

Seth Williams
Managing Member
Beaver Creek Golf Resort LLC
Via Email: sethsedona@msn.com

Dear Mr. Williams;

It's been over one year since we've started negotiations with you on the purchase of the Ranch House and Beaver Creek golf course by the Coalition. The volunteer Board of Directors of the Beaver Creek Community Development Corporation representing the Ranch House Coalition has spent over 3000 hours in attempts to make this deal happen. In the past year, we have managed to achieve several milestones to ensure the success of the project – regrettably with no agreed upon purchase contract in hand and near exhausted patience.

Among the many milestones the Coalition has achieved:

- Commitments and/or deposits from local residents and interested parties as members of a limited liability company investing over \$200,000.00 for the down payment;
- Establishment of a Lake Montezuma Beautification Fund by LMPOA for its membership contribution to the annual maintenance of the golf course grounds.
- Establishment of the Ranch House Restaurant Coalition membership and Beaver Creek Community Golf Course membership supporting the general renovation and operating funds for the restaurant and the golf course.
- Pledged donations of numerous volunteer hours and materials valued at over \$100,000.00 for property restoration.
- Commitments and efforts from members of our State legislative bodies, the Arizona Department of Commerce and the Northern Arizona Council of Governments to assist in obtaining grants for restoration, preservation and sustainability of the property and the Lake Montezuma area.
- Arrangements with the National Bank of Arizona Rimrock for deposits and guarantee loans for its purchase transaction and operating cash flow.
- Contact and confidence from several residents and potential residents awaiting indications whether or not they should invest in their homes or future homes in Beaver Creek communities and subdivisions, dependent on the fate of the golf course.
- Commitments from seasoned professionals from Phoenix to Flagstaff to consult and guide the restoration, operations and management of the restaurant, golf/recreational facilities, the irrigation easements and infrastructure.
- Organized three major fundraising events by community organizations and clubs contributing to the restoration of the property.
- Assurance from Yavapai County of their guidance in establishing an Improvement District to transition the property from Beaver Creek Community Development Corporation ownership to the public ownership of a taxing district.
- Expenditure of nearly \$20,000.00 in attorney fees to develop a purchase structure that protects the community and supports the property's transition from private to public domain.

These commitments and efforts have been made in the community's best interest and in good faith by the Coalition with conscious determination to achieve four main objectives.

1. To reverse the area's blighted condition created by the deteriorated land and buildings in order to stabilize the area's property values.
2. To reverse the economic downward spiral of Beaver Creek resulting from its loss of tax revenue, jobs and the customer base of the 2nd largest employer in Beaver Creek's local economy.
3. To restore the Ranch House Restaurant to profitability as a historic landmark and support community economic values.
4. And to restore the golf course property as a self-sustaining environmental and community friendly recreational facility.

It is our opinion that these objectives outweigh the self-interest and profits (or losses) you plan to gain. In light of the gross lack of reputable private ownership and investment over the past 8 years, the primary intent of the Coalition's petitioning to Beaver Creek Golf Resort LLC was to allow community stewardship for this historic landmark and placement in the public domain. Due to present economic conditions and the deteriorated state of the property, it is doubtful that any one developer or entity operating for private gain and profit will be able to achieve success in turning the property around and restoring Lake Montezuma as a viable community it once enjoyed.

As many eyes are watching, it is time to conclude the contract agreement and make good on all the commitments, assurances and arrangements made to the Coalition. If we are unable to achieve this within the next week, the Coalition will have no other choice than to refund the investment dollars to the stakeholders, release the public resources availed to them and align with public and private entities seeking to recoup the losses.

The decision is yours to make by choosing to be part of the solution or the problem.

Sincerely;

Kala Pearson – President
Beaver Creek Community
Development Corporation

Janet Aniol - President
Lake Montezuma
Property Owners Association

Cc: Paul Crane,
Attorney for Beaver Creek Golf Resort LLC

Rob & Pam Schabatka
Member - Beaver Creek Golf Resort LLC

Golden Goose/ Silver Spoon LLC
Member - Beaver Creek Golf Resort LLC

Tony S. Cullum
Attorney for Beaver Creek Community Development Corporation

Walter Miller, C.P.A.
Managing Member – RHC Community Development LLC

Chip Davis
District 3 Supervisor – Yavapai County