



Post Office Box 2700 · Gearhart, Oregon 97138
Phone (503) 738-8331 · Toll Free Reservations 1-800-547-0115 · FAX (503) 738-0881
web site: www.gearhartresort.com

Managers Report

October 5, 2006

Dear Homeowners:

As many of you homeowners know we had a very busy but productive year at the Pacific Terrace Condominiums. I felt that Mike Maltman's crew did a very good and thorough job in the remodel process. Some of the rot repair work was very labor intensive but instead of taking short cuts and just replacing the rot, repairs were done to fix the problem that caused the rot. Maltman's crew was for the most part was on schedule the entire process, which is not an easy feat being on the coast.

After Maltman's crew was finished Anderson Painting started re-painting all the buildings. After a color was finally chosen Anderson's crew was able to complete the painting process in a very timely matter during the summer season without many inconveniences to owners or guest.

Gearhart By The Sea had a very productive year. Room rental occupancy was up again this year. Online booking for our guest continues to grow which has helped Gearhart By The Sea's revenue. We added wireless Internet to our guest as a free service. Rental and non-rental owners can also use this service for a daily, weekly, monthly, or yearly fee. For more information on that you can contact the front office or myself. Because Gearhart By The Sea had a good year we were able to credit each Association one months management fee.

I would also like to thank the Board of Directors for their support throughout the year. They dedicate many hours to their Association and also to Gearhart By The Sea throughout the year.

Sincerely,

Paul Tice
General Manager
paul@gearhartresort.com