

Letter from the President
Skier's Edge Condominium Association, Inc.
Board of Managers
November 4, 2005

Dear Fellow Owner:

I want to provide an update to all of you in the collection of 2006 assessments [Maintenance Fees] in 2005 and in our efforts to pay the past due taxes and thwart the takeover by the third party that has applied for the Treasurer's deed for the Skier's Edge common areas.

As of [Monday, November 3, 2005](#)

Great news on 2006 assessments collections

2006 Assessments MF [\\$362,938.68](#)

2006 Replacements [\\$18,633.00](#)

2006 Special Assess [\\$50,054.13](#)

2005 & prior Past Due MF [\\$18,946.21](#)

2005 & prior Past Due Special Assess [\\$31,411.36](#)

So we have collected the needed funds and VRI has issued a wire transfer for **ALL** of the past due taxes in the total payoff amount and we have received the Receipt of Redemption with Skier's Edge shown as the owner. With this issue now behind us and the clear indication of overwhelming support on the plan, it will allow us to get back on track in making the needed improvements to the facility and we can focus on the future of Skier's Edge and protecting our investment.

I want to clear up a few things that have been misstated on the message board. The previous "Management Company" had reported to the BOM that all taxes were paid in full. As your BOM, we rely upon the Association's management company to carry out the instructions and policies of the BOM, and to conduct the Associations business in a manner consistent with its Declaration of Condominium, By-laws, and Rules and Regulations and also to provide accurate financial reports. The previous Manager reported to the BOM, the past due tax situation in late August 2005 only after being notified by the third party who had paid the past due taxes and was threatening to apply for the Treasurers Deed. Only then did she notify the BOM that the tax situation existed. It was not discovered or uncovered by VRI.

However, with the changeover to VRI, the BOM was made aware of a number of other matters which were outlined in my last letter and which appear to have not been handled properly in the past by the old Manager nor brought to the BOM's attention. Please understand that as your elected BOM's, we rely upon our observations, confirmations, and the reporting we receive from our management company, to confirm that our Associations' business is being conducted in a fiscally responsible fashion.

From the BOM's point of view we have the utmost confidence in VRI to be able to take Skier's Edge forward as they have done this successfully with many of the 120+ facilities they manage, some of which have gone through the same things we are going through. If you haven't done, so please check out the VRI website. www.vriresorts.com and www.vrivacations.com The BOM's selection of VRI was made after interviewing several other management companies and speaking with references. After completion of the request for proposal process we were confident that VRI was the right choice. VRI has the organization, professionalism, resources, systems and policies that will ensure the continued needed management for Skier's Edge going forward.

On the subject of communication, we are trying to use the website as our chief means for cost effective communication and updates will be posted as we have news to report. If you have other questions or issues please contact Mathias Cox our Lodge Manager for the latest information. If Mathias cannot answer your question he will forward it on to his VRI Management or to the BOM to provide an answer. We recently also tried an interactive phone conference with several owners, VRI management and BOM members to try and answer some of the vexing questions. This format will be discussed at the next BOM meeting to determine if this method will be used again in the future.

The BOM is still seeking the advice of an independent legal counsel. Once again please understand that, upon the advice of legal counsel, the BOM may not elaborate upon certain issues as its investigation is ongoing.

Upon receipt of this letter if you have not paid at least the first half of your 2006 Assessments you are delinquent and subject to the actions as stated in the ABC Policy. So there is no confusion I have attached the Assessment Billing and Collection Policy below.

**SKIER'S EDGE CONDOMNIUM ASSOCIATION
ASSESSMENT BILLING AND COLLECTION POLICY
ANNUAL BILLING PLAN
2006 Assessments & 2006 Special Assessments**

The following is the Assessment Billing and Collection policy for the Skier's Edge Condominium Association originally adopted by the Board of Directors on August 30, 2005. This policy is for the 2006 Assessments and Special Assessment. Any

owner that still has not paid their 2005 Assessments or the 2005 Special Assessment will be submitted to collections as of September 1st, 2005.

SEPTEMBER 1st

You will be mailed the First Assessment Notice for the next year's assessments.
Payment is due upon receipt.

OCTOBER 15th

A reminder notice is sent to owners who have not paid to date.

NOVEMBER 1st

Delinquency Date. If you have not paid your assessments, your account is delinquent. Your voting rights have been suspended.

If you are delinquent, the following charges are added to all delinquent owner accounts:

- a. A reinstatement fee of \$50.00
- b. Maximum interest allowed by law per month beginning November 1st
- c. An exchange, deposit, or confirmation cancellation fee of \$25.00

If you are delinquent, your reservations are canceled and you may not hold a reservation until your account is brought current. Exchange requests will not be confirmed. Existing confirmed exchanges will be blocked. There is no guarantee that you will receive a reservation or confirmed exchange after you have brought your account current.

You will be mailed a final Assessment Billing Notice, including all penalties, fees and interest. You must pay all charges in full to have your occupancy and voting rights reinstated. Use Weeks resulting from delinquencies are available for Bonus Time, Vacation Tyme, and the Administrative Hold Program. Net proceeds are used to offset collection costs, assessment liens, foreclosures and shortfalls in the HOA operating account.

DECEMBER 1st

Management will send a notice detailing all charges and fees that will be added if the delinquent account is not paid in full in 15 days and is submitted for legal and/or collection action.

The Board of Directors may, at its discretion, submit delinquent accounts to an attorney for formal notification of default and demand for payment (Legal Notice). The cost of Legal Notice will be added to delinquent owners' accounts.

JANUARY 1st

The Board of Directors may, at its discretion, implement any of the following actions. Any related costs for these actions will be added to the delinquent owner's account.

- a. Engage professional collection agencies to collect payment.*
- b. Pre-Notification of Lien & Record a Claim of Assessment Lien.*
- c. Foreclose on the Claim of Assessment Lien.*
- d. Institute a Small Claims suit or other legal action.*

NOTE: A \$25.00 charge will be added to your account for any payment that is not honored (bad check, insufficient funds, etc.). If the first payment is not honored for any reason subsequent payment including applicable late fees must be by secured funds (cash, money order, cashier's check).

The second Half of the 2005 Special Assessment is still due in July, 2006, unless you have already paid it in full.

Your continued support, as always, is greatly appreciated.

Sincerely,

Michael P. Monk

Skier's Edge Condominium Association, Inc.

Mike Monk

President