

MINUTES OF
BOARD OF DIRECTORS' MEETING OF
FIRST WESTWIND AT VAIL LCONDOMINIUMS ASSOCIATION, INC.

July 25, 2002

The meeting of the Board of Directors of First Westwind at Vail Condominiums Association, Inc., a Colorado corporation, was held by teleconference on Thursday, the 25th day of July 2002, at 5 p.m., C.D.T., pursuant to notice to all Directors.

Board members present by teleconference were Jim Beedie, Sol Gordon, Walter Yeates, and Jim Zetler.

Association President Jim Beedie acted as Chairman of the meeting and Association Secretary Jim Zetler acted as Secretary. Mr. Beedie called the meeting to order and determined a quorum was present and the meeting competent to proceed.

Jim Beedie reviewed the agenda, which had been e-mailed to all members of the Board. The only item on the agenda was the selection of a management company. For the purposes of organizing the discussion, the following points were agreed upon:

- 1) Choice is between Destination Resorts Management, Inc. and Vail Management Co., Inc.
- 2) The cost of operating the Association and the building will be essentially the same for both companies and the goal will be to negotiate a contract with the option of termination at the end of the first year if performance isn't satisfactory.

MINUTES OF MEETING
BOARD OF DIRECTORS
OF FIRST WESTWIND AT VAIL
CONDOMINIUMS ASSOCIATION, INC.
JULY 25, 2002
PAGE 2

- 3) The pros and cons of each company will be discussed as to the effect they would have on operation of the building and the Association and on communications with the Board and owners.
- 4) Similar discussions but regarding the short-term rental operations.

In depth discussion was then held with each Board member inputting their opinions on the management proposals. As a result of these discussions, it was the Board's determination that Vail Management would be better qualified to fulfill the Association's requirements.

Jim Beedie advised that he had extensive discussions concerning Vail Management and Destination Resorts with Chuck Wachendorfer prior to the meeting, and Chuck believed it was appropriate to make the change to Vail Management at this time.

Jim Beedie moved Jim Zetler seconded the motion to begin immediate negotiations with Vail Management to develop an acceptable contract, to notify Destination Resorts Management of our intention on Tuesday, July 30, and to have a transition team in place by the first of September to oversee the change. Motion passed by unanimous vote.

Jim Beedie then requested that the ownership be divided up among the Board members present and each member be contacted by telephone to

MINUTES OF MEETING
BOARD OF DIRECTORS
OF FIRST WESTWIND AT VAIL
CONDOMINIUMS ASSOCIATION, INC.
JULY 25, 2002
PAGE 3

be updated on the status of the management situation and the Board's intentions.

Being no further business to be brought before the Board, Jim Zetler moved to adjourn the meeting at 6:35 p.m., C.D.T.

Jim Zetler, Secretary

APPROVED:

Jim Beedie, Chairman