



May 8, 2023

Dear Homeowners,

The Board of Directors held our spring meeting on April 25th, and we would like to share with you an update from the meeting.

Fiscal Year End Projections

The Board is pleased to report that the Fiscal Year End projections are favorable to Budget, with a surplus expected for the consolidated entities. As this fiscal year winds down on May 31st, any surpluses will be designated to the respective reserve funds. The Association is in a good financial position entering the new fiscal year which begins June 1.

Lodging Operation Surplus

The Lodging Operation again had a great year with over \$3 million in gross revenue. As a benefit to those with homes in the program, the Lodging Operation will perform carpet cleaning this spring at no charge to active participants. Other services may be discounted or credited later, depending on the actual surplus amount.

HOA Budget for Fiscal Year 2024/25: Increase in Monthly Assessments by 1.6%

In finalizing the budgets for next fiscal year, the Board approved a slight increase in Assessments. Operating assessments will remain flat while Capital assessments are increasing 8% for an overall increase in your assessment of 1.6%, with the split between overall contributions going to 75% to Operating and 25% to Capital. It is imperative that we continue to collect enough in Capital Assessments to remain properly funded, especially as the cost of services, goods, and materials continue to rise. You will notice the new monthly assessment amount and the second half of the biannual insurance billing posted on May 31.

Budget Ratification

The State of Colorado requires a budget ratification process which provides homeowners an opportunity to consider the budget at a meeting held specifically for that purpose. According to the State's process, the budget is not required to be approved by the owners and instead is deemed approved at a budget meeting in the absence of a veto vote by the majority of owners. A budget meeting will be scheduled, and more information will follow in the coming weeks.





Real Estate Sales

The Board reviewed real estate sales activity and since August 2023. There have been 11 sales – 5 one-bedroom units; 3 two-bedroom units; 1 three-bedroom unit; 2 townhome units. The average price per square foot for VRC homes sold during this period was \$1,220. Activity remains strong and time-on-the market is short. Once again, a new benchmark high sale was achieved with a two-bedroom selling for \$1,310,000. The increase in price per square foot outpaced other East Vail properties (Timber Falls @ \$1,119 and Courtside Townhomes \$1,083). The investments we've all made in capital projects and operational enhancements have helped us remain an attractive option for those hoping to own in Vail.

Annual Homeowner Meeting

The Annual Homeowners Meeting will be Thursday, August 8th at 5:00 pm. The meeting will be held remotely, as in recent years, and more information will follow in the coming months. We also plan to hold an Owner Dinner on Saturday, August 10th, stay tuned for details.

Inspection Reminder

Inspections of our fire alarm systems and all wood burning appliances are required each spring. Please mark your calendars for the following:

- Fire alarm system test and inspection (All Condos) – May 13 – 17
- Wood burning fireplace/stove cleaning and inspection – May 29 - 31

In Conclusion

It has been a good year for the Vail Racquet Club, we continue to be a wonderful value and attractive property for owners and visitors. The Association remains fiscally sound while planning for a bright future.

Thank you all for your support.

Sincerely,

A handwritten signature in black ink that reads "Fred Bradford". The signature is written in a cursive, flowing style.

Fred Bradford
President
Racquet Club Owners Association