

## **Keswick Bridge Disclosure Statement**

In the United Kingdom timeshare buyers have had legal protection under the Timeshare Act since 1992. In 1997 additional protection was provided to purchasers under a European Directive on Timeshare sales. Both the Act and Directive have had subsequent updates. In summary you have the following protection :-

**A 14 Day Cooling Off Period**

**No Deposits May Be Taken**

**A Full Disclosure of Relevant Facts Must be Provided**

In accordance with both the legal requirement for the disclosure of facts and our own policy of ensuring that new buyers are fully aware of all aspects of ownership at Keswick Bridge we provide below a summary of relevant information which together with other information supplied should provide you with a full and complete picture of ownership.

A. The Developer is Keswick Bridge Limited (KBL) a UK registered company owned by 147 shareholders who are or were all owners at Keswick Bridge. The Company was formed in 1993 to enable these original owners of Keswick Bridge to purchase the resort from the original developer. Please note that in all the documentation the developer is called "The Founder Member". KBL changed its name from Keswick Timeshare Ltd in 2009.

B. Keswick Bridge was originally built in 1987. The land and lodges are owned by Keswick Bridge Limited. The Lodges and the land immediately around the Phase 1 & II lodges are leased to Keswick Bridge Owners Club Ltd. (KBOC). Your purchase at Keswick Bridge makes you a member of the KBOC which "Grants the Member the right to occupy and enjoy the premises (the Lodge) ... for the Weekly Period specified until the year specified". All documentation relating to Keswick Bridge & KBOC are governed by English Law.

C. The Lodge you will be purchasing is already constructed and has been in use since 1987. In the case of the Phase 2 Lodges Nos. 24 to 26 these were completed in 2008.

D. All utility services are provided to the resort including mains water, electricity, telephone, waste disposal etc. Electricity and Telephone charges are charged on a usage basis all other main services costs are budgeted within the overall annual management charge. There are in addition charges made for certain other items such as Broadband Access, high chairs and cots etc.

E. The resort does not have any common facilities such as swimming pools or leisure clubs etc. We do currently offer Concessionary Golfing Facilities at Keswick Golf Club. This is provided subject to availability at a current charge of £10.00 per player per round.

F. For Phase 1 & II Lodges Keswick Bridge Owners Club Ltd. (KBOC) is the body that represents the owners and to which all owners must belong. The Club was governed by a Constitution and set of Rules until 31st March 2005 when the Club became incorporated as a Company Limited by Guarantee. The Memorandum & Articles of the Company are available for inspection at the Management Lodge. Owners have one vote for every week they own and via this elect an Owners Club Committee who become Directors of the KBOC. There are 7 elected Directors plus 2 Directors appointed by the Founder Member. This Board is charged with the management of the site, the setting of budgets and the running of the Club. At this time the KBOC have awarded a Management Contract to a subsidiary of the Founder Member (KT Management Ltd) to run the site until the year 2015. The KBOC is however still in ultimate control of both the budgets and standards of site operation.

G. There are 3 levels of ownership / membership available at Keswick Bridge :-

**Gold membership** gives the Right to Occupy the Lodge until the Year 2066.

**Silver membership** gives the Right to Occupy for 20 years from purchase date

**Bronze membership** gives the Right to Occupy for 10 years from purchase date

The Right to occupy and the rules of occupancy are governed by the Memorandum & Articles of the KBOC.

H. The price to be paid for the Lodge Week is stated on the Purchase Agreement.

In addition there is an annual management fee on owners. Over the last 22 years the average annual increase in charges has been about 3.61% versus Retail Prices at 3.42% and Average Earnings at 4.28 %. Fees are payable in advance between December 1st and January 1st.

Details of current and previous management fees are available.

A breakdown of the current year budget is available for inspection. The management fee includes an amount that is paid into a Sinking Fund which is used to pay for future replacements such as carpets etc. In 2011 £105.00 of a 2 Bed management fee (25.1 %) was paid into this fund which is held by the Owners Club. Details of expenditure from the Sinking Fund are available for inspection.

Under the Memorandum & Articles of KBOC there is an obligation to pay the annual management charge and failure to do so will result in the cancellation of membership and the loss of the right to occupy a lodge.

I. The Purchase Price quoted is the total price and there are no additional monies payable. The management fee levied annually is the only other charge made other than as previously mentioned items such as Telephone and Electricity.

J. KBL offers a resale service for Keswick Bridge weeks. The terms and Conditions of this service are available on request. Owners are also free to arrange sales privately or via an outside agent. A fee will be levied for the issuing of new or amended Holiday Certificates and a charge may be made if private sellers require assistance from resort staff.

K. It is intended to construct 7-10 further Lodges as indicated on the plan in the brochure. The construction of the first 3 of these lodges was completed in 2008.

L. You have the right to cancel your purchase without any charges being made up to 14 days after you have signed the Purchase Agreement. This right also applies to a Purchase made under a Credit Agreement. Keswick Bridge Limited operates its own Credit Purchase Facility this facility does not involve any other outside party.

This disclosure statement is given in accordance with the requirements of the Timeshare Act of 1992. We are also happy to provide you with any additional information you require including :- Brochure, Price Lists, Site Plans, Sample Purchase Agreement, Club Memorandum & Articles, Budget & Management Fees, Sinking Fund Expenditure, Owners Club Newsletters,

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