residing at the Resort has no advantage over an owner at home. This is why the reservationists do not answer telephone calls.

E-mail requests may be made anytime through our website (www.arroyoroble.com). Once you've reached the website, click on the "reservation" icon. Please complete all the information on the reservation request sheet; otherwise, we cannot guarantee that the request will be processed for you. You will receive a return E-mail or a telephone call and we will also mail a confirmation card which you should receive within two weeks.

5. **RESERVATION REQUESTS FOR SEVEN (7) DAYS** or longer may be placed up to twelve (12) months in advance (to the day). For example, on November 5, 2008, you may request a reservation that begins as far in the future as November 5, 2009.
6. **RESERVATION REQUESTS FOR LESS THAN SEVEN (7) DAYS** may be placed up to four (4) months in advance.
7. **RESERVATIONS OF FOUR (4) DAYS OR MORE THAT INCLUDE THE NIGHT OF THE HOLIDAY** of the following holidays: Easter, Memorial Day, Independence Day, Thanksgiving, Christmas, or New Year's Day may be made up to twelve months in advance. For example, a four-night stay from December 22 through December 25, 2009, may be made as early as December 22, 2008. Reservations for these holidays that are less than four (4) days in length may only be made up to four months in advance.
8. **RESERVATION REQUESTS WILL ONLY BE TAKEN FROM THE INTERVAL OWNER AND/OR HIS/HER DESIGNATED AGENT.** The Resort must have the owner's WRITTEN permission on file in order to make reservations for anyone other than you, the owner.

9. **A WRITTEN CONFIRMATION** of your reservation will be mailed to you. It is important you verify the information and notify the Resort immediately if it differs from what you expected. The longer the delay before the Resort is notified, the more difficult it may be to make a change. Your reservation is confirmed at the time the written confirmation is mailed. If you have not received your confirmation within two weeks, please promptly contact the Resort.
10. **IF YOU REQUEST A SPECIFIC VILLA OR AREA** of the Resort, we will do our best to comply, based on availability. However, we cannot guarantee that a specific villa will be available upon your arrival.
11. **TWO RESERVATIONS AT A TIME MAY BE OUTSTANDING** within a calendar year for each interval of ownership. For example, you may call the Resort February 1 to reserve a two (2) night stay beginning March 1. At the same time, you may reserve five (5) nights beginning June 1.
12. **ONLY ONE WEEKEND EACH YEAR** may be reserved for each interval of ownership. Please remember, an interval is seven (7) days in length and includes five (5) weekdays and one (1) weekend.
13. **FRIDAY AND SATURDAY NIGHTS ARE CONSIDERED AS A WEEKEND AND MUST BE USED TOGETHER.**
14. **“SHORT NOTICE” RESERVATIONS** – These provisions apply to reservations made on “short notice,” i.e., when six (6) days or less remain prior to the desired date of arrival, but before 12:00 p.m. on the date of arrival.

A reservation made on short notice does not affect any existing reservation(s) the owner may already have. These provisions allow an owner to use an extra weekend, if the space is available, without detracting from the standard weekend normally authorized; however, it still counts as days used on the interval.

An owner may also reserve a Friday only (one day) or a Saturday only (one day) if the request is made between 9:00 a.m. and noon on the Friday of the weekend concerned and if the space is available. Again, this time does not detract from the standard weekend normally authorized. However, it still counts as days used on the interval.

NOTE: Use of any weekend time under these provisions is limited to personal use only; extra weekend time is not for use by a “second party.”

15. **THESE POLICIES ARE INTENDED TO ENSURE THAT ALL OWNERS ARE SERVED FAIRLY AND EQUITABLY.** Attempts to circumvent the policies to gain an unfair advantage over other owners are not allowed. For example, a person asking to cancel his previously reserved weekend and asking to immediately reschedule it on a short notice basis will be denied.
16. **SECOND PARTY USE** – Owners may reserve time for use by someone other than themselves. If they have made a reservation in their own name, they may later authorize IN WRITING the use of that reservation by another. **The owner is responsible for any unpaid charges and/or damages incurred by the second party.**

Please notify the Resort of the second party's name, address and telephone number at the time you make your reservation or at least 48 hours prior to their arrival. Otherwise, the Resort will require verification from the owner by telephone prior to the second party's check-in, a process that may create delays. Without prior authorization, the second party user will not be given access to the villa.

17. **CHANGING RESERVATIONS** – If your reservation was made less than four (4) months in advance of the arrival date, changes may be made prior to fourteen (14) days of your arrival date.

If your reservation was made more than four (4) months in advance and you want to make changes to the reservation, you must cancel your current reservation and wait 72-hours before making a new reservation. For instance, if a reservation was made on January 1st, 2009, for the dates of June 2-9, 2009, and the owner wishes to change the reservation to June 6-13, 2009, the 72-hour waiting period applies.

18. **CANCELING RESERVATIONS** – To cancel a reservation, notify Reservations by mail, by E-mail, or by telephone at least **fourteen (14) days prior to your scheduled arrival date**. We will mail an acknowledgment of the cancellation.

If a reservation is canceled with less than fourteen (14) days notice prior to the arrival date, the time will be forfeited unless there is another villa available for the exact same time. However, your reservations staff will try to fill any forfeited time. Time that is filled will be reinstated. This rule also applies to short notice reservations that are subsequently canceled.

When canceling a seven (7) day reservation that was made more than four (4) months in advance, the entire reservation must be canceled, not just a portion. If any portion of the original reservation is desired, it must be reserved via a new reservation request which cannot be made until 72-hours after the cancellation of the original reservation. This rule assures that an owner will not gain unfair advantage by reserving a seven (7) day stay or a (4) day holiday stay one year in advance and then converting to fewer days later.

If an owner staying at the Resort leaves before the full period of the reservation is used, the unused time will be forfeited.

19. **OWNERS WITH THE BEST CHANCE OF GETTING THE EXACT DATE AND LOCATION THEY WANT DO THE FOLLOWING:**

They're flexible! Satisfied owners are realistic and willing to make adjustments allowing them a greater opportunity to be satisfied.

E. RESORT CONDOMINIUMS INTERNATIONAL (RCI) SPACE BANKING, TRADING TIME

1. **RCI Space Banking** – To space bank your time with RCI, just call us (928-282-7777 extension 1154), write to us or send an E-mail (rci@arroyorable.com). We will complete the transaction with RCI, and RCI will send you a confirmation within two weeks.

For an E-mail request, you may reach us through our website at www.arroyoroble.com. Once you've reached the website, click on the "Space Bank Request" icon. Please complete all the information on the space banking request sheet; otherwise, we cannot guarantee that the request will be processed. Please do not expect a return E-mail from the Resort. You will receive a confirmation in the mail from RCI within two weeks.

2. **WHEN YOU ARE READY TO MAKE YOUR EXCHANGE**, you will work directly with RCI (www.rci.com or 1-800-221-6400), using their published instructions. If you ever have questions, Arroyo Roble's RCI/Space Banking coordinator will be happy to assist you.
3. **YOU SHOULD MAKE YOUR REQUEST AS EARLY AS POSSIBLE TO ACHIEVE MAXIMUM TRADING POWER.**

NOTE: We strongly recommend you make your space banking requests as far in advance as possible. RCI accepts space bank deposits up to two years in advance. We encourage you to plan that far ahead.

4. **RCI SATURDAY to SATURDAY and THURSDAY to THURSDAY SCHEDULES** – RCI's contract with the Arroyo Roble Resort requires that only increments of seven (7) days, either Saturday to Saturday *or* Thursday to Thursday, are accepted for space banking. This means the Resort must have available actual unreserved future time in a specific villa in order to assign a week to an owner for space banking purposes.
 1. **AFTER AUGUST 1**, the Resort may no longer have available for space banking purposes, a full week of current year time that fits into the RCI Thursday to Thursday or Saturday to Saturday schedule. Please plan early if you plan to space bank your time.
 2. **CONTROL OF YOUR SPACE BANKED TIME** – Once you have space banked your time, it becomes the property of RCI. You may request an exchange against the time or, under specified conditions, accrue it for use in the following year.

NOTE: RCI will not return your space banked time if they have already assigned it to another RCI member. In actual practice, space bank time is almost never returned because Arroyo Roble Resort's time is so coveted that the Arroyo Roble Resort's time is assigned to another RCI member as soon as we bank the time with RCI.

3. **POLICY ON EXCHANGE GUESTS** – Your Resort staff provides the same high standards of service and hospitality to exchange guests that we provide to owners.

F. USE OF RECREATIONAL FACILITIES

Arroyo Roble Resort is not responsible for insuring your safety. As the resort is adjacent to Oak Creek and has no restrictive fencing, the resort cannot guarantee that there will be no harmful wildlife or that the grounds will be without slopes, dips, slippery areas. All users of the facility are advised to maintain a watchful eye. When going out on the grounds or down to the creek at night, carry a flash light, watch where you are stepping, and perhaps ask a partner to walk with you. All facilities, as with any second home, are available for your use at your own risk. It is advisable to check with your homeowners, medical, or travel insurance carriers to determine your coverage in case of accident or trip cancellation or delays.

1. **HOURS AND DRESS** – All recreational facilities are open from 7:00 a.m. to 10:00 p.m. daily. Shirts, shorts, sweat suits and athletic footwear are considered appropriate attire in the facilities. Neither “cutoffs” nor T-shirts are permitted in the pools. Wet swimming attire must not be worn while using the Resort computers in the Roca Room.

When on the racquetball/handball courts, eye protection is recommended. Dark soled shoes that mark the floor and street shoes are not permitted on the courts or in the weight room. A fine may be incurred should damages be caused by abuse of this policy.

2. **CHILDREN** – Children of owners and owners’ guests are welcome. Except where noted below, they have access to all recreational facilities.

Individuals under 16 years of age must be accompanied by an adult at all times while using any of the recreational facilities.

3. **COURT RESERVATIONS** – All owners, whether in residence or not, are required to make advanced court reservations for the use of all tennis and racquetball courts. Court reservations are usually limited to one (1) hour at a time; however, tennis doubles may reserve a court for a two (2) hour period. If no one is waiting for the court at the end of the reservation, the use may be extended. Court reservations may be made in person at the Front Desk or by a telephone call, beginning at 7:00 a.m. daily.

NOTE: Court reservations will not be held more than ten (10) minutes after the scheduled start time.

Residing owners may reserve a time that falls within their stay. For example, an owner staying for a week may reserve every day from 10:00 a.m. to 11:00 a.m. during that week. A second reservation for the same activity on the same day cannot be made until the first reservation has been completed.

Non-residing owners may reserve a time only for the same day they make the reservation request. A second reservation for the same activity cannot be made until the first one has been completed.

4. **SWIMMING POOLS & WHIRLPOOLS** – For health, safety, and the mutual enjoyment by everyone, we ask you to observe the following:

Shower before entering any of the pools or spas.

Remember, there is no lifeguard on duty; use of the facilities is at your own risk.

Leave glass containers in your villa. They are not allowed around the pool or spa areas.

Walk in the pool areas. *DO NOT RUN. DO NOT ALLOW CHILDREN TO RUN.*

Use only small water toys and preservers. Rafts and other floatation gear are not allowed.

Diaper aged children are not permitted in the pools unless they are wearing special swimming diapers which are available for purchase at the Front Desk.

5. **WHIRLPOOLS** – Because the water temperature is much higher in a whirlpool than a swimming pool, infants and small children can overheat and dehydrate very quickly. Whirlpools may also be

unsafe for persons who are pregnant, or for those who do not enjoy good health. Additionally, prior alcohol consumption in conjunction with the whirlpool may present a hazard. For purposes of safety and enjoyment, the following rules will be enforced:

No children under the age of five (5) are allowed in the whirlpools. Again, infants and small children may quickly overheat and dehydrate in the hot water.

An adult must accompany all children less than sixteen (16) years of age at all times while using any of the recreational facilities.

6. **STEAM ROOM AND SAUNA** – For your health and safety, we ask you to observe the posted time limits. Please notify the Front Desk 45-minutes in advance if you want to use the sauna so we can ensure that it reaches the proper temperature. Use is at your own risk. Please consult your doctor if there is any doubt about your ability to tolerate either the wet or dry heat.
7. **EXERCISE ROOM** – Use caution when using all equipment, both to avoid injuries and to protect the equipment. Use is at your own risk. Please consult your doctor if there is any doubt about your ability to physically tolerate a given level of exercise.
 - **Due to potential safety hazards, children twelve (12) years and under are not permitted in the exercise room.** An adult must accompany those between thirteen (13) and sixteen (16) years of age.
8. **BILLIARDS** – Pool balls may be checked out at the Front Desk in the lobby. We ask that all players take care to keep the tables, the felt, and cue sticks in good condition.
9. **BARBECUE GRILLS** – The outdoor gas barbecue grills are provided on a *first come, first serve* basis.
10. **RECREATIONAL FACILITIES FEES** – The only fees that are routinely charged to resident and non-resident owners and guests are rental fees for the use of tennis and racquetball equipment provided by the Resort. Please note the following:
 - **RESIDING OWNERS** - While in residence at the Resort, there is no charge to owners and their residing guests to use the recreational facilities. Likewise, when non-residing owners use the recreational facilities, they are not charged for the use.
 - **NON-RESIDING OWNERS' GUESTS** – Non-residing owners may bring guests to the Resort to use the recreational facilities. The maximum number in the party is limited to six (6) persons including the owner(s). Their Resort owner host must accompany guests and a **\$5.00 fee per guest, per day will be charged according to rates established by the Board of Directors.** The Board recognizes there is an increased expense to the Resort, thus the guest fee mitigates what might be an unfair burden to other owners.
 - **NON-RESIDING OWNERS' CHILDREN** – Dependent children residing in the owner's household who are sixteen (16) years or older may use the recreational facilities without being accompanied by a parent. Such qualified children may bring not more than one (1) guest at a time. **A \$5.00 guest fee will be charged per day according to rates established by the Board of Directors.** Note: An owner's dependent children are exempt from the guest fee if under the age of eighteen (18) or twenty-two (22) while a full-time student. Additionally, guests who are children under six (6) years of age are exempt.

11. **NON-RESIDING OWNERS' CHECK-IN PROCEDURES** – All non-residing owners and their guests must sign in at the Front Desk prior to using the recreational facilities. This allows staff to more closely monitor that only owners and their authorized guests are using the Resort.

To retain secure exclusivity, we ask that owners and their authorized guests report any suspicious activities they observe to the Front Desk.

G. CONCLUSION

Whether you come to the Arroyo Roble Resort to relax, take in the sights, shop, or share good times with family and friends, these guidelines are designed to enhance your experience. We hope they provide the information you need in an easily accessible format. If you have further questions or concerns, we encourage you to contact your Owner Services Department for assistance.

The Arroyo Roble Resort stands today as one of the finest timeshare resorts anywhere in the world. Our success stems from the original foresight and vision of the developers, a well executed construction program, the constant dedication and hard work of a diligent staff, and, above all, the care and pride of ownership reflected by our more than 2,600 owners.

Now, all that's left for you to do is to enjoy your stay.

Sincerely,

Ralph Woellmer, CHA
General Manager

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ARROYO ROBLE RESORT TELEPHONE SERVICES
928-282-7777

Website: www.arroyorable.com

Reservations: reservation@arroyorable.com
RCI: rci@arroyorable.com
Owner Services: ownerservices@arroyorable.com

Account Assistant: administration@arroyorable.com
Accounting: accounting@arroyorable.com
General Manager: generalmanager@arroyorable.com

The above are available 24-hours a day, seven days a week.



Arroyo Roble Resort
PO Box 2264
Sedona, Arizona 86339-2264

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