

Dear Snowmass Mountain Owner:

We are taking this opportunity to share with you the renaissance taking place at Snowmass Village and the plans we want to inform you about here at Snowmass Mountain Condominiums.

The objective of the SMC Homeowner's Association is to stay current with the structural and esthetic improvements unfolding here right now and projected to continue for the next five years.

For those who have not been here or seen the changes and transitions to other condominium projects, we want to share this information with you. You may be pleasantly surprised about the continued property value increases. This has been driven by the pace and quantity of new projects coming on line. We feel we can continue to enjoy this price appreciation if we join the renaissance.

More specifically, we have known for several years that a major structural component of our property, namely the railroad tie retaining wall on the right hand side of the driveway as you enter, is in need of replacement. In addition, we have needed more parking since our condominiums were built. Fortunately, the Town of Snowmass Village has put in place a planning vehicle that allows associations to add up to 6 additional condominium units to achieve the goal of renovating and ameliorating conditions in need of improvement.

After a great deal of discussion, investigation and observation we have come up with a plan to move forward. We have been meeting with architects, engineers and contractors for over a year. This effort has helped us develop a plan to share with you. This plan will enable us to rebuild the railroad tie wall, add parking and enhance the overall appearance of our property. We intend to do this by maximizing the revenue from additional units therefore minimizing any assessments.

Enclosed you will find a conceptual plan for the project. It involves adding parking by building a parking deck to provide parking at the present level and parking about 10 feet below. It includes snowmelt technology for the exposed driveway, improved landscaping and green areas. The entry and bus turnaround will be improved and we will enhance the appearance of the current buildings.

That brings us to where we are at today. On January 27, 2007, we met with 20 owners on site to share the conceptual information. There was overwhelming enthusiastic, positive response to this project. We stated very clearly to all present that at each decision point we want owner approval.

We now want the entire ownership to share in this approval and support the expenditure of \$350,000-\$400,000 for architectural fees, engineering plans, legal land use fees, etc. to bring this project to the next phase.

The completion of this phase will enable us to solicit bids for construction. Once those bids and the total scope of the project is determined, we will once again meet with the condo association ownership to explain, discuss and seek final approval to proceed.

Please feel free to contact Carl Vill, Jerome, Hank, or myself with any questions. We will also have copies of the plan available for review at Snowmass Mountain Condominiums. During your next visit, we would welcome the opportunity to share the plan with you.

As required by our by-laws, we will be sending out a notice of a special meeting to obtain your support. It should be held in March or April. We will also be requesting proxies from those who cannot attend. Look for the notice in the mail in a few weeks.

Sincerely,

George Falk

President, Snowmass mountain Condominium Association