



To All Eagle's Nest Owners, from the Boardroom

Your Eagle's Nest Board of Directors has spent many hours and has had numerous lengthy discussions concerning the resort's Tower and villa unit renovation project over the last several years. All Board Members and the management team have been instrumental and intricately involved with this project. Input from you, our Owners, has been extremely helpful and many of your suggestions have been incorporated in model unit 107. We sincerely thank all Owners who have taken the time to provide us with valued input. It is truly appreciated.

Under the coordination of Karins Engineering and with input from several of your Board Members, five qualified contractors submitted bids for this major project and two were extensively interviewed. One highly qualified contractor was deemed to be the best for the unit renovation project, based upon numerous criteria. On March 14, the Board, at its 9:00 a.m. meeting, chose Gates Construction to complete the renovation. They will begin the first phase of the project (39 additional Tower units in stacks 04 through 07) on August 19, 2011. That phase is to be completed by October 14, 2011. The second phase, to complete the Tower units in stacks 01 through 03, will start in the spring of 2012. Also, in December 2011, one villa unit will be established as a model, with the second villa model unit to be done in the spring of 2012. Current plans are for the villa project to be completed in the spring of 2013.

The important priorities for this project are as follows: 1) the integrity of the building infrastructure must be enhanced (notably plumbing and electric) and brought to current building and fire code standards; 2) the utility and safety of the completed units must conform to today's lifestyle of the ownership base; and, 3) overall enhanced cosmetic features.

With these points in mind, and with the cost information now available, your Board has resolved a ONE TIME Special Assessment of **\$395.00** per unit-week, which is due on May 31, 2011. Standard late fees and interest will apply if payment is not received by July 15, 2011.

This Special Assessment must be used as follows: renovation of the bathrooms, living and dining rooms, bedrooms, kitchen and laundry room. This includes, but is not limited to plumbing, electric, flooring, cabinetry, lighting and replacement of designated doors and specified articles of furniture and furnishings for each Tower unit. Specifics of this project are on file with the Resort Manager and are available for review.

The Board and management certainly appreciate the ideas expressed by those Owners who took the time to do so. The desire of all was to provide a product that is sound, practical, attractive and cost-efficient for all to enjoy each week in the sun and on the beach at Eagle's Nest.

Cordially,

Robert Kelsey - President
Wayne Gruber - Vice President
Fred Bathon - Treasurer
Sharon Bohrer - Director
Thomas Cockerell - Director