



March 7, 2019

Dear Homeowner,

I am happy to inform you that Heirloom, the new restaurant, is now open and we are receiving very positive feedback. The remodel has transformed the space giving it a fresh updated aesthetic and the new bar downstairs is adding to the delightful atmosphere. In just the first two weekends of being open they have done over 150 dinners per night which is a tremendous amount of business for a new restaurant. Thank you for supporting Heirloom and we wish them the best of luck!

I would like to provide you with an update from the recent Board of Directors meeting. All entities (HOA, Lodging and Club) are currently performing at, or better than budget. Fiscal year-end projections are positive; however March is always an important month for determining the fiscal year-end results so we'll hope for continued good snowfall.

During our meeting, we reviewed the preliminary budget outlook and planning factors for next fiscal year. The Association is experiencing some inflationary pressures in all operations due to general inflation, utilities and wage pressures brought on by the valley-wide employee shortage. During the upcoming months these pressures will be further analyzed as the budgets for each operation are finalized for the next fiscal year which begins on June 1st.

The preliminary Capital Plan for 2019/20 and the 10 Year Capital Plan were presented and both combine the regular projects along with the major projects funded by the special assessment. These include the deck replacement and stair tower refurbishment at Building 13, Townhomes D, G, H, I and L building exteriors, the initial natural gas conversions at the condominiums, hallway renovations at Building 11 and the new footings and piers for the deck project at Building 14 among others. We also discussed the possibility of accelerating the locker room remodel to this fall with a decision scheduled to be made in April.

This spring, we expect the major projects to start early to mid-April, weather dependent, with preliminary deck project work to begin on April 15th. The demolition of the decks on all levels of Building 13 is scheduled for April 22nd and there will be no access to units after that date. The objective is to complete major construction by July 1st and provide only owners access to their units at that time. Construction work and disturbances will continue through August for stucco restoration, painting, partition installation, trim work and landscaping.

Due to the disturbance, safety concerns and staging, the Association will not be renting any short term units in buildings 12 and 14 during the major construction (until mid-June) and September for Building 13. If you rent on your own, any rentals by owners in Building 13 should be suspended from April 1st - September 1st and in the surrounding buildings we strongly recommend that you do not rent during the major construction



timeframe, or if you choose to, you should fully disclose the construction impacts to your guests.

Likewise, the Townhome project will commence on April 8th and is expected to run through the fall depending on weather and contractor scheduling. Short term rentals will be suspended during this time. The natural gas installation schedule is still pending and the Building 14 patios will be a fall project. More information regarding the construction dates will be provided to homeowners over the next few months.

Owners should be aware that the construction projects will create significant noise and disturbance. Also, please be observant of potential hazards (materials, heavy equipment and construction activities) in the area and maintain a safe distance. The normal major project construction work hours will be Monday – Friday from 7:30 am to 5:30 pm and Saturdays will be added as needed to maintain the schedule.

The Board also received several other operational updates from management and committee chairpersons. Please note, if you receive housekeeping cleaning services, the contract housekeeping rates have increased to homeowners for the first time since 2007. It was an overdue change necessitated by the wage pressures from the valley's employee shortage as well as general inflation over the years.

Real estate sales have remained brisk and the current for-sale inventory continues to be low with only 2 units currently listed for sale. We've seen this trend for the past couple of years as our average sales prices continue to increase and set historical highs which is a testament to the significant improvements being made on the property.

As mentioned in last month's manager's letter, recycling contamination has become a serious problem. Each week over the past month, the Association has received notification of recycling contamination and the accompanying extra trash pick-up charges due to recycling that is refused. The biggest offenders are plastic bags and Styrofoam. Please see the following recycling information that details what can and cannot go into our recycling bins.

Our Annual Homeowners Meeting is scheduled for Saturday, August 10, 2019 at 2:00 PM. In addition to the fiscal year-end financial results and Board of Directors election, we also plan to provide a presentation and progress report of the major capital projects.

Thank you for your support.

Sincerely,

A handwritten signature in black ink, appearing to read "Fred Bradford", written in a cursive style.

Fred Bradford
President