

**Stephen Wood**  
**President**  
**Beaver Bench Condominium Owners Association**  
**PO Box 934, Avon, CO, 81620**  
[www.BeaverBench.com](http://www.BeaverBench.com)

**May 13, 2008**

To: Members of the Beaver Bench Condominiums Owners Association  
CC: Shawn Primmer, Silver Eagle Management; Sara Fahrney and Kathy Russell, Vail Tax & Accounting

Greetings fellow Beaver Bench Owners,

On behalf of my fellow Directors, I hope this Spring mailing finds you well on the way to a great Summer. In this first contact with you since February, when I notified all Owners of our Annual Meeting scheduled for March 14, I must report that, due to very low turnout, including proxies, there was far from a Quorum of Members present and, therefore, no official Association business could be conducted. I thank those who did attend for the ensuing, spirited conversation, however. In the spirit of keeping the appearance of the entire Beaver Bench property as pleasing as possible, let it be known to all:

- Trash pickup was increased earlier this year to three times per week. Please place and/or urge your Tenants to place all trash and disposable items inside the trash bin at all times.
- If, in your normal rounds through Community areas, you see an occasional item of litter, please feel free to pick it up and throw it in the trash bin. A little Good Samaritan action on everyone's part would go a long way.
- As per our established Rules and Regulations, exterior hallways and staircases are common property — not convenient places to store privately owned items — and are to be kept clutter free. Please remove, or have your Tenants remove, any privately owned items as soon as possible, or they may be removed.
- Residents of the Beaver Bench with pets are urged to properly curb them and clean up after them. Dogs on community property are to be accompanied by their owners, on a leash, at all times.

**On our Insurance**

Henceforth, the most important development, as approved by the Board in a subsequent meeting, is a new Farmers insurance policy now in affect insuring our buildings and other assets from disaster, replacing the former policy by Allstate — at a projected savings of nearly \$14,000 per year to the Association. Many of you recently may have been, or soon may be, contacted by your mortgager seeking to update insurance information; if so, you can contact, or have your mortgager contact, our new insurance provider:

Carrier: Farmers Insurance  
Agency: Sorensen Agency.  
Address: 116 E. 3rd St. or PO Box 4327, Eagle CO, 81631  
(970) 328-0714  
Agent: Allison Parrish, (970) 390-4377

The Sorensen Agency is very interested in providing additional insurance to individual Owners and Tenants, as well; you soon will receive information in the mail. I urge you to consider the agency's offerings to further insure the assets and contents within your Unit at the Beaver Bench. If you have Tenants, please consider forwarding information about Renters policies to them.

### **On our Reserves**

As I've said before, the Association's overall financial situation remains far from ideal. Having identified several important capital improvement projects — but faced with delaying them due to lack of adequate finances — the Board last year sought professional advice, commissioning a Reserve Study by Castle Rock-based Aspen Reserve Specialties to analyze the physical condition of the Property. That study found Beaver Bench's reserves to be only 10 percent of what the company considers "ideal." In order to bring those reserves to an acceptable level over a three-year period, the company recommended several steps be taken by the Association, including substantial special assessments to all Members and immediate and subsequent annual increases in quarterly dues payments. The complete study is now available for download at our Web site, [www.BeaverBench.com](http://www.BeaverBench.com).

Frankly, the Board — in a time of worldwide, national and local economic hardship — was faced with deciding just what percentage of "ideal" should be a goal for the Association to strive for and how a financial plan can be implemented to achieve that goal. In a split vote, we decided to forego substantial special assessments and hikes in dues payments for the remainder of 2009. In light of ever-increasing expenses and slowly decaying common assets, however, the Board advises Members those assessments and regular dues increases still loom, beginning as early as Jan. 1, 2010.

### **On Capital Improvements**

In light of the economy and recommendations by our Property Manager, Shawn Primmer of Silver Eagle Management, to proceed only with capital improvements that absolutely must be done — and can be funded through the Association's maintenance budget — the Board decided to proceed with the following projects this year:

- Replacing the Property's outdoor lighting with new exterior, downcast fixtures to meet the requirements of Avon's new "Dark Sky Preservation Initiative," before the ordinance goes into effect Nov. 17.
- Replacing and painting worn steps and decking in the stairwells in both buildings.
- Eliminating one or more of the huge aspen trees in front of the B building at the north end, which have contributed to the structural decay of retaining walls there and pose immediate danger to the building in high winds.

### **On overdue assessment payments**

A growing challenge for the Board and, hence, the entire Association, remains overdue Owner assessment payments. As of April 16 of this year, the total amount owed by three delinquent Owners — Michael Leake, A12, for \$8,367; Francisco Sfara, B12, for \$3,618; and Sara Straub, B8, for \$3,003 — has grown to nearly \$15,000. That's real money that otherwise could be used to help pay the Association's real common expenses.

Obviously, this just isn't fair to other, responsible Members of our Association, who continue to bare the costs of our common expenses. In the best interest of the Beaver Bench, the Board

seriously has discussed legal action, including foreclosure proceedings. Unfortunately, such proceedings on Units at the Beaver Bench could become not only financial burdens for all of us, but a stigma potentially reducing property values overall. For now, to protect the Association in case any of these Units are sold, liens already on file with the Eagle County Clerk & Recorder's Office continually are being updated.

**On Moving Forward**

On behalf of the Board of Directors, I urge your participation in making the Beaver Bench both a great place to live and a great investment. If you have comments and/or suggestions for how the Board can better manage our Association's affairs, please feel free to lob in a letter. For matters regarding management and/or maintenance of the Property, please contact Silver Eagle Management by phone at 970-926-2746 or by fax at 970-926-1305.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen Wood". The signature is fluid and cursive, with a large initial "S" and "W".

Stephen Wood  
President, Beaver Bench Condominium Owners Association