

VENTURE OUT AT MESA, INC.
CONDOMINIUM BOARD OF DIRECTORS'
Conference Call Meeting
Thursday, July 8, 2004 - 9:00 a.m. - Oasis

PRESENT IN PERSON OR BY TELEPHONE:

Lyle READ, President	Pauline NIELSEN, Director
Dave GREEN, Vice President	Jerry FORMSMA, Director
Harold SCOTT, Treasurer	Norm THIESSEN, Director
Sue WARREN, Secretary	Mary SCHMIT, General Manager
Florence BROWNRIDGE, Director	Len NIEMYSKI, Controller
	Teresa BEALLY, Activity Director

ABSENT: John JONES, Director; Marlice FENSKE, Social Board President

GUESTS: VO Attorney Tony FREEMAN; 12 Lot Owners

President READ welcomed everyone.

There was discussion on the financing of the Community Center project with Bank of America. Manager SCHMIT reported the amount to be borrowed from the bank has been reduced to \$865,000. Attorney FREEMAN explained the bank is treating the loan as a construction loan. This requires additional expense to have the loan approved. If Venture Out were able to provide internal financing, this would reduce the construction expense and legal fees. It appears the bank interest will be increasing. Four lot owners have indicated providing \$100,000 each for a total of \$400,000 for the financing. Manager SCHMIT pointed out that the financing could not be provided by more than 10 owners or it would become a securities issue. During the discussion a Board member indicated interest in being involved in the financing. Attorney FREEMAN suggested a promissory note that would contain the payment terms. An escrow account would be set up as collateral.

Moved by Director BROWNRIDGE to secure the remainder of the funding for the Community Center project in house from lot owners in units of \$100,000 each, nine owners are needed, interest rate will be at 6%, and the promissory note would be for a ten-year term with payback on a quarterly basis. The escrow account (the account where the special assessments are deposited) will be pledged as collateral. Secretary WARREN seconded the motion. Roll Call vote passed unanimously. It was suggested to not drop Bank of America's commitment for the financing until the other financing has been finalized.

The minutes of conference call June 10, 2004 were approved as distributed.

TREASURER'S REPORT: (See attachment)

MANAGER'S REPORT: Distributed to board and attached to file copy.

CORRESPONDENCE: (See attachment)

NEW BUSINESS:

Moved by Secretary WARREN to approve a contract with G&K Services for a three-year term. Seconded by Director FORMSMA. Roll Call vote passed unanimously.

SOCIAL BOARD REPORT:

Activity Director BEALLY said they are closing out the books for the fiscal year. The auditors are in the process of doing a pre-audit. There is \$42,000 in the FF&E account. The Memorial Fund has a balance of \$11,000. The balance of this fund will be going into the FF&E account.

COMMITTEE REPORTS: None

UNFINISHED BUSINESS: None

WHAT'S ON YOUR MIND? (See attachment)

The telephone conference meeting ended at approximately 10:00 a.m.

s/Coreen Henry, Corporate Secretary

APPROVED: 8/12/04

WHAT'S ON YOUR MIND?

Dave Green - He has been concerned with the financing with Bank of America. He is very satisfied with the staff and the way things are proceeding.

Scotty Scott - He is anticipating the start of construction and the approval of the plans from the City of Mesa. He will be glad when this process is over and the project can begin.

Sue Warren - She is ready to move on with the financing of the project. She is grateful the water valve project has been completed this summer and won't have to be carried over to next year.

Florence Brownridge.- She agrees with the other comments and would like to see the water separation project begun as soon as possible.

Jerry Formsma - He is concerned about the electrical hazards in the park. Some people may think contacting the architectural inspector for approval is a nuisance. He would like to see more notification in the Out-Lines warning the residents of the severe hazards that are there if they do not contact the inspector.

Pauline Nielsen - She said "good job" to everyone on the staff. She asked how the real estate business was going. She was told Devon has already signed a contract in this fiscal year and there are several listings. Cyd is doing an excellent job, has set up her systems and assisting Devon when needed.

Norm Thiessen - He appreciates how the board is kept informed and knows how busy the staff has been these past months.

Lyle Read - He recently visited the park and acknowledged the summer residents for their patience during these summer projects. Everyone has been very cooperative.