

Letter from the President  
**Skier's Edge Condominium Association, Inc.**  
 Board of Managers  
 January 23, 2006

Dear Fellow Owner:

I want to provide an update to all of you in the collection of 2006 [Maint. Fees]  
 This is the good news.

As of, January 13, 2006

2006 Maint. Fees	\$570,598.79
2006 Replacements	\$ 28,139.48
2006 Special Assessments	<u>\$ 75,826.60</u>
<b>Total</b>	<b>\$674,564.87</b>

The Facility Committee and VRI resort management will be posting the construction schedule for continuing improvements to unit interiors and the exterior of the building soon.

The concerning news is that we still have a large number of owners that are not paying their Maintenance Fees. This has been the same problem that has plagued Skier's Edge for many years. However, I want to once again assure you all that the Board of Managers and VRI are focused on changing this situation. Collections and Litigation will be the course we follow for any owner that refuses to pay what they owe.

The current total number of delinquent owners is 480<sup>(1)</sup> this represents 34.9% of the owner base (1,377). By year, this represents the following dollar amounts unpaid:

2006 MF & Replacements	\$254,992
2005 MF & SA	\$192,521
2004 MF & SA	\$77,214
2003 & Prior MF & SA	<u>\$268,372</u>
<b>Total</b>	<b>\$793,099</b>

The amounts above include the following categories.

	<u>Intervals</u>	<u>Balance</u>
Bankruptcy	79	\$331,888
Collections	102	\$211,731
Uncollectible <sup>(2)</sup>	23	\$40,715
Delinquent*	<u>276</u>	<u>\$208,675</u>
<b>Total</b>	<b>480</b>	<b>\$793,099</b>

The total amount received from Continental Collections Corp. Y-T-D- is \$9,344.52

\*There are 248 accounts delinquent for 2006 & prior dues.

\*There are 18 accounts that are currently in Litigation.

\*There are 10 accounts that are in the Deed Back process.

(1) All accounts that owe for 2006 & prior dues.

(2) Unable to collect due to previous Bankruptcy filing and/or Deceased.

Upon receipt of this letter you are once again reminded that if you have not paid what is due or made payment arrangements for your 2006 Assessments you are delinquent and subject to the actions as stated in the ABC Policy.

The 2006 Collection notices were mailed out on 1/11/06. All delinquent accounts for 2006 will be submitted to collections on or by 1/27/06.

The number of owners in good standing are as listed below: **Thank You**

There are currently 517 accounts that are paid in full for 2006 MF and 2005 Special Assessments.

There are currently 120 accounts that only owe for 2005 Special Assessments which are not due until July 2006.

There are currently 165 accounts that have participated in the split payment option for 2006 MF.

There are currently 23 accounts that are on an approved payment plan for the 2006 Assessments.

There are 72 accounts owned by the Skier's Edge, which we are intending to sell to good paying owners. We are currently developing a sales plan through VRI and a successful third party reseller to sell the Skier's Edge units as well as any other units we get through the legal process.

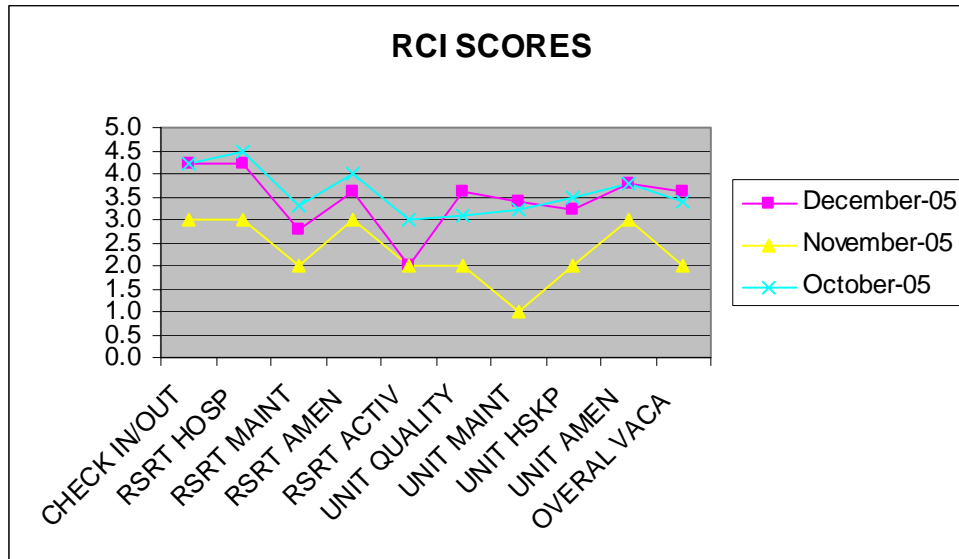
The BOM is moving forward with legal action against the previous management company. Your BOM has instructed counsel to prepare and file the lawsuit in Colorado District Court. The Suit has been initiated, and service of process is pending. The final outcome of this effort could take some time and money. The BOM has approved \$7,500 to start this process and we have set aside a total of \$50,000 if needed for legal fees. Please understand that, upon the advice of legal counsel, the BOM may not elaborate further. Be assured that the BOM will exhaust all efforts to protect the investment of each Skier's Edge owners and to seek full recovery as may be allowed by law.

If you haven't been up to the lodge, this has been a very good year for us so far, the snow has been phenomenal and rental income is the highest we have ever had.

Since VRI took over Management rental income in 2005 is reported at:

Aug	\$ 212.40
Sep	\$ 2,248.00
Oct	\$ 563.20
Nov	\$ 1,759.60
Dec	\$ 2,810.50
<b>Total</b>	<b>\$7,593.70</b>

A lot of owners use their unit for trading through RCI. The Skier's Edge RCI ratings are up since VRI took over management. I know they will stay up with the effort that Mathias and his staff are putting into the cleanliness and hospitality at the lodge.



On other good news we have re-signed the Church at Blue River to another year at the Lodge. This is a nice income for the Association at \$600 per month and adds a service to vacationers who would like to participate in a worship service while at the lodge.

On making your visit more enjoyable, we are going to be adding an Internet Library, at the lodge and will be installing wireless in the facility for users that bring their own lap tops up and we will have PC workstations available for a very reasonable weekly use fee.

Your continued support, as always, is greatly appreciated.

Sincerely,

*Michael P. Monk*

Michael P. Monk  
 Skier's Edge Condominium Association, Inc.  
 President