

Stephen L. Wood
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October 19, 2012

To: Members of the Beaver Bench Condominiums Owners Association
CC: Shawn Primmer at Silver Eagle Management; Becky Schweitzer at Vail Bookkeeping & Accounting

Dear fellow Beaver Bench Owners,

On behalf of the Association and my fellow Directors, I contact you here regarding the fire Tuesday, Oct. 9, in the B Building at the Beaver Bench that directly affected nine units. For further information on the fire itself, I include a link to a story on the Vail Daily's website on Wednesday, Oct. 10: <http://www.vaildaily.com/article/20121010/NEWS/121019984&parentprofile=search>.

As many of you know already, the town of Avon promptly issued the attached "Declaration of Unsafe Conditions" to all "owners and occupants" at the Beaver Bench, posting it on every unit's front door. The Declaration stated: "NO further use of the wood burning fireplaces will be allowed" in any unit and "failure to obey this order will be deemed a violation of the Town of Avon municipal code," meaning anyone burning a fire in a fireplace at the Beaver Bench risks being arrested by police. If you rent your unit, as I do, the declaration may not have been forwarded to you, and for this reason, and others, I notify you here.

To answer your most pressing question, perhaps: Yes, the Association has an insurance policy for things like this. Representatives with Farmers Insurance and its approved restoration company, Interstate Restoration, have been on site since the fire, along with our property manager, Shawn Primmer, officials with the town of Avon and other entities, and I. We are currently dealing with their timelines and procedures.

During a special meeting of the Board of Directors last night, Thursday, Oct. 18, Interstate representatives reported damage is "minimal" to five units — B8, B9, B11, B18 and B22 — which are "habitable" now or will be very soon. Four units (including mine) — B10, B19, B20 and B21 — have varying degrees of damage that will require several weeks, if not months, to repair. As of today the entryway to Units 8-10 and 19-21 has been fenced off pending investigations by various other fire and building officials and insurance adjusters.

For now, it is very important we all understand details of the fire itself, which investigators say they believe started in Unit B10. As stated in the Declaration of Unsafe

Conditions, “During the investigation, we noticed that the fireplace flues have been installed with no clearance to combustibles,” suggesting a system utilized during original construction for supporting and attaching the flues to the building was flawed.

As far as we know now, the fire was completely unrelated to whether the fireplace in B10 or any other at the Beaver Bench had been inspected and/or cleaned. Coincidentally, at the request of some Owners earlier this year, Mr. Primmer this summer had scheduled fireplace inspections for every unit. Those inspections were due to take place in early December. In light of the fire, discussions with fire officials confirm the defective manner in which the chimneys and flues were supported and attached to the building would not have been revealed by any such regular inspections.

Indeed, the future of our fireplaces will be at the heart of all decisions to be made at the Beaver Bench for the foreseeable future. Input from all Members of the Association is vital, in due time. To better prepare for those discussions and decisions in this new, important chapter in the history of our Property, the Board has appointed Barry Robinson, Owner of B13, as Member at Large, replacing former Owner Doris Bailey. Below is the current composition of our five-member Board of Directors:

- President — Steve Wood, Owner #B19
- Vice President — Kenneth Baughman, Owner #A18
- Treasurer — Beth Wilkinson, Owner #B18
- Secretary — Ramie Macioce, Owner #A7
- Member at Large — Barry Robinson, Owner #A13

As President of the Association, I understand this is a difficult time for many of us, especially those of us affected directly by this fire. Please stay tuned for developments as we move forward.

Sincerely,

A handwritten signature in blue ink that reads "Steve Wood". The signature is fluid and cursive, with the first name "Steve" being more prominent than the last name "Wood".

Steve Wood
President, Beaver Bench Condominium Owners Association