

THE WESTIN RIVERFRONT RESORT & SPA FREQUENTLY ASKED QUESTIONS

The Development Team

Q. Who is the developer?

A. An affiliate of prominent local developer, East West Partners (“EWP”) is the developer of the Hotel. EWP has been developing residential and mixed-use properties in the Vail/Beaver Creek area since 1986.

Q. What other properties has EWP developed in the Vail/Beaver Creek area?

A. East West Partners began with the Meadows, the Highlands, Greystone, and the Park Hyatt, all in Beaver Creek Resort. Other Beaver Creek properties have included Market Square (including the Vilar Center for the Arts and the Black Family Ice Rink), One Beaver Creek, Villa Montane and the Hyatt Mountain Lodge. Bachelor Gulch properties have included Bear Paw, Snow Cloud, Hummingbird Lodge and Horizon Pass. Beaver Creek Landing, at the base of Beaver Creek’s Chair 15, and Village Walk, near the Beaver Creek Chapel, are currently under construction.

Q. Where other than the Vail/Beaver Creek area is EWP undergoing real estate development activities?

A. Primarily in three other areas: Riverfront Park in Denver, Empire Pass in Deer Valley, Utah, and the Northstar ski area in Lake Tahoe, CA.

Riverfront Village

Q. What’s planned for Riverfront Village?

A. Riverfront Village will include the Westin Riverfront Resort & Spa (“the Hotel”), a high-speed gondola connecting the site to Beaver Creek Landing, a public riverfront park (which includes a bike path and designated river access points) a public plaza and additional real estate, as described below.

Q. Other than the Hotel, what other real estate is planned for the Village?

- A. Starwood Vacation Ownership has signed a letter of intent to build and sell the equivalent of about 110 to 115 Westin-branded, two-bedroom vacation ownership units on both sides of the Hotel. Also, EWP is planning to develop about 100 to 110 whole-ownership condominiums and townhomes on the western portion of the site. This is the current plan for Riverfront Village, but it is subject to change, and purchasers are advised to consult the Planned Unit Development documentation for Riverfront Village to determine permissible uses and densities.

The Gondola

Q. Where are the Gondola terminals?

- A. The Gondola's bottom terminal is to be located on the southwest corner of the public plaza at Riverfront Village, next to the Hotel. The top terminal will be at Beaver Creek Landing, adjacent to the 9th tee of Beaver Creek golf course and next to the bottom terminal of Chair 15. (Chair 15 extends into the Bachelor Gulch area of Beaver Creek Mountain.)

Q. What kind of Gondola is it?

- A. The Gondola is a state-of-the-art, high-speed, detachable Doppelmayr CTEC gondola, with eight person cabins.

Q. Who will construct and own the Gondola?

- A. There are existing metropolitan districts ("Districts") for the site (established under a dual-district structure). One of these districts, the Confluence Metropolitan District ("CMD") will construct and own the Gondola as well as other infrastructure and landscaping. Vail Resorts has been hired to manage the construction of the Gondola on behalf of CMD.

Q. Who will operate the Gondola?

- A. CMD is responsible for operation of the Gondola. CMD has entered into an agreement with Vail Resorts, operator of Beaver Creek ski area, to operate the Gondola. The Districts will reimburse Vail Resorts for its direct operating costs, plus certain management fees.

Q. When will the Gondola run?

- A. Current plans anticipate that the Gondola will be operated starting no later than Dec. 20th and ending no earlier than Apr. 1st, beginning no later than the 2008/2009 ski season. During the Gondola's operating season, the hours of

operation are anticipated to roughly coincide with the hours of operation of other lifts at Beaver Creek.

Riverfront Park

Q. What's the "Riverfront Park"?

- A. The riverfront park is a linear park along the Eagle River that runs the entire length of Riverfront Village. It is anticipated that the park will be left largely in its natural state, but dedicated river access points and gathering spots will be created along the banks. In addition, the existing path along the river will be widened, repaved and enhanced with bollard lighting.

Q. Is the Park open to the public?

- A. Yes, EWP is deeding the park area to the Town of Avon, and the park will be preserved as recreational open space through a deed restriction?

Q. Will kayakers, rafters and fishermen have access from the Site to the river?

- A. A primary river access point for kayakers and rafters to put-in and take-out will be created. Fishermen will be able to access the river at several locations long the Site.

Q. How does this relate to the Town of Avon's River Enhancement Project?

- A. The Town is in the planning stages of a potential project to improve kayaking and fishing along the Eagle River. Some of these river enhancements may occur in the stretch of river along Riverfront Village.

The Westin Riverfront Resort & Spa

Q. Where is the Westin Riverfront Resort & Spa ("the Hotel") located?

- A. The Hotel is the "centerpiece" of Riverfront Village. It's adjacent to the Gondola and public plaza and is close to the Eagle River.

Q. Are there real estate ownership opportunities within the Hotel?

- A. Yes. The Hotel is a condominium Hotel with 122 Studio Suites and 88 Residences – all of which are to be sold to individual owners. Owners receive hotel services and can take advantage of the available recreational amenities.
- Q. Does a condominium hotel “feel” like a hotel?**
- A. The Hotel will have typical amenities of a Westin resort hotel, including a reception desk, bellmen, available valet parking, concierge services, lobby, ski valet, restaurant, room service, spa, and fitness facilities. A typical guest in the Hotel would not know that the hotel is a “condominium hotel” because the facility has typical hotel services, typical hotel amenities and is operated as a traditional full-service hotel.
- Q. Who are the Hotel’s designers and general contractor?**
- A. The design architect is Hornberger + Worstell, based in San Francisco, CA. Hornberger + Worstell are well-known hospitality designers whose past projects include the Park Hyatt Beaver Creek Resort & Spa. The architect of record is OZ Architecture located in Boulder, CO. OZ is well-known for producing high-quality working drawings. The interior designer is the highly respected architecture and design firm, Skidmore, Owings and Merrill. The general contractor is GE Johnson – a well-reputed, large-scale contractor who has been doing business in the Vail Valley for about 20 years.

About Westin

- Q. What is the scope and extent of Westin’s involvement in the project?**
- A. EWP has entered into an agreement with Westin License Company for a Westin Franchised hotel. The actual day to day operations of the available Hotel rental program will be managed by East West Resorts, an affiliate of East West Partners, under guidelines and Brand Standards established by Westin. An owner can also rent through a third party or not at all.
- Q. What does a Westin franchise mean?**
- A. It means that the developer has the rights to use the Westin name, as well as the Westin reservation systems, channels of distribution, and so on. In return, Westin receives a license fee, marketing fees, reservations fees, Starwood Preferred Guest fees, and other fees and expenses.
- Q. Are there other requirements?**
- A. Yes. Westin has stringent architectural and construction standards, design and operating standards. That means the rooms and condominiums, common areas,

grounds and so on have to be built, maintained and operated to Westin Standards. Westin requires that the developer (as the licensee) maintain control of certain common areas as well so that the common areas are maintained at Westin standards.

Q. What are some examples of Westin Standards?

- A. Good examples include the “Heavenly Bed”, “Heavenly Shower”, “Westin Sensory Welcome Experience” and “Westin Kids Club”.

Q. Can Westin change their Standards?

- A. Yes, and they often do. That means that improvements will need to be made as standards change.
- Q. How does the Westin brand compare to other hotel brands?**

- A. Smith Travel Research rates Westin as “Upper-Upscale”, which we generally think of as equivalent to a AAA “4 diamond” property. It would be in a similar class as Hilton, JW Marriott, Loews, and Hyatt Regency/Grand Hyatt brands. As a comparison, Four Seasons, Ritz Carlton and St. Regis would generally be considered “5 diamond”.

Q. Who owns the Westin brand? Do they have other brands?

- A. Starwood Hotels & Resorts (“Starwood”) owns and controls the Westin brand. Starwood also has Sheraton Four Points, Sheraton, St. Regis, the Luxury Collection and the W brands. Westin is considered to fit nicely between the Sheraton (generally “3 diamond”) and St. Regis (generally “5 diamond”) within their system.

Q. What other benefits are there from Starwood?

- A. Starwood has developed the Starwood Preferred Guest (“SPG”) loyalty program where those guests receive benefits from staying at Starwood properties. We believe the Westin brand will bring new visitors to the Vail/Beaver Creek area.

Q. How long is the Westin Franchise Agreement? Could it be cancelled? Is it renewable after the end of the initial term?

- A. The franchise agreement is for 20 years. It could be cancelled by either Westin or EWP in the event of an uncured breach or default by either party. There is no renewal provision at the end of the 20-year term, so this agreement would have to be renegotiated at that time. Alternatively, upon termination or expiration of the franchise agreement, a different Hotel brand could be selected as long as it is comparable in quality to Westin. The Hotel could also operate with no brand at

all as long as it maintained a similar standard. This choice would be made by East West Partners or its successor as owner of the Hotel Unit.

Q. Will the Hotel operate 365 days per year?

- A. The Hotel will likely be available for owner's use 365 days per year. The Hotel may or may not operate 365 days per year for use by outside guests. The Westin license agreement allows the licensee to close the Hotel for up to 5 weeks in spring and up to 4 weeks in the fall.

Q. Do individual owners have any rights to the Westin name?

- A. No. An East West Partners development entity (Riverfront Village Hotel, LLC) is the licensee.

Restaurant and Bar

Q. Will the restaurant/bar be operated by the Hotel manager?

- A. EWP has entered into a Letter of Intent with Savory LLC to form a joint venture to own and operate the restaurant, bar and café/market/deli. Savory LLC is managed by Thomas Salamunovich – owner and operator of Vail's Larkspur Restaurant.

Q. Where is the restaurant/bar?

- A. The restaurant/bar is to be located on the Southwest wing of the Hotel. It has excellent views to Beaver Creek and is close to the Eagle River. It also has a very nice deck for outdoor dining and après ski.

Q. Will there be live entertainment?

- A. The food concept and programming for the restaurant and bar are still in process.

Q. Will the restaurant/bar be open to the general public?

- A. Yes.

Q. What other food and beverage facilities will there be?

- A. We expect to have a café/market/deli located on the gondola plaza, within the hotel building. The facility may serve coffee, as well as other informal breakfast, lunch and snack items, and may sell various and sundry items.

Spa and Fitness Facility

Q. What is the spa and fitness facility comprised of?

- A. The facility, in total, is planned to be about 20,000 square feet. The fitness area is about 7,000 square feet with cardio, free weights, movement studio and fitness locker/changing rooms. Current plans call for a 3,700 sq. ft. wellness center. The balance of the space is comprised of approximately 14 treatment rooms, spa locker rooms, spa lounges, spa retail, salon, circulation and other spaces. The outdoor pool deck will feature a 25 meter lap pool and three hot tubs overlooking the river.

Q. Who will operate the spa?

- A. East West Resorts, the operator of the Allegría Spa at the Park Hyatt Beaver Creek.

Q. Will owners have to pay to use the facility?

- A. Through payment of association assessments, owners will be granted access to the fitness facilities, hotel pool, hot tubs and if built, a pool at the time share project. Owners may purchase spa treatments and spa services, and certain fitness facility services (e.g. personal training and classes) on an individual basis.

Q. Will the Spa be open to the general public?

- A. Yes the public will be able to purchase spa treatments on an individual fee basis.

Q. Will the Fitness Facility, Pool and Hot Tubs be open to the general public?

- A. All owners and guests within Riverfront Village will have access to these amenities while in residence. In addition, current plans call for the sale of fitness memberships to the general public.

Ski Valet Facility

Q. What is the ski valet?

- A. The ski valet is an amenity that allows owners and guests to store their skis, poles, ski boots and snowboards in a convenient location right next to the Gondola, while in residence. This allows owners to minimize the hassle of lugging cumbersome equipment around the property. Boots will be heated while stored and ski tuning services will be available on a fee for service basis.

Q. Who can use the ski valet?

- A. The ski valet is an amenity intended to serve owners and guests of Riverfront Village, while in residence. This service is included in Owners' Master Association dues.

Q. Is the facility also intended for long-term storage?

- A. No, it's sized only to meet the needs of residents and guests while in-residence. Long-term ski equipment storage may be available within each building at Riverfront Village, including the Hotel building.

Q. Will the facility have summer uses?

- A. Yes, it may be used for bicycles, golf clubs, fishing equipment and other recreational equipment, subject to availability and size restrictions.

Lobby & Other Hotel Amenities

Q. What is in the Hotel Lobby?

- A. The hotel lobby is oriented directly at Beaver Creek Mountain. The lobby features entry and arrival space, check-in and three distinct seating areas: a library with large fireplace; a double story view room; and a cocktail lounge.

Q. What is in the Westin Kids Club?

- A. At the far eastern wing of the lobby a dedicated facility for kids will be created. This fee-for-use facility will offer a variety of programs and activities for children.

Q. Is there a Business Center?

A. Yes, the eastern end of the lobby will feature a limited-service business center with computer work stations, fax and copy machine.

Westin Vacation Ownership

Q. What is planned for the Westin Vacation Ownership components of Riverfront Village?

A. About 110 to 115 two-bedroom units are currently planned. The likely configuration is for all units to be two-bedroom units with lock-off's. Current plans call for the vacation ownership buildings to be constructed and sold by Starwood Vacation Ownership ("SVO").

Q. How will the Vacation Ownership units be sold?

A. Generally as week-long intervals, in two-bedroom and one-bedroom configurations.

Q. Will the Vacation Ownership owners and guests share Hotel Amenities and Services?

A. Yes. Sharing amenities and services allows for greater operational efficiency. In addition, this structure will result in a more lively and active Hotel atmosphere.

Q. What are some examples of the shared amenities and services?

A. Vacation Ownership owners and guests will check in at the Hotel's reception. They will also be entitled to use the Hotel's lobby, concierge, luggage storage, fitness facility and pools, the ski valet facility and other miscellaneous Hotel amenities.

Q. Do hotel unit owners or guests receive any preference over the timeshare owners for the spa, fitness facilities, and other hotel facilities?

A. No. They have equal rights.

Q. Will SVO build any Amenities?

A. Yes, current plans call for a second pool on the Timeshare East site that would be available only to in-residence Vacation Ownership owners and in-residence

owners and guests of the Hotel. If built, this pool would be constructed as part of SVO's eastern vacation-ownership building.

Q. Since the Vacation Ownership owners and guests have the right to use Hotel Amenities, will they participate in the operating and capital costs of these amenities?

A. Yes, through the Master Association. These costs will be incorporated into that budget.

Homeowners' Associations

Q. Will I be required to be a member of a Home Owners Association?

A. Yes, you as an Owner at Westin Riverfront Resort & Spa will be a member of the Riverfront Resort & Spa Owners' Association. In addition you will be a member of the Riverfront Village Master Association – to which all Owners at Riverfront Village will belong.

Q. What are the functions and responsibilities of the Associations

A. The Riverfront Resort & Spa Association will be responsible for the administration, and operation of the Hotel property in accordance with the Hotel Maintenance Standard and will include:

- Exterior maintenance
- Certain common area maintenance and cleaning
- Certain utilities and facilities serving same
- Certain landscaping
- Insurance
- General and administrative
- Establish replacement reserves

The Association will employ East West Resorts to manage the Association.

The primary function of the Master Association will be to facilitate owners' use and enjoyment of the services and amenities that are within the "Shared Easements". The Shared Easements include:

- The Hotel entry drive, porte-cochere, lobby, and front desk.
- The underground parking garage and drive lanes

- The recreational facilities including the Hotel pool and hot tubs, fitness area, locker rooms, and the ski valet/storage
- If built, the vacation club recreation facilities (swimming pool) will be available to the residential owners in the Hotel
- Certain hotel services, including check-in, concierge and bell service.

The Shared Easements will be owned and operated by the owner/operator of the Hotel and will be subject to easements benefiting various classes of owners as described in the Master Declaration. The Master Association will also have other duties and responsibilities as defined in the Master Declaration including maintenance of common areas, if any, trash service, and establishing general rules and regulations.

Owners will pay for the costs associated with the Shared Easements and other Master Association costs through Owner assessments. The Association will employ East West Resorts to manage the Association.

Q. What is my assurance that the Shared Easement amenities will always be available?

A. An affiliate of East West Partners will own and operate the Shared Easements pursuant to the Master Declaration. The use of these facilities by Owners at Riverfront Resort & Spa will be granted through non-exclusive easements known as "Shared Easements" in the Master Declaration. Some of the facilities will also be available to other property owners within Riverfront Village. Certain portions of the recreational facilities will also be available to the general public. The facilities could be sold to a third party at a future date but with an obligation to continue operation of the facilities. If operation of the facilities is ever discontinued, the owner of the facilities would be required to transfer them to the Master Association at no cost. These facilities and services comprising Shared Easements are not common areas owned by any Association, or common elements of any of the condominiums comprising Riverfront Village.

Q. How will I be assessed for the Associations costs?

A. For the Riverfront Resort and Spa Association, each unit shall be allocated an assessment equal to the square footage of a Unit as a percentage of the aggregate square footage of all Units in Riverfront Resort & Spa. Certain facilities may only be applicable to certain classes in which case the percentage would be adjusted accordingly. For the costs associated with the Riverfront Village Master Association and the Shared Easements, each Unit shall be allocated an assessment equal to the actual or equivalent number of bedrooms comprising the Unit as a percentage of the total aggregate number of such bedrooms within Riverfront Village, then multiplied by an adjustment factor. The adjustment factor is to equalize for the amount of projected usage of the facilities by the various classes.

Parking

Q. Does each unit come with assigned stalls?

A. No, the Hotel parking garage is a shared-use garage that serves Hotel guests and residents as well as the commercial space tenants, and the general public who visit Riverfront Village to enjoy the restaurant, shopping or other amenities.

Q. Is parking while in residence free?

A. The cost of operating the parking facility is included in Owners' association assessments, so there is no charge for self parking while in residence. There may be an additional expense if you wish to valet park your vehicle, and valet may be mandatory during certain times of the year. The revenue from the parking facility offsets the cost of the parking garage, so the owners benefit from the parking revenue.

Q. How many cars can owners bring?

A. Owners will be entitled to bring one car while in residence. However, management may make efforts to accommodate owner's special needs if parking is available in the building. During times when additional cars cannot be accommodated, owners' excess cars may park in the garage by paying a parking fee.

Q. Can owners leave a car in the garage for an extended time period?

A. Owners may park in the garage only when in-residence.

Q. If an owner has guests visit, where do they park?

A. In the parking facility. There may be additional charges.

Please consult and rely upon the actual documentation, including the Riverfront Resort & Spa Association and Riverfront Village Master Association for complete discussion of these items. If there is conflict between this information and the actual documents, the actual documents prevail. This information is subject to change at the sole discretion of Riverfront Village Hotel, LLC, and East West Resorts, LLC