



July 17, 2009

Dear Sun Vail Homeowner:

At the last two annual homeowners' meetings, we discussed the possible purchase from Bob Lazier of the 15 garages located in the Sun Vail parking lot. The general consensus from the homeowners was mixed. A large number of the homeowners were not interested in buying the garages if the purchase required either a special assessment or an increase in the quarterly assessments. With that feedback in mind, the Board has moved forward.

Since our last update to you, Mr. Lazier went through the legal process of condominiumizing the garages. The Lazier Garage Association ("LGA") now owns the 15 garage condominiums.

The Board and LGA have agreed to a potential sale of all of the garages to SVCA. Although the governing documents of SVCA do not require a membership vote to purchase the garages, the Board will not go forward on the purchase unless a majority of the homeowners vote in favor of the purchase.

Mr. Lazier's original asking price was \$1.5 million, as he had an appraisal at that amount. We have negotiated a purchase price of \$862,500.00, which is \$57,500.00 per unit.

The proposed purchase plan will not require either a special assessment or increased quarterly assessments. SVCA will purchase 6 of the garage condominiums to be used as offices for SVCA's property manager and sell the remaining 9 units to SVCA homeowners. The proceeds from the sale of the 9 garages to homeowners (\$603,000.00) will generate sufficient funds to make the down payment on the office purchase and pay the associated costs of this transaction. SVCA will obtain a loan of \$277,500.00 to pay for the purchase price of its 6 offices. The terms of the loan have been finalized with an interest rate of 6.5% for a 15 year loan.

The 6 offices are currently subject to a lease that expires in approximately three years. The rent paid for the 6 offices (\$2,800 per month) will generate sufficient revenue to pay the monthly loan expense, as well as SVCA's share of ongoing maintenance expenses. At the end of the lease term, a new lease will be negotiated with an increase in the monthly rent.

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The 9 garages will be offered for sale at the price of \$67,000.00 per garage. The difference in the price paid by SVCA and the purchase price to be paid by a homeowner (\$9,500.00) will generate the amount needed to make the down payment on SVCA's office space and the costs incurred to purchase the property.

The LGA Declaration provides the garages can only be sold to SVCA homeowners. A garage cannot be resold to a non-SVCA member and a homeowner must sell the garage unit at the time of sale of the homeowner's condominium. The garage units are covenant controlled to allow SVCA to condemn the land and purchase all of the garages at any time in the future. Copies of the LGA Declaration can be viewed on the SVCA website.

The Board is recommending a vote in favor of purchasing 6 of the garage condominiums. Owning six of the garage condominiums will give SVCA permanent control over an onsite office. Ownership of the property gives SVCA control over future development of our entire site, rather than having third parties own a piece of land in the middle of SVCA property. The purchase from LGA will also allow 9 homeowners to own a garage for their personal use.

As preferred by the homeowners, the purchase will not result in either a special assessment or an increase in quarterly assessments. The rent paid by our property manager for the 6 offices, will cover both the monthly loan payments and the on-going maintenance expenses. As the rental rate for the offices increases over time and once the loan is paid off, the offices will create a source of revenue for SVCA. The Board believes this is a win-win situation for the homeowners and SVCA.

Enclosed with this letter is a ballot on which to cast your vote whether SVCA should purchase the LGA garage condominiums. Your ballot must be received no later than July 30, 2009.

Also enclosed with this correspondence is a Letter of Intent to purchase a garage unit. If there are not 9 homeowners willing to purchase a garage, SVCA will not go forward with the purchase from LGA, as there will not be sufficient funds available to cover the down payment. If there are more than 9 homeowners interested in purchasing a garage, a lottery will be held to select the purchasers. The lottery will be conducted by the attorney for SVCA.

If you are interested in purchasing a garage unit, you must return a signed copy of the Letter of Intent, a signed copy of the Contract to Buy and Sell Real Estate and a signed copy of the Addendum to Contract to Buy and Sell Real Estate and an earnest money deposit in the amount of \$10,000.00. The check should be made payable to Land Title Company. The Contract and the Addendum can be downloaded from the SVCA website or contact Dale Bugby

(970.476.0906) to ask that he fax the documents to you. If you are interested in purchasing a garage unit, you must read the "Amended and Restated Declaration of Sun Vail Garage Building Condominiums", which is available on the SVCA website. Only one deposit per unit is allowed.

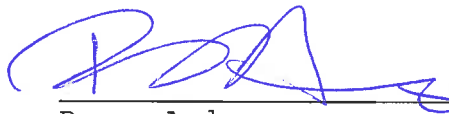
After much discussion, the Board has determined that if they are more than 9 homeowners interested in purchasing the garage units, initially no homeowner will be allowed to own more than one garage unit. We want to give the maximum number of homeowners the opportunity to own a garage.

Your prompt response is greatly appreciated.

The Board views this as a great opportunity for SVCA. If you have questions, you may contact:

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	303.320.8514 (h)
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Warm Regards,
Sun Vail Condominium Association



Bruce Anderson
President

Bob Newblat
Vice President

BALLOT
Purchase of Garage Units

I have received and read the letter from the Sun Vail Condominium Association Board of Directors regarding the purchase of the 15 garage condominiums from the Lazier Garage Association.

I vote in favor of purchasing the garage condominiums if the purchase will not result in a special assessment or an increase in the quarterly assessments from the SVCA.

I vote against purchasing the garage condominiums.

Unit #: _____

Name: _____

Signature: _____

Date: _____

LETTER OF INTENT TO PURCHASE INDIVIDUAL GARAGE UNIT

I would like to purchase an individual garage unit from the Sun Vail Condominium Association ("SVCA"). I understand there are only 9 garage units available and if more than 9 homeowners submit purchase contracts, there will be a lottery to select the names of the 9 purchasers.

Enclosed is an executed copy of the Contract to Buy and Sell Real Estate, a signed copy of the Addendum to Contract to Buy and Sell Real Estate and a check in the amount of \$10,000.00 representing an earnest money payment on the purchase Contract.

I acknowledge that the earnest money payment is non-refundable if I am selected in the lottery as one of the 9 purchasers. I acknowledge that I have adequate funds to purchase the garage unit with or without financing and my purchase is not contingent on my ability to obtain financing.

I acknowledge I have read the Amended and Restated Declaration of Sun Vail Garage Building Condominiums that govern the ownership of an individual garage unit. I acknowledge I understand and will abide by the terms and conditions contained in the Amended and Restated Declaration. I acknowledge the Amended and Restated Declaration prohibits me from selling the individual garage unit to a third party who is not a member of the Sun Vail Condominium Association.

I acknowledge that if I am unable to close on the agreed closing date, I will forfeit my earnest money deposit to SVCA.

I acknowledge and understand that if there are not 9 homeowners willing to purchase a garage unit, SVCA will not go forward with its purchase of the garage condominiums and my earnest money deposit will be returned to me.

Unit #: _____
Name: _____
Telephone #: _____
Signature: _____
Date: _____