



March 5, 2007

Dear Steamboat Grand Owners,

As you are aware the Association recently took a vote to amend the condominium documents, specifically the Declaration, Article V, Section 5.1, allowing quarter share owners to subdivide their units into eighth shares. The Declaration required sixty-seven percent (67%) approval from the Association members in order for the vote to pass plus quorum. Although voter turnout was very high (72% returned ballots) and, thus, quorum was met on this vote, only 24.6% were in favor and 52% were against amending the governing documents. Therefore, the amendment to the Declaration failed.

As a result of the vote, quarter share owners are not permitted to subdivide their units into eighth shares. Please note the two percentages do not equal 100% or even the 72%. This discrepancy is caused by the fact owner votes are weighted depending on the owner's square footage and percentage of ownership. Information on your percentage can be found in the Declaration of the condominium documents. If you have any questions regarding these voting results, please contact HOA Board of Directors or Owner Services.

Thank you,

Steamboat Grand Board of Directors