

June 17, 2015

Dear Plaza Homeowner,

The Board of Directors has been busy with a variety of items, and we are writing to you with updates on some of the more significant matters: the window replacement project and amendments to the Plaza's governing documents, HOA management, and the capital plan.

Window Replacement & Amendments to Plaza Governing Documents

In our previous letter dated February 24, 2015, we advised that the Board had engaged an attorney to review the Plaza's condominium declaration and other governing documents, and provide us guidance on a variety of topics, including the manner in which the windows get maintained and replaced. As part of that process, the attorney advised that the Board has the authority to replace the windows, and we initiated the window replacement project.

Shortly after we announced the window project, a unit owner filed a lawsuit challenging the Board's authority under the condominium declaration to proceed with the window project. Due to the lawsuit, the window project has been put on a temporary hold.

During discussions surrounding the litigation, the Board's attorney suggested that we could stay the lawsuit while we work to revise the Plaza's governing documents in an effort to avoid situations where a unit owner sues the Board each time there is some disagreement over the Board's authority. The revised governing documents should also take care of the pending dispute. The unit owner that filed the lawsuit agreed, and the lawsuit is now on hold so that we can work on revising the governing documents.

We are currently working on revising the Plaza's governing documents. We will share drafts with the owners and provide an opportunity for review and discussion before asking owners to vote. More details on the revisions and the approval process will be shared as soon as it is available.

Meanwhile, in an effort to make some progress on the window replacement project, the Board retained an expert to inspect windows that have been replaced over the past ten years. Some of these relatively-recently replaced windows may be exempt from replacement, as discussed in our February 2015 letter. The expert has completed his examination, and the Board will address specific issues with the owners of affected units. Our goal is to be in a position to proceed with the window project as quickly as possible, once we have the Plaza's governing documents revised and the litigation resolved.

HOA Management

The Board has completed an investigation of HOA management options. We identified Vacasa, LLC and Crested Butte Mountain Resort ("CBMR") as the two finalists. After investigations and deliberations, we entered into a one-year contract with CBMR for the current fiscal year. Our contact at CBMR continues to be Dale Stetson.

Capital Plan

On a very positive note, the Board has adopted a new ten-year capital plan. This capital plan calls for the following items to be addressed during the current fiscal year: wireless internet system, television wiring upgrade, possible upgrade in the television signal, conversion from electric heat to a boiler system in the common area, and many general maintenance projects. Barring any unforeseen emergency capital expenditures, we expect assessments to be reduced as a result of this new capital plan by \$71 per month with respect to a two bedroom unit, and \$90 per month for a three bedroom unit. This reduction will be effective as of May, 2017. We are pleased with this result and will continue to monitor our capital expenditures.

As you can see, we have been busy with a variety of larger initiatives. We will continue to work to keep you all informed of our progress on the revisions to the governing documents. If you have any questions, please reach out. Thank you for your continued support of our community.

Very truly yours,

David Reed

President, Plaza HOA