

Dear Granby Ranch Homeowners:

This has been a great year at Granby Ranch! New development is underway, the road repairs are complete, the resort is under new management, further investment has been made in the ski hill, the Rocky Mountain Music Series just completed its second season, and the Granby Ranch Conservancy, Inc. (the "GRC") is on a strong financial footing.

- As of October 1, there have been 52 housing starts, 12 remodeling projects and 100 home sales in 2022. This is important, as the GRC collects a 1% transfer fee on all sales, which amount is then used to fund community outreach, community and homeowner events, recycling and more. So far this year that has amounted to \$463,000.
- The Granby Ranch developer signed an agreement with the Town of Granby to fix the roads. Repairs were contractually obligated to be completed by October 2024, but with a herculean effort on the part of the Town, Granby Sanitation, and various local Grand County contractors, the work has been completed almost a year early.
- Granby Ranch is very excited to announce Roxanne Hoover as the new resort manager. Roxanne has been with Granby Ranch for 6 years and has over 28 years of ski industry experience. The entire senior management team boasts over 140 years of combined ski industry experience, and we are proud to have them leading us into the future.
- The Rocky Mountain Music Series just completed its second season and was a big hit. Attendance was up from last year and the events were enjoyed by many homeowners and their guests.
- The GRC has never been on such sound footing: it currently has \$2,233,028 in the bank. The Proposed Budget for 2023 is summarized below and attached.
- New for the 2022/2023 ski season, Granby Ranch is excited to announce a technology upgrade with the installation of a new RFID lift access system. Automated gates enable you to keep your re-loadable RFID pass in your pocket and streamlines the lift access process.

The Proposed Budget for 2023: The GRC Board is confident that the Proposed Budget for 2023 continues the community on a positive path forward and positions Granby Ranch for sustained success. With advisement from the Homeowner Budget Committee, the GRC Board prepared and approved the attached Proposed Budget for 2023. There are only a few notable changes to the budget, a summary of which is below:

- The Common Residential Assessment (7.4) went from \$216.70 to \$221.28. This is a very minimal increase driven by the increase in the cost of the Road Operations and Maintenance.
- The Full Benefit Homeowner cost increased approximately 8% from \$1,960 for fiscal year 2022 to \$2,140 for fiscal year 2023. The 2023 Proposed Benefits Package still provides an over 60% discount from retail value – see below for more details. The Full Benefit Homeowner cost increase is driven by a variety of factors:
 - Insurance to run the resort went up about 14%.
 - Payroll (for the same employee base) is projected to increase by more than \$300,000 for the upcoming season. This is an unprecedented hiring season for the ski industry, with Vail and Alterra taking their entry level wage to \$20/hour. Granby Ranch could not afford to keep the doors open if we had to do that, but we must raise wages

significantly. It's going to be extremely hard to fully staff our mountain if we do not raise wages.


- Keeping up with other ski communities: Vail (<https://www.denverpost.com/2022/03/21/epic-pass-price-increase-2022-2023/>) and Alterra have raised their season pass rates between 7%-8%.

The Proposed Budget for 2023 will be presented to the homeowners at the Annual Meeting next month, at which time the homeowners will have an opportunity to veto the Proposed Budget for 2023. Under the GRC Bylaws, if a majority of all GRC Owners reject the Proposed Budget for 2023, the Proposed Budget for 2023 would then revert to the prior year's approved budget (i.e., the 2022 Approved Budget). If the Proposed Budget for 2023 is rejected, the 2022 Approved Budget provides what fees would be collected and allocates how GRC could spend those fees in 2023. It goes without saying that the world looks a lot different this year and the benefit providers do not have the ability (and are not obligated) to provide the 2023 Proposed Benefits Package benefits at the 2022 Benefits Package price. Therefore, if the Proposed Budget for 2023 is vetoed by a majority of all GRC Owners, then the amenity providers may elect to offer fewer benefits or elect not to enter into a contract at all with GRC, in which case the homeowners would need to purchase the benefits à la carte.

The 2023 Proposed Benefits Package: As we all know, access to the many amenities at Granby Ranch, at a substantial discount, is a significant value enhancement to residential property values at Granby Ranch. When prospective buyers come to our community, the availability of high-quality amenities is a major factor in their buying decisions, and in the value our properties command. The preservation and enhancement of these amenities plays a key role in the continued growth of property values at Granby Ranch.

The 2023 Proposed Benefits Package includes a number of benefits for Full Benefit Homeowners at an over 60% discount from retail value. See below for the savings:

| Proposed Benefits | Retail Value | Number per Household | Total Retail Value |
|--|--------------|----------------------|--------------------|
| Adult Ski Pass | \$499.00 | 2 | \$998.00 |
| Child Ski Pass | \$339.00 | 2 | \$678.00 |
| Fast Rider | \$239.00 | 4 | \$956.00 |
| Adult Nordic Trail Pass | \$145.00 | 2 | \$290.00 |
| Child Nordic Trail Pass | \$64.00 | 2 | \$128.00 |
| Adult All-Mountain & Lift Access (Summer) | \$279.00 | 2 | \$558.00 |
| Child All-Mountain & Lift Access (Summer) | \$164.00 | 2 | \$328.00 |
| Golf Rounds | \$115.00 | 12 | \$1,380.00 |
| Season Driving Range Pass | \$315.00 | Family Pass | \$315.00 |
| Total Annual Retail Value per Household | | | \$5,631.00 |
| Total Annual Proposed Benefits Package Cost per Household | | | \$2,140.00* |



***This is an over 60% discount from retail value.**

The 2023 GRC Homeowner Proposed Benefits and the types of GRC homeowners are described in more detail in the enclosures.

The GRC Board is excited for the year ahead! We'll see you on the slopes.

Sincerely,

Granby Ranch Conservancy, Inc.

Enclosures

2023 GRC Homeowner Types

- **Full Benefit Homeowner (“FBH”) and Full Benefit Homeowner Add-On (“FBHA”)**
 - 2 adults and 2 dependents of age 6 to 26, plus any dependent children aged 5-and-under may be designated as FBHs for each property paying the Use and Consumption Fee, as follows:
 - One adult must be the primary designee and **must be on the deed*** to the eligible property.
 - The primary designee may designate a second adult beneficiary (the secondary designee) who is a spouse, significant other, or other immediate relative within one generation up or down as an FBH.
 - All FBHAs age 5-and-under will also be designated as FBHs.
 - FBHA definition: Additional dependents, adult children, parents, or grandchildren of the primary designee or the secondary designee – as well as other owners appearing on the deed who have paid the add-on-fee, and their dependents, parents, and grandchildren, will be classified as Full Benefit Homeowner Add-Ons.
 - FBHAs will have FBH designation by paying \$250 on an annual basis, for a qualified dependent age 6 through 26, and \$550 for a qualified adult (the “Additional FBH Fee”).
- **Limited Benefit Homeowner (“LBH”)**
 - All owners of property in GRC not paying the Use and Consumption Fee, and their dependents of age 26-and-under, enjoy the privileges of LBHs.
- LBHs will be entitled to Category 1 benefits listed below. FBHs will be entitled to Category 1 and Category 2 benefits listed below. FBHAs will also be entitled to Category 2 benefits by paying the Additional FBH Fee.

*For those properties co-owned by multiple families or owned in corporate partnerships, please contact the GRC directly for eligibility information.

2023 GRC Homeowner Proposed Benefits

- **Category 1 Benefits (FBH, FBHA, and LBH):**
 - Access Trail Pass for mountain biking, Nordic skiing, and hiking, subject to rules and regulations, seasonal closures, and similar restrictions.
 - Access to fishing through the available fishing program and outfitter.
 - Recycling services, as offered by the operator.
- **Category 2 Benefits (FBH and FBHA [with Additional FBH Fee]):**
 - Full access to Ranch Hall, Ranch Hall Pool, and designated parking during hours of operation, including homeowner events, as may be offered.
 - **Ski Benefits**
 - Season ski pass and summer all mountain trail and lift pass.
 - Each ski pass includes three (3) days at Ski Cooper in Leadville, for the 2022/2023 ski season. Show your Granby Ranch pass at the Ski Cooper ticket window to obtain lift tickets.
 - Fast Rider Program pass.
 - Nordic Trail pass.
 - **Ski Discounts (available only to FBHs)**
 - 50% off window price of five (5) one-day winter lift tickets. Maximum of five (5) per season, per household. Primary and secondary designee must redeem at ticket window.
 - 10% discount at all ski rental and demo ski outlets.
 - 10% discount on all ski & ride school lessons (group or private).
 - 10% discount at all retail establishments.
 - **Golf Benefits**
 - Twelve complimentary 18-hole rounds of golf with cart.
 - Complimentary access to the golf range when open.
 - **Food and Beverage Discounts**
 - 10% discount on all food and beverage at the Granby Ranch restaurants (not to include already-discounted Happy Hour pricing).
 - **Homeowners Lounge at 8350 Privileges**
 - Includes access to 8350 Lounge from 8AM to 3PM during winter season operations. Date and event related restrictions may apply.
 - **Winter Season Locker Rental (offered to homeowners only)**
 - \$699 for December 9, 2022 – April 2, 2023.
 - Winter season locker rentals are purchased at Ranch Hall only.
 - Lockers are accessible daily from 8AM to 6PM.
 - **Short Term Renter Privileges**
 - Access privileges for short term rental tenants of FBH to the Ranch Hall Fitness Center, Pool, and Hot Tub, subject to fees, rules, and restrictions.