

Owners Town Hall Lodging/Hotel and Property Management Alternatives

February 4, 2026



This document is meant to be reviewed with the accompanying oral commentary. Without the accompanying oral commentary, readers may not obtain a complete understanding of the material in this document.

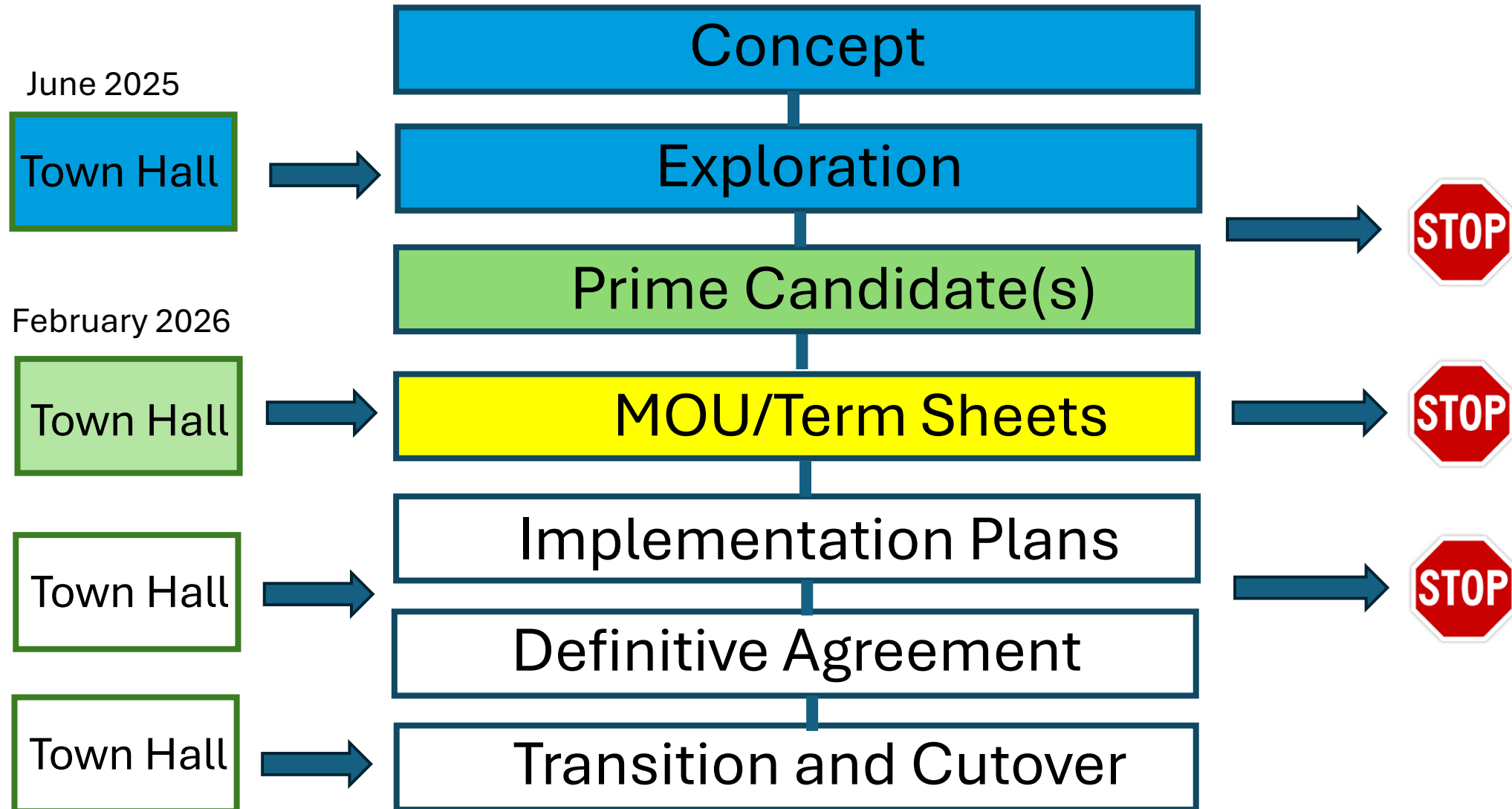
Pro-forma's and other estimated numbers in this document are the result of data and analysis of information provided from hotel/lodging/resort industry sources and available information. Information about the Palisades Tahoe Hospitality Lodging/Rental Management Program are from First Ascent and 22 Station Owners.

Town Hall Objective

At previous Town Halls, Hotel/Rental Management Companies have informed Owners of possible hotel/rental management agent alternatives. This Town Hall will provide the estimated financial impact to individual Owners and all Owners collectively of lodging/hotel and property management options alternatives available to Owners and the Associations. After reviewing this information, do the Owners request:

- The Board to have further discussions with Lodging/Hotel and Property Management Companies about their services and possible engagement and share the findings with Owners
- Or are the Owners satisfied with maintaining the status quo, and the Board shall take no further action on this topic unless Owners request otherwise?

Process to Determine the Right Lodging/Hotel Management Company



Agenda

- Summary and Recap of Prior Town Halls
- Lodging/Hotel and Property Management Company (“HMC”) Proposals
 - Scope of Services
 - Allocation of Unit Rental Revenue to an Owner
 - Allocation of Lodging/Hotel Revenue/Profits to All Owners Collectively – the Associations
 - Comparison to Status Quo and Potential Financial Impact
- Potential Next Steps and Continue or Stop Decision

Summary and Recap of Prior Town Halls

Currently, Palisades Tahoe Hospitality (PTH) Provides Hotel/Rental Management and Collects and Allocates Revenue and Profit

- Palisades Tahoe Hospitality (PTH) is an affiliate of Palisades Tahoe Resort which is a subsidiary of Alterra Mountain Company
- **While** PTH contracts with individual Owners for Hotel/Rental Management
- **PTH does NOT have a Hotel/Rental Management contract with 22 Station or First Ascent**, although 22 Station and First Ascent, separately, have property management contracts with PTH
- PTH uses and operates its hotel/rental management business in the Common Areas of Buildings 1 -5 **INDEPENDENT** of the HOA's and manages individual Units as per the individual Owner contracts.
- Palisades Tahoe Resort owns the “Palisades Tahoe” and “Village at Palisades Tahoe” trademarks and the “Eagle and Mountain” icon logo design mark.
- The Associations – PVNC, 22 Station, and/or First Ascent– own the parking spaces in P1 and the Miwa key system and have terminable usage parking and key license contracts with PTH with compensation, ~ \$350,000 and \$10,000 annually, respectively.



With the “Village at Palisades Tahoe” Specific Plan, What Are the Future Plans for Our Hotel Property?

- How does PTH plan to compete before and after Alterra/Palisades Tahoe constructs new hotels across the street.
 - Value Proposition and Brand Positioning – What is the Village at Palisades Tahoe Hotel brand?
 - Marketing and Demand Generation
 - Quality of Amenities
 - Service Levels
 - Customer Experience
 - Pricing
- What are the PTH plans for improvements to the 22 Station and First Ascent Resort Property?
- Will PTH re-invest profits back into First Ascent and 22 Station Village at Palisades Tahoe Lodge/Hotel property to fund these improvements? Or is the sole source Residential Owner Assessments?
- Will the “Village at Palisades Tahoe” brand be exclusive to PVNC, First Ascent, and 22 Station Properties when the “New Village” and hotel properties are built? Or Shared?

Summary and Recap of Prior Town Halls – Revenue Management, Operations, and Customer Service Capabilities

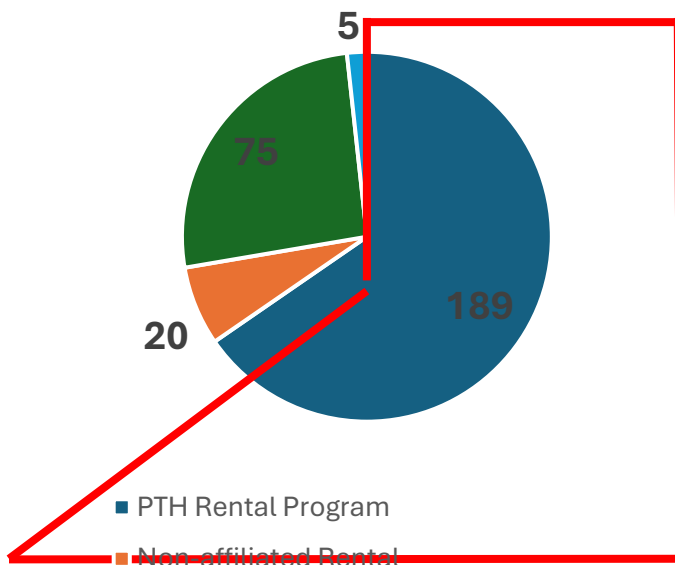
	Branded HMC's	Independent HMC's	AMC/PTH
Companies	Hyatt, Hilton, and Marriot	CoralTree, East West, and Springboard	Alterra Mountain Company and Palisades Tahoe Hospitality
Capabilities	Brand, Scale, Experience, Focus and Core Competency	Scale, Experience, Focus and Core Competency and may partner for Brand	<ul style="list-style-type: none"> • Ski Resort(s) is core business • Affiliation with Ski Resort • Experience with Property • Incumbent and Status Quo
Contractual Relationship	<ul style="list-style-type: none"> • Contract with Individual Residential Unit Owners • Contract with HOA's directly as Management Agent 	<ul style="list-style-type: none"> • Contract with Individual Residential Unit Owners • Contract with HOA's directly as Management Agent 	<ul style="list-style-type: none"> • Contract with Individual Residential Unit Owners • No Contract with HOA's. Operating independently on the property with HOA assets at HOA expense

Current Allocation of PTH-Village at Palisades Tahoe Lodge/Hotel Annual Revenue and Profits

PTH - Village at Palisades Tahoe Lodge/Hotel



Village Residential Units



50-65% of Individual Unit Rental Revenue

Nearly 100% of Profits From Remaining Revenue



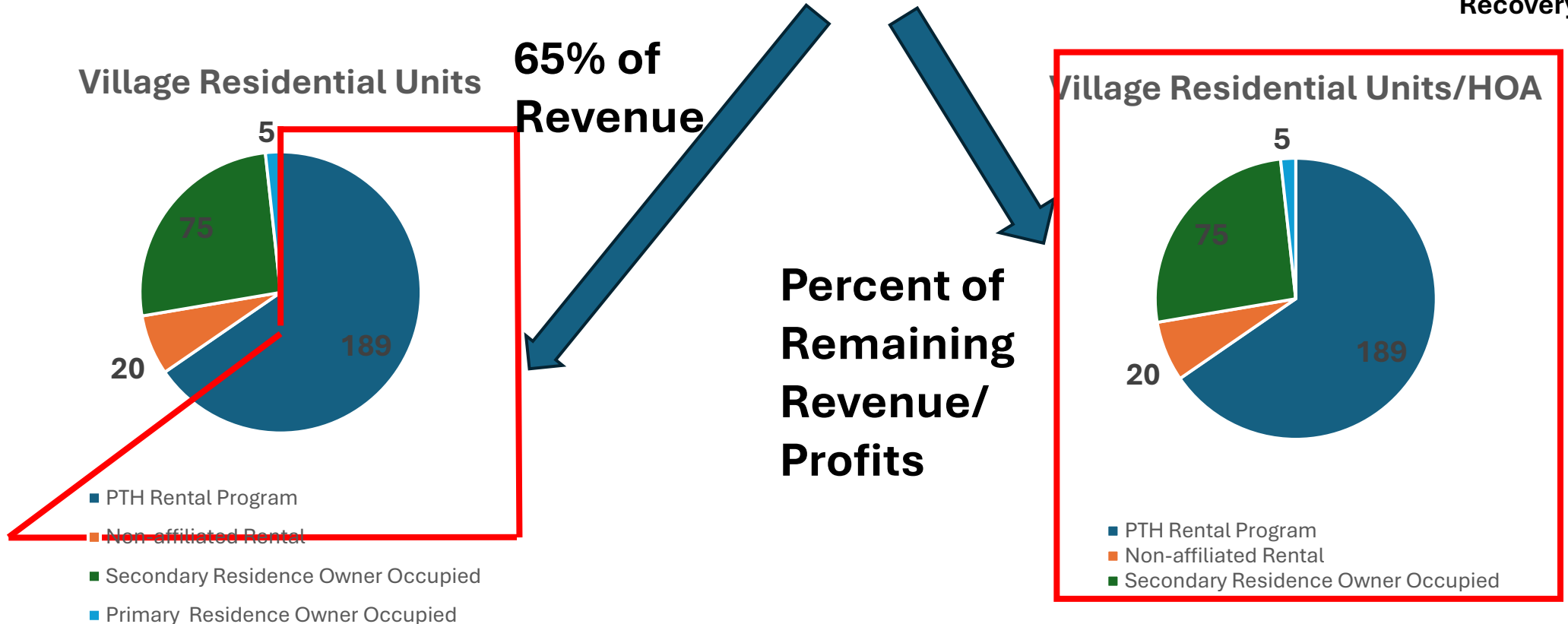
**PALISADES
TAHOE**

Potential Allocation of 22 Station/First Ascent Owned Resort Revenue and Profits


HOA's/Owners of The Resort Property


Major Branded/Independent Mngmt Co.

- Contract with HOA/Owners
- Compensation is Percent of Revenue and Cost Recovery



Lodging/Hotel and Property
Management Company (“HMC”)
Proposals

HMC's MOU/Term Sheets Scope

	Scope	Independent HMC's		AMC/PTH	
		For Each Participating Unit Owner	For Property Owner (HOA)	For Each Participating Unit Owner	For Property Owner (HOA)
Lodging/Hotel Management	Brand		●		○
	Lodging/Hotel Revenue: Room Occupancy , Yield, Other Revenue	●	●	●	○
	Lodging/Hotel Operations and Customer Service: Effective and Cost Efficient for Profitability	●	●	●	○
HOA Property Management	HOA Administration		●		●
	HOA Financial Administration		●		◐
	HOA Property Management – Infrastructure (PP&E) and Common Areas		●		●

Customary Lodging/Hotel Sources of Revenue

Revenue Line	Description	Comments
Gross Room Rental (GRR)	Occupancy x Room Rate	
Net Room Rental	GRR less Payments to Channels -- Estimated to be about \$11 million	Typical Channels are Online Travel Agents (OTA's), Travel Agents, Global Distribution Systems (GDS), hotel brands, and Wholesalers
Miscellaneous Revenue	<ul style="list-style-type: none"> Resort Fee Guest Room Liability Insurance 	Estimated to be about \$1,375,000
Food and Beverage (F&B)	Not Included	May Establish Arrangements With Village Restaurants
Work Orders for Individual Units	Maintenance and Housekeeping of Units	<ul style="list-style-type: none"> Obligatory or On-Demand for Units in and not in Rental Program, respectively Estimated to be about \$1,000,000
Parking	Parking in P1 – Estimate is Potential Annual Parking Revenue is \$700,000	Recently, AMC/PTR pays PVNC roughly \$350,000 annually to park vehicles in P1
Other (EV Charging, Telecom, Internet...)	Not Included.	Previously, AMC/PTR collected Revenue for Internet Access from All Owners and still collects Telecom Revenue from Owners under contract

Net Room Revenue: Cost of Gross Room Revenue and Effective Occupancy and Yield Management

Illustrative Estimates	HMC Estimates*		AMC/PTH		
	Channel	Additional Cost % of Revenue	Mix %	Cost % of Revenue	Mix %
	Direct - Call Center	0	30%		
	Direct - Website	0	30%		
	Vacation Rental Channels -- VRBO	6%	12%		
	OTA -- Expedia, Bookings	16%	18%		
	GDS Travel Agent	10%	5%		
	Group	0	5%		
	Brand (e.g., Hyatt)	5-10%	0%		
	Net	4.1%			

*Note: Based on HMC's experience with similar properties. Actual numbers will vary.

Annual Proforma HMC Assumptions-- Revenue

- Net Room Rental Revenue = \$11,000,000
- Resort Fee = \$1.1 million
- Other Guest Fees = \$275,000
- Revenue from Owners for Work Orders = \$1,000,000
- Food and Beverage = \$0
- Parking = \$700,000
 - Associations receive about \$350,000 from current Hotel Manager
 - Associations assessing new arrangements with or without current Hotel Manager

Participating Unit Owner Allocation of Operating Revenue

Terms	All HMC's	AMC/PTH
Operating Revenue <ul style="list-style-type: none"> • Net Room Rental • Resort Fee and Guest Fees • Group • Revenue From Services for Units • Parking 	<ul style="list-style-type: none"> • \$11,000,000 • \$1,375,000 • • \$1,000,000 • \$700,000 	<ul style="list-style-type: none"> • • • • •
Percent Allocation of Operating Revenue <ul style="list-style-type: none"> • Net Room Rental • Resort Fee and Guest Fees • Group • Revenue From Services for Units • Parking 	<ul style="list-style-type: none"> • 65% • 0% • 0% • 0% • 0% 	<ul style="list-style-type: none"> • 50-65% • 0% • 0% • 0% • 0%
Total Allocation to Individual Owners - \$\$	\$7,150,000	?
Estimated Average Per Participating Unit Owner *	\$37,830	?

Estimates

Estimates

*Note: 65% Allocation applied to all Participating Units. \$ Amount of the Allocation of Operating Revenue for each Participating Residential Unit Owner may vary based on Rates, Availability, and Demand of the Specific Unit.

Allocation of Remaining Operating Revenue to 22 Station/FA/PVNC

Estimates

Terms	HMC X	HMC Y	HMC Z	AMC/PTH
Operating Revenue <ul style="list-style-type: none"> • Net Room Rental • Resort Fee and Guest Fees • Group • Revenue From Services for Units • Parking 	<ul style="list-style-type: none"> • \$11,000,000 • \$1,375,000 • \$1,000,000 • \$700,000 	<ul style="list-style-type: none"> • \$11,000,000 • \$1,375,000 • \$1,000,000 • \$700,000 	<ul style="list-style-type: none"> • \$11,000,000 • \$1,375,000 • \$1,000,000 • \$700,000 	<ul style="list-style-type: none"> • • • • \$350,000
Percent Allocation of Operating Revenue <ul style="list-style-type: none"> • Net Room Rental • Resort Fee and Guest Fees • Group • Revenue From Services for Units • Parking 	<ul style="list-style-type: none"> • 2% • 0% • 0% • 0% • 100% 	<ul style="list-style-type: none"> • 3% • 0% • 0% • 0% • 100% 	<ul style="list-style-type: none"> • 97% • 100% • 0% • 100% • 100% 	<ul style="list-style-type: none"> • 0% • 0% • 0% • 0% • 100%
Amount of Allocation to FA/22 Station/PVNC -- \$\$ <ul style="list-style-type: none"> • Net Room Rental • Resort Fee and Guest Fees • Group • Revenue From Services for Units • Parking 	<ul style="list-style-type: none"> • \$220,000 • 0 • 0 • 0 • \$700,000 	<ul style="list-style-type: none"> • \$330,000 • 0 • 0 • 0 • \$700,000 	<ul style="list-style-type: none"> • \$10,670,000 • \$1,375,000 • 0 • \$1,000,000 • \$700,000 	<ul style="list-style-type: none"> • 0 • 0 • 0 • 0 • \$350,000

Additional Fees for HOA Property Management

Scope	HMC X	HMC Y	HMC Z	AMC/PTH
<ul style="list-style-type: none"> HOA Administrative Support only. Property Management included as part of Hotel Management 	<ul style="list-style-type: none"> \$200,000 			
<ul style="list-style-type: none"> HOA Administrative Support and Property Management (Common Areas and Infrastructure) 		<ul style="list-style-type: none"> \$850,000 	<ul style="list-style-type: none"> \$0 	<ul style="list-style-type: none"> \$720,000

Comparison of 22 Station/FA Net Annual Cash Flow with HMC's vs AMC/PTH

Estimates

Terms	HMC X	HMC Y	HMC Z	AMC/PTH
Inflow				
Net Room Revenue			\$11,000,000	
Resort and Guest Fees			\$1,375,000	
Services From Units			\$1,000,000	
Allocation to Associations	\$220,000	330,000		
Total Inflow	\$220,000	\$330,000	\$13,375,000	
Outflow				
Hotel Operating Expense	\$0	\$0	\$5,900,000	\$0
Management Agent Fee			\$330,000	
HOA and Property Management	\$200,000	\$850,000		\$720,000
Allocations to Individual Homeowners	65% Direct	65% Direct	\$7,150,000	
Total Outflow	\$200,000	\$850,000	\$13,380,000	\$720,000
Net Inflow/Outflow	\$20,000	(\$520,000)	(\$5,000)	(\$720,000)
Differential from AMC/PTH	740,000	\$200,000	\$715,000	
Parking	\$700,000	\$700,000	\$700,000	\$350,000
Differential with Parking	\$1,090,000	\$550,000	\$1,065,000	

Comparison of 22 Station/FA and Private Owner Management of 22 Station/FA Property

Estimates

Pro-forma P&L	Associations	Private Owner Today
Operating Revenue <ul style="list-style-type: none"> • Net Room Rental • Resort Fee and Guest Fees • Group • Revenue From Services for Units • HOA Support and Property Management Fees from HOA's 	<ul style="list-style-type: none"> • \$11,000,000 • \$1,375,000 • \$1,000,000 • 0 	<ul style="list-style-type: none"> • 11,000,000 • \$1,375,000 • \$1,000,000 • \$720,000
Total Operating Revenue	\$13,375,000	\$14,095,000
Lodging/Hotel/Property Operating Expenses	\$5,900,000	\$5,900,000
Other Expenses and Allocations <ul style="list-style-type: none"> • 3% Fee to Management Agent • 65% of Net Room Rental to Individual Unit Owners* 	<ul style="list-style-type: none"> • \$330,000 • \$7,150,000 	<ul style="list-style-type: none"> • 0 • \$7,150,000*
Operating Profit After Allocations	(\$5,000)	\$1,045,000
Adjustments <ul style="list-style-type: none"> • No Associations Payments for HOA Property Mgt. • Customary Management Fee of 3% for Management Agent 	\$720,000	\$330,000
Net for All 22 Station/FA Owners	\$715,000	
Private Owner Profits		?+ \$715,000**

*AMC/PTH Allocates 50-65%

**Excludes Allocation to Owner Differential

Summary

- Capabilities We Seek
- Financially Accretive
- Many Execution Details Remain

Source	Ongoing Annual Impact
65% Allocation to Individual Homeowners vs 50-65%	?
“Lost” Cash Flow from Hotel Property	\$700,000
Parking Part II	\$350,000
Total	\$1,050,000+?
Per Owner	\$3,500+?

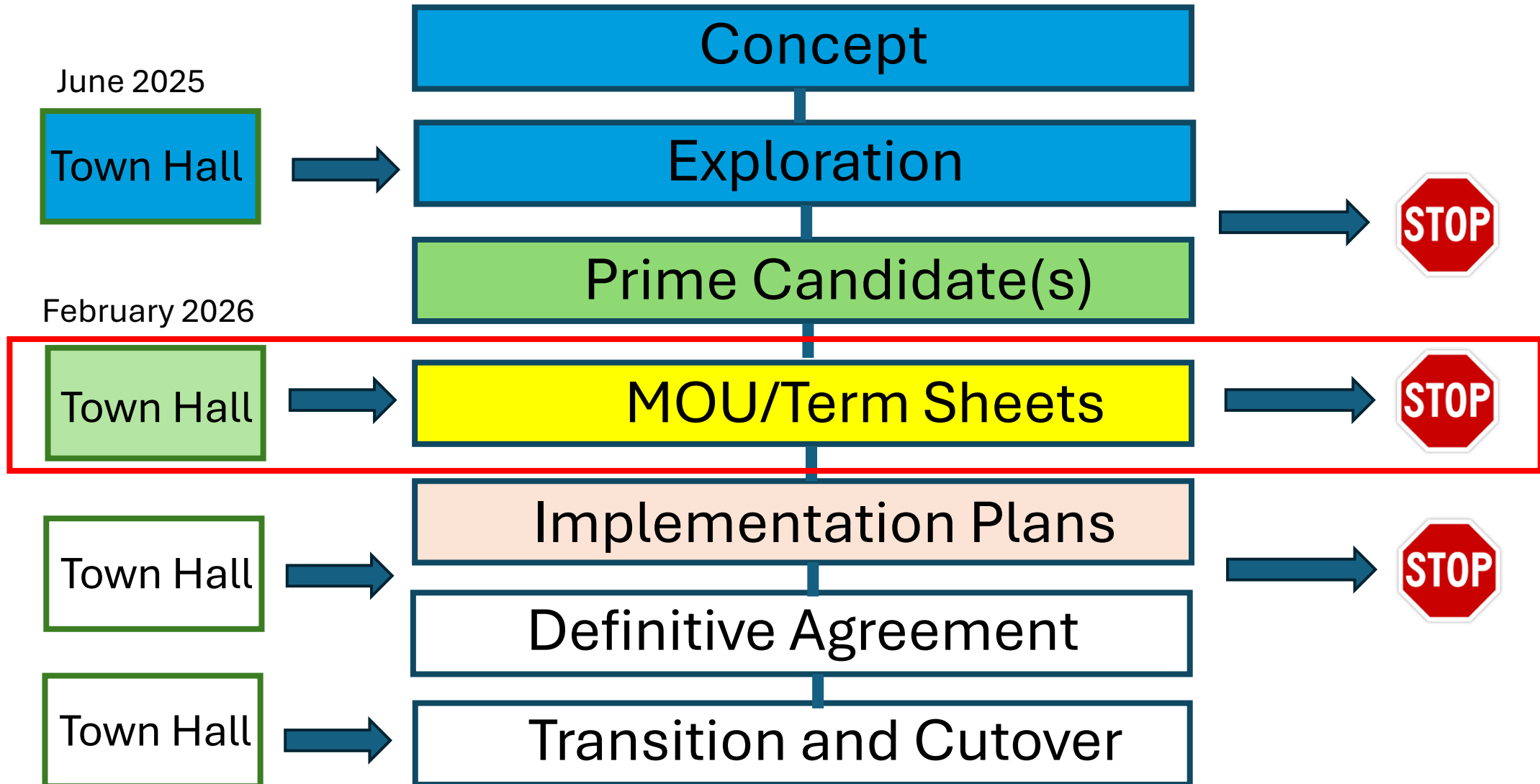
Estimates

Potential Next Steps and Continue or Stop Decision

Potential Next Steps

- Converge the Different Hotel Management Company Proposals
- With the Hotel Management Company (ies) Define and Further Detail Hotel Management Execution and the Financials
- Further Due Diligence of the Hotel Company (ies)
- Understand and Plan the Transition
 - Logistics
 - Labor and Services
 - Transfer of Responsibilities and Coordination with Incumbent
 - Branding
 - Time and Expense
- Hotel Company (ies) Provide a Comprehensive Pitch to Owners

Process to Determine the Right Lodging/Hotel Management Company



Comments and Questions