



March 27, 2008

Sun Vail Condominium Homeowners

RE: Potential Purchase of Garages

Dear Homeowner:

The Sun Vail Homeowner's Association ("SVHA") is discussing with Bob Lazier the purchase of the garage building located in the middle of our parking lot. We have had general conversations regarding the terms of a possible sale. Before proceeding further in the negotiations, we need input from the homeowners as to whether the membership supports this purchase.

There are fifteen garage spaces. Currently, six of the spaces are leased by Mr. Lazier to Vail Resort Rentals, Inc., the onsite management company providing services to SVHA. There is approximately 4 ½ years remaining on the lease. The remaining garage spaces are either used or leased out by Mr. Lazier.

Although the specific details of the purchase have not been negotiated, the following is a general overview of how the transaction could be structured. SVHA would purchase the building containing the garages. SVHA would retain ownership of up to five of the garage spaces to be leased to its onsite management company. Although no final price has been determined, the purchase price would be approximately \$1.3 million. We have allocated \$400,000.00 for SVHA's purchase of 5 garages and \$900,000.00 for the other 10 garages. SVHA will attempt to negotiate an agreement in which Mr. Lazier would finance the portion of the sale price to be paid for the garage spaces owned by SVHA, with the balance of the sale price to be paid by selling the remaining garage spaces to SVHA homeowners.

We estimate the sale price of an individual garage space to be approximately \$90,000.00 to \$100,000.00. The homeowner will be required to pay the entire purchase price at closing. Although there are many details to be negotiated, we anticipate there will be deed restrictions on the garage properties and SVHA will have a right to repurchase the garages. We will need to hire an attorney to advise us on the best way to structure the transaction.

Ownership of a garage space would not create additional voting rights for the homeowner. The owners of the garage spaces would be responsible for paying an additional annual fee to cover the cost of maintenance and repairs to the garage building. The payments to Mr. Lazier to purchase the garage spaces owned by SVHA

will be primarily funded from lease payments paid by the management company to SVHA for the use of the garage spaces as an onsite management office.

Approximately a half dozen homeowners have already expressed an interest in purchasing a garage space. We need to know how many other homeowners would be interested in purchasing a garage space. If more homeowners are interested in spaces than the number of garage spaced available, we will need to create a lottery to determine who will purchase the spaces. If there is not a sufficient number of homeowners interested in purchasing the spaces, we will need to evaluate whether to proceed or not with the purchase.

We want your input on two issues. The first issue is whether you believe SVHA should purchase the garage building? The second issue is whether you, as an individual homeowner, are interested in purchasing a garage space for your individual use? Please call, write or e-mail either me, or Bob Newblatt to discuss your interests, questions and concerns. Our contact information is:

Bruce Anderson:	e-mail:	banderson@stetmil.com
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	home#:	303.320.8514

Bob Newblatt:	e-mail:	Newbs286@aol.com
	cell #:	646.281.3773

Enclosed is a postcard to be completed by you to give us your opinion. It is your choice whether to include your name on the response. If you are interested in purchasing a garage space, your response should include you name.

We look forward to hearing from you.

Sincerely,
Sun Vail Condominium Association



Bruce Anderson
President, Board of Directors

Bob Newblatt
Vice President, Board of Directors