

FINANCIAL REPORT

We began to see some business level changes in the 2014/2015 fiscal year. Despite another year of significantly lower than average snowfall, there was both an increase in Resort business levels and higher levels of occupancy at the Iron Blossam. Additionally, the number of owner delinquencies and late payments declined. In review of the 2014/2015 fiscal year, some of the key areas to note are: (1) Operations including the Wildflower lease, vending revenue and short-term interest from Owner Accounts was lower than projected. (2) Due to staffing reorganization and other factors, we were able to reduce payroll cost in Clerical and Housekeeping Operations. (3) The mild winter provided savings on utilities. Overall, we are expecting to end the 2014/2015 fiscal year with an operating surplus. Additionally, there was no draw on the budget contingency of \$91,848.00. We are projecting a final fiscal year surplus of approximately \$212,000.00.

In recent years, the Association has invested the Reserve Funds in updates and renovations to the rooms and facilities. Looking forward, we anticipate that there will be future expenses for necessary renovations and the need to maintain and update many of the older mechanical systems. The Board of Directors has approved the transfer of the operating budget surplus to the Common Area Reserve Fund, to help ensure that it remains adequately funded.

The budget for the 2015/2016 fiscal year begins on June 1, 2015 and continues until May 31, 2016. As we look forward to the new fiscal year, we anticipate continued growth in our business levels and hopefully a return to a more normal snow pattern. We project revenue will be comparable to the previous year, payroll expenses will decrease slightly by .55%, operating expenses will increase by 4.12%, utility expenses will decrease by .61% and fixed expenses will increase by .24%. Areas of the budget that have changed significantly are: (1) a 5.04% increase in the Common Area Maintenance account due to the Owners Association assuming ownership of delinquent units. (2) The Bad Debt Reserve account has increased 30.56% in order to replenish this fund for future expenses. (3) Linen expenses increased by 29.10% in order to replenish aging inventory. (4) We are forecasting savings on the wireless internet services. The Little Cottonwood Fiber Optic cable project will allow us to save on internet costs by an estimated 5.6%. Also, a revised television distribution system will offer more channels and help lower costs by 19.32%. The final change in the overall average of all assessments is an increase of only 1.67%. The impact on each owners' individual assessment varies depending upon the percentage of ownership. The 2015/2016 assessment includes a per-unit Furniture Reserve Assessment of \$53.83, a Housekeeping Assessment of \$87.58, and a shared Common Area Operating Expense cost of \$3,220,470.00 Assessments are made following the policies established in Exhibit A of the Iron Blossam Lodge Documentation.

The Board of Directors would like to thank our Budget and Finance Committee for their excellent work in reviewing the expenditures and budget. We also want to thank our management and staff at the Iron Blossam for their continued efforts. The annual assessment payment is due on or before July 31, 2015. Your prompt payment helps minimize additional billing costs and interest charges (21% per annum). The occupancy or rental of units is restricted to owners current on payment of their assessments. Owners depositing units with an exchange company must pre-pay the assessment for the fiscal year being exchanged. The pre-payment must be received prior to the Iron Blossam verifying the space bank requests. Liens and lien charges for past due assessments will be added during September of 2015. If you have questions regarding your statement(s), please write Candace Shugart at 3165 E. Millrock, Suite 150, Holladay, Utah 84121 or email her at cshugart@snowbird.com.

IRON BLOSAM OWNERS ASSOCIATION

Fiscal Year 2015/16 Budget – June 1, 2015 to May 31, 2016

	Budget 06/01/15-05/31/16	Budget 06/01/14-05/31/15
Common Area Revenue		
Vending Income	\$17,480	\$18,110
Interest Income	\$39,230	\$47,010
Misc. Income	\$102,013	\$93,203
Total Revenue	\$158,723	\$158,323
Expenditures		
Payroll Expense		
Bell Service	33,683	32,574
Clerical/Front Desk	333,572	349,610
Maintenance	128,412	123,257
Housepersons	116,921	110,518
Employee Benefits	189,902	190,947
Total Payroll	802,490	806,906
Operating Expenses		
Accounting and Auditing	15,600	14,100
Bad Debts	47,000	36,000
Bank Charges	7,000	7,500
Credit Card Discounts	46,020	42,930
Landscaping	6,200	6,200
Common Area Maint	288,850	275,000
Contract Services	21,170	20,150
Directors Expense	21,200	20,800
Dues and Assessments	2,300	2,020
Elevator Service Contract	28,800	29,800
Employee Recognition	9,950	9,350
Equipment Rental	9,250	8,750
General & Administration	140,436	137,796
Accounting services, TV equipment rental, Human Resources, Computer rental/purchasing		
Public Safety	50,400	49,380
Hospitality Bar	28,100	26,800
Janitorial Supplies	21,200	18,000
Laundry & Linen	48,800	37,800
Management Fees	245,772	241,152
Office Supplies/Printing	19,600	18,600
Operating Supplies	44,800	44,000
Postage and Freight	10,300	11,000
Repairs and Maint.	163,000	162,000
Sauna/Swimming	18,000	18,900
Recreation Expense	39,094	39,094
Travel and Auto	8,600	8,600
Uniforms	5,500	5,500
Owner/Guest Supplies	98,000	96,000
Snow Night Expense	2,000	2,000
Legal Fees	1,800	1,800
Silver/Glass/China	10,000	10,000
Total Operating Expenses	1,458,742	1,401,022
Utilities		
Electricity	200,478	200,685
Natural Gas	85,381	88,148
Refuse Removal	14,078	13,668
Snow Removal	31,350	31,350
Telephone/Internet	63,886	67,361
TV Cable Service	22,365	27,720
Water and Sewer	110,424	102,264
Total Utilities	527,962	531,196
Fixed Expenses		
Insurance	72,960	71,760
Common Area Reserve	65,000	65,000
Property Tax/Licenses	362,040	362,040
Total Fixed Expenses	500,000	498,800
Expense Contingency	90,000	91,848
Total Expenditures	3,220,470	3,171,448
Housekeeping Assessment (per unit)	87.58	85.96
Furniture Reserve (per unit)	53.83	52.64
Fiscal Surplus/(Deficit)		

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



ANNUAL UPDATE 2015

GREETINGS!

Iron Blossam is turning 40! The Iron Blossam has been an industry pioneer as one of the earliest timeshare projects in North America. We are very proud of our legacy of creating special times and memories for the many owners and guests. We continue to strive to maintain the Iron Blossam as a premier family vacation timeshare destination. We are looking forward to the future!

Our past year was highlighted by the Iron Blossam's retention of RCI's Silver Crown Award and Interval International's Select Resort Award. We are all proud of the efforts by everyone to achieve these prestigious industry recognitions. We also completed many renovations to our rooms and facilities. Our renovations included the final phases of new carpet, sofas and chairs. Microwaves have been installed in bedroom units. We are also replacing draperies, upgrading bedding, replacing coffee tables, end tables and nightstands in the rooms. Work is underway to upgrade the artwork in rooms and we anticipate that will be completed in November 2015. Bathroom areas are being upgraded with new vanity cabinets and towel bars. The Iron Blossam's wireless internet system was also upgraded. In November we are also planning to remodel the lobby and replace chairs in bedroom units.

The Board, management team and staff remain committed to maintaining the facilities and amenities to ensure continued enjoyment of your time at the Iron Blossam.

We look forward to the upcoming seasons and are excited to see each of you on your next visit.

Best regards,
Jim Maxwell
Lodge Manager

39TH ANNUAL MEETING RECAP

A special thanks to all of our owners that braved the blustery elements on Saturday, September 27th to attend our 39th Annual Meeting of the Iron Blossam Owner's Association! The effort was much appreciated!

Among those in attendance, owners had the opportunity to meet with Dave Fields, Vice President of Resort Operations who presented a Snowbird Resort update. Some highlights included information on: the new Ian Cummings Family/Snowbird partnership, the new restaurant and skier services building atop the Aerial Tram, a Four Diamond Cliff Lodge renovation, and future renovation of the Snowbird Center. Next, Dave Cowley, Snowbird Controller, presented a review of the Owner's financial status (owners desiring a copy of the Independent Auditor's Financial Report may contact the Iron Blossam Owner Services Department to receive a copy). The Ownership in attendance, representing a quorum, approved a change to the Amended and Restated Bylaws of the Association establishing a specific time period of two years before a retiring board member can seek re-election for another board term and also a provision that sets the presidency of the Board at a maximum of two years. Following his review, Harry Stillwell, Chair of the Nominating Committee, conducted elections whereby Don Betenson, Board incumbent, was re-elected to the Iron Blossam Board of Directors. Jim Maxwell, General Manager of the Iron Blossam Lodge, then delivered updates on many great improvements and renovations at the Lodge including the roof repairs, furniture replacements and ADA compliance upgrades.

Jim also presented awards to the following longtime employees: Rachel Hill, Owner Services (10 years), Christopher McDonald,

Director of Maintenance (10 years), Lisa Morey, Director of Housekeeping (20 years), and Mary Baker, Assistant Manager (40 years), and congratulated them for their years at the Iron Blossam and Snowbird.

Larry McGill, Iron Blossam Board President, gave the President's report where he updated owners on current events and thanked everyone for their loyalty and support for the Association. Larry ended the meeting by reminding the Owners that their participation is important and that the Board appreciates the opportunity to hear directly from owners with concerns, positive commentary, and suggestions.

MAINTENANCE / RENOVATION UPDATES

Each May and November we have a week dedicated to repairs, cleaning and renovations.

For each maintenance period, we have contractors that clean the hallway and room carpets, room furniture and windows in addition to the extra cleaning chores in the rooms and around the common areas. We realize that your vacation time is valuable; therefore we try to limit projects and major repairs during the weeks of occupancy. Over the last two maintenance periods, we have worked on the following renovation and major repair projects:

November 2014

- Final phase of the installation of new sofa sleepers in the rooms.
- Final phase of room carpeting completed.
- Installation of new WiFi system.
- Microwaves have been added as an amenity to bedroom units.
- Counters in 2nd floor public restrooms were renovated.
- Paint cycle completed in all rooms on the 4th floor.
- New bedding has been added.

May 2015

- New draperies are being installed in suite, studio and bedroom units.
- Changing room showers in 2nd floor sauna area were renovated.
- Bathroom upgrades that include new vanity cabinets and towel racks.
- 5th floor hallway carpeted has been replaced.
- New coffee tables, end tables and nightstands have been installed.
- Phase one of new artwork and photos for rooms was started. Scheduled to be completed in November 2015.
- Paint cycle completed all rooms on the 3rd floor.



SCAM ALERT! Owners Beware

Iron Blossam does not release ownership information to others. We strive to protect your privacy and ownership information. Please be aware that your timeshare ownership is a matter of public record. Additionally, email addresses and phone numbers are obtainable via various web sites. Unethical businesses that offer fraudulent

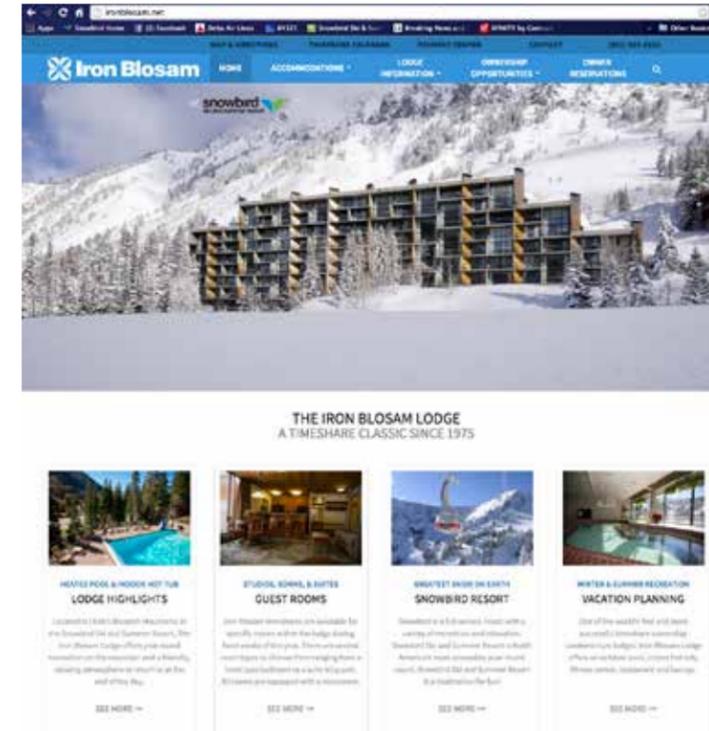
timeshare sale opportunities are able to obtain your contact information. These companies use scare tactics, false promises of unrealistic purchase prices and opportunities to con you out of your money and your timeshare ownership.

Please be aware of potential fraudulent solicitations.

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

WEBSITE REMODEL

We have recently finished an extensive remodel of our website www.ironblossam.net. In addition to previous site functions the enhancements include a new layout, professional room photos, updated forms for easier submission and a site search function. We hope you'll take a moment to check it out.



PAYMENT OPTIONS

The annual assessments are due on or before July 31, 2015. Prompt payment and efficient processing enable the Association to reduce expenses. We are unable to process assessment payments by telephone. Please note the following payment options:

Payment By Check (preferred option; saves the Association money)

Owner payments by check are processed at a lower cost to the Association than credit card payments. Send your check in the enclosed envelope to the bank processing center. If you are visiting Iron Blossam prior to July 31, you may pay directly at the Iron Blossam Front Desk. Please be sure to bring your statement.

Credit Card Payments (Credit Cards Payments are the most expensive for the Owner Association to process)

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

For credit card payments please access the Iron Blossam Payment Center at http://ironblossam.net/payment_center.php. Be sure to have your owner statement available, as you will need to reference your owner number and payment amount. Payments received after July 31 will be assessed interest charges.

HELP US SAVE ENERGY AND SAVE DOLLARS.

Iron Blossam has always strived to keep its mechanical systems, lighting and appliances updated to current energy standards. This has helped us reduce energy expenses over the years. We still need everyone's help to continue to reduce our energy costs and our environmental impact.

To help us conserve energy we suggest the following:

- When you are not in your room, please turn off lights.
- During the winter months, when leaving your room, please lower your thermostat.
- If your unit has a fireplace, please turn it off while sleeping and when leaving the room.

GO GREEN!

Our Go Green efforts continue to reduce paper printing and mailing costs. If you are able and have not yet registered your email address with us, please visit our website and sign up today!

Our online services include:

- For-sale-by-owner and internal exchange listings and subscriptions
- Owner reservation processing
- Credit card payment center
- Proxy voting for annual meeting

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

- Weeks courtesy confirmation/reminder notification
- Iron Blossam trustee sale notification
- Annual meeting of owners notification
- Owner newsletters
- Notifications of special opportunities, events and activities that will enhance your ownership and aid you in planning for your upcoming week.

Register now at www.ironblossam.net

IRON BLOSSAM CONTACTS

Have questions? Need Assistance? We are here to help. Save time by contacting the right person. We value the opportunity to hear from you.

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

Owner Services: Abby Cardwell (Mondays-Fridays only)
ibownerservices@snowbird.com (801) 933-2097

Website Administration: Lizzy Osborne (email preferred)
losborne@snowbird.com (801) 933-2059

Questions regarding owner assessments and payments:

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

Questions regarding deed or ownership changes:

Heather Tolbert (email preferred)
htolbert@snowbird.com (801) 897-7536

Questions or assistance with owner reservations:

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

Iron Blossam administration:

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

Administrative Services: LaNae Overman
lmccann@snowbird.com (801) 933-2091

The Board of Directors may also be contacted at:

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