

May 29, 2019

Dear Fellow Beaver Creek Lodge Condominium Owners,

Summer is near despite some late spring snow in Beaver Creek! We are excited for the season to begin so owners and guests can experience our re-imagination of the Beaver Creek Lodge. We have already received many positive comments and hope you are proud of your home in the mountains. With the recent investment we all made to upgrade and enhance the Lodge coupled with the Autograph Collection (Marriott) affiliation, the Beaver Creek Lodge will continue to be one the best facilities in Beaver Creek.

It is also an exciting time for the Beaver Creek Resort as they continue with additional capital investment projects this spring and summer that are intended to transform and energize the guest experience as part of the Resort's Village Renaissance. They are committed to a multi-year journey to implement the shared vision between mountain and community of: World's Best Luxury Family Resort. Their multi-year areas of focus to live up to this vision are comprised of a Village Renaissance, Modernizing Guest and Owner Experience, and being a Year-round Destination with Active Summers.

We can all be proud that the Beaver Creek Lodge was recognized as one of the inaugural projects from last year that support their vision. As Beaver Creek Resort enters the second phase of a multi-year journey towards their vision, they will be completing some major renovation projects this spring and summer. Following suit, we will be continuing capital investments in key projects as outlined in my March 25th letter and as presented at our annual meeting on April 6th. These projects will take place during the summer and fall with some continuing into 2020, such as the elevator modernization project.

I am pleased to inform you that Enterprise Hotels of Colorado (EHOC) received a partial payment of key money (two-thirds) from Marriott under its franchise agreement. As such, EHOC has enclosed a check for your Unit's respective portion of the key money as per prior communications. I know you will appreciate this payment to help offset your investment to date! Once we complete the remaining PIP projects this year, receive the appropriate approval from Marriott and funding, we will further distribute the balance of the key money to the Owners. In addition to some EHOC specific projects, the Association needs to complete the Larkspur and Juniper lighting enhancements and the renovation of the public restrooms and sauna/steam room to be ADA compliant.

Lastly, I am also pleased to report that with the assistance of Paul Jardis and Fravy Collazo we were able to secure a favorable seven year loan to the Association for \$2.5 million to fund key capital projects. Fravy and Jim Wear (Association Counsel) are in the process of finalizing documents with MidFirst Bank for board approval and signature which we expect will take approximately two more weeks. Once the loan closes, we can commence with board approved capital projects requiring loan funding.

Thank you for the continued support and partnership in our investment to keep Beaver Creek Lodge a world-class destination.

Sincerely,



Mark W. Kessler
President and COO, Kessler Collection Design and Development