



August 13, 2020

Dear Homeowners,

We write to update you on Covid-related impacts to the Park Plaza. The outbreak negatively impacted our guests, team members and owners. Nonetheless, we believe our management did a good job managing through a series of very difficult situations. Our report follows.

In early March anxieties and government actions around Covid 19 increased dramatically. Visitors and owners alike were both anxious and unsure of travel. Meanwhile staff was appropriately concerned for everyone's well-being, including their own. Testing was unavailable at this time, even for persons with health challenges or suspicious symptoms. During this time state and local authorities attempted to implement policies designed to reduce or eliminate spread. The policies and directives changed frequently. This was a very messy time as staff, management and your Board attempted to address issues which arose nearly daily.

Finally on March 14th, Vail Resorts announced that the ski lifts were closing and, ultimately, they remained closed for the remainder of the season. At that time staff dealt with stranded in-house guests, inbound owners & guests and existing reservations. It wasn't always elegant, but everyone was accommodated until they could depart our building. After that time, normal operations ceased because not visiting Beaver Creek was either ordered or "strongly" encouraged by Eagle County. We were pleased that law enforcement didn't challenge our "wind down" operations.

Management then began to deal with renters requesting refunds for cancellations at our prime Spring Break ski season. Our standard refund policy is 30 days in advance, and by this policy, the renters were not entitled to refunds. However, after detailed discussions, the homeowners who had rentals in their units during this period agreed to waive the policy. Park Plaza granted our renters full refunds which we believe avoided repetitional damage to our building (i.e. very negative reviews). The owners who agreed to refunds benefited our association. We appreciate that.

The Park Plaza also refunded the management portion (30%) of the rental revenue to the renters. The total winter ski season income loss was about \$256,000, \$179,000 to homeowners and \$77,000 to the Park Plaza.

When the forgivable Paycheck Protection Loan program was announced, Matt Szmyd was nearly first in line. By this time we had an empty building and employees that needed financial support. Park Plaza also badly needed financial support for future operations. Park Plaza applied for, and received, a forgivable Paycheck Protection Loan of \$209,000. These funds permitted Park Plaza to remain within budget, and to maintain the staff's salaries during the shutdown.

Instead of the normal two-week shutdown after ski season, Park Plaza had 5 weeks which were used to complete maintenance projects including remodeling of the 3rd floor condominium guest bathrooms, roof replacement, waste pipe replacement, interior painting and cleaning projects. Most of our housekeeping staff was given paid time off from 3/21 to 4/27.



At re-opening Park Plaza implemented new health protocols consistent with Eagle County Health Orders. *In addition, the building purchased Ozone disinfectant machines and utilizes them between guest stays in all units.* New "health" protocols are explained to guests, posted as signs in the common areas and are given as handouts at check-in. For the summer, our continental breakfast has been suspended.

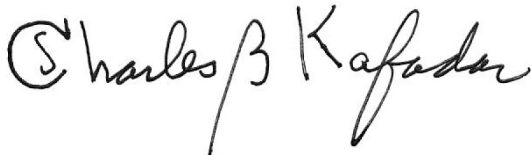
To date we understand that no guest or staff member contracted Covid19 at the Park Plaza. One staff member (housekeeping) contracted Covid19 outside of Park Plaza during the shutdown and recovered without difficulty.

We recognize that our owners were detrimentally affected in various ways. In addition to homeowners who lost ski weeks or rental income in March, other owners were unable to use April/May float time. The St. James has "reimbursed" their homeowners with extra float time weeks. Unfortunately for Park Plaza, all float time weeks are "claimed" by owners, so it is not possible to give extra float time weeks to affected owners without "taking" weeks from others. Instead, Julie and Matt have been working to accommodate homeowners on a case-by-case basis as possible.

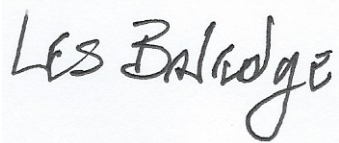
Finally, Park Plaza's finances remain sound. New major noncritical capital projects will be delayed until conditions begin to return to normal. The pool/outdoor spa renovations remain in planning. We're also pleased to report that all three elevators have been fully operational during this year.

Park Plaza greatly appreciates the understanding and support received from many owners. Please relay questions or comments to any of us.

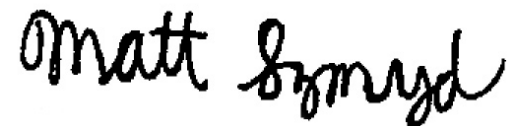
Sincerely,



Charles Kafadar, President & Board Member



Les Baledge, Board Member



Matt Szmyd, COO & Property Manager

