

# 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.

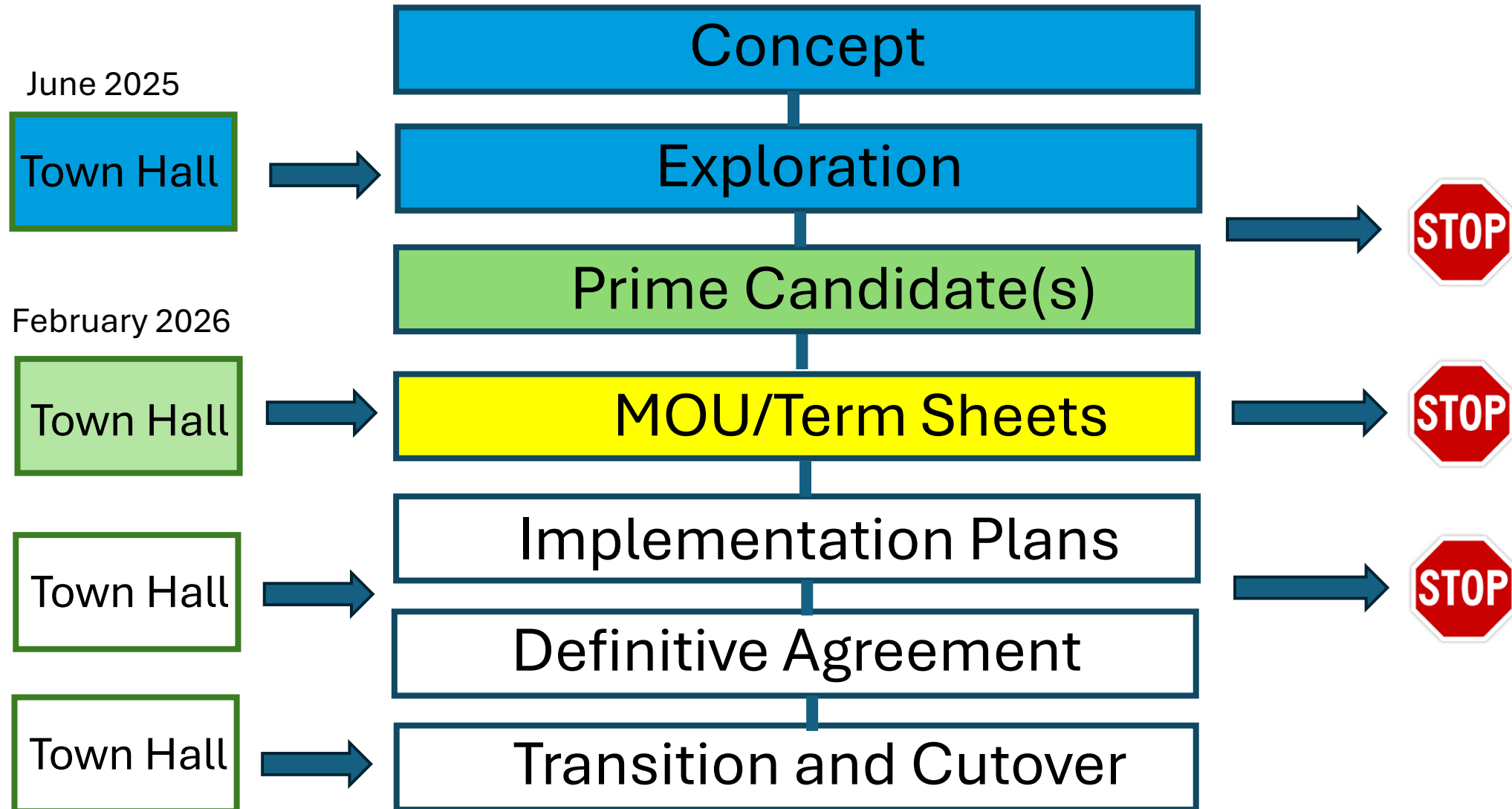
Pro-forma's and other estimated numbers in this document are the result of data and analysis of information provided from hotel/lodging/resort industry sources and available information. Information about the Palisades Tahoe Hospitality Lodging/Rental Management Program are from First Ascent and 22 Station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

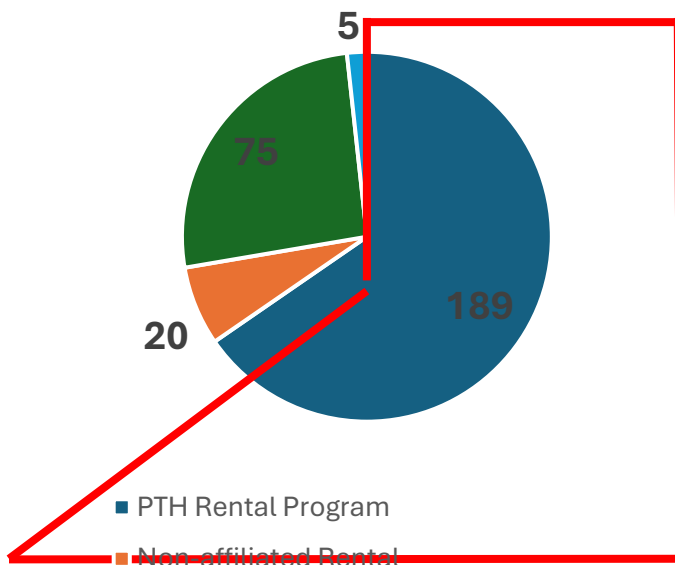
	Branded HMC's	Independent HMC's	AMC/PTH
<b>Companies</b>	Hyatt, Hilton, and Marriot	CoralTree, East West, and Springboard	Alterra Mountain Company and Palisades Tahoe Hospitality
<b>Capabilities</b>	Brand, Scale, Experience, Focus and Core Competency	Scale, Experience, Focus and Core Competency and may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

# 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



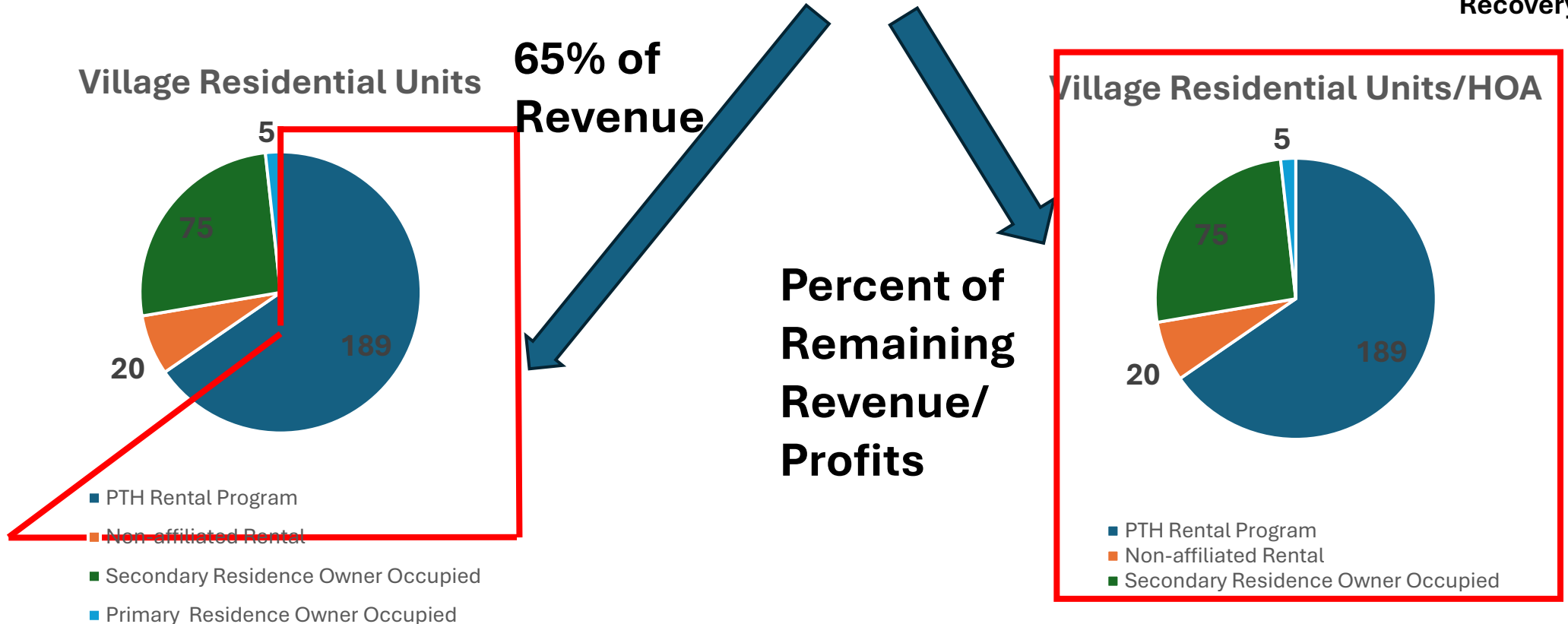
**PALISADES  
TAHOE**

# 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)
<b>Lodging/Hotel Management</b>	Brand		●		○
	Lodging/Hotel Revenue: Room Occupancy , Yield, Other Revenue	●	●	●	○
	Lodging/Hotel Operations and Customer Service: Effective and Cost Efficient for Profitability	●	●	●	○
<b>HOA Property Management</b>	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"> <li>Resort Fee</li> <li>Guest Room Liability Insurance</li> </ul>	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"> <li>Obligatory or On-Demand for Units in and not in Rental Program, respectively</li> <li>Estimated to be about \$1,000,000</li> </ul>
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%		
	<b>Net</b>	<b>4.1%</b>			

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

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

# Additional Fees for HOA Property Management

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

# 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
<b>Inflow</b>				
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		
<b>Total Inflow</b>	<b>\$220,000</b>	<b>\$330,000</b>	<b>\$13,375,000</b>	
<b>Outflow</b>				
Hotel Operating Expense	\$0	\$0	\$5,900,000	\$0
Management Agent Fee/Expenses	\$150,000		<b>\$330,000</b>	
HOA and Property Management	\$200,000	\$850,000		\$720,000
Allocations to Individual Homeowners	65% Direct	65% Direct	\$7,150,000	
<b>Total Outflow</b>	<b>\$350,000</b>	<b>\$850,000</b>	<b>\$13,380,000</b>	<b>\$720,000</b>
<b>Net Inflow/Outflow</b>	<b>(\$130,000)</b>	<b>(\$520,000)</b>	<b>(\$5,000)</b>	<b>(\$720,000)</b>
<b>Differential from AMC/PTH</b>	<b>590,000</b>	<b>\$200,000</b>	<b>\$715,000</b>	
<b>Parking</b>	\$700,000	\$700,000	\$700,000	\$350,000
<b>Differential with Parking</b>	<b>\$840,000</b>	<b>\$550,000</b>	<b>\$1,065,000</b>	

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

**Estimates**

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

\*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	\$600,000
Parking Part II	\$350,000
<b>Total</b>	<b>\$950,000+?</b>
<b>Per Owner</b>	<b>\$3,300+?</b>

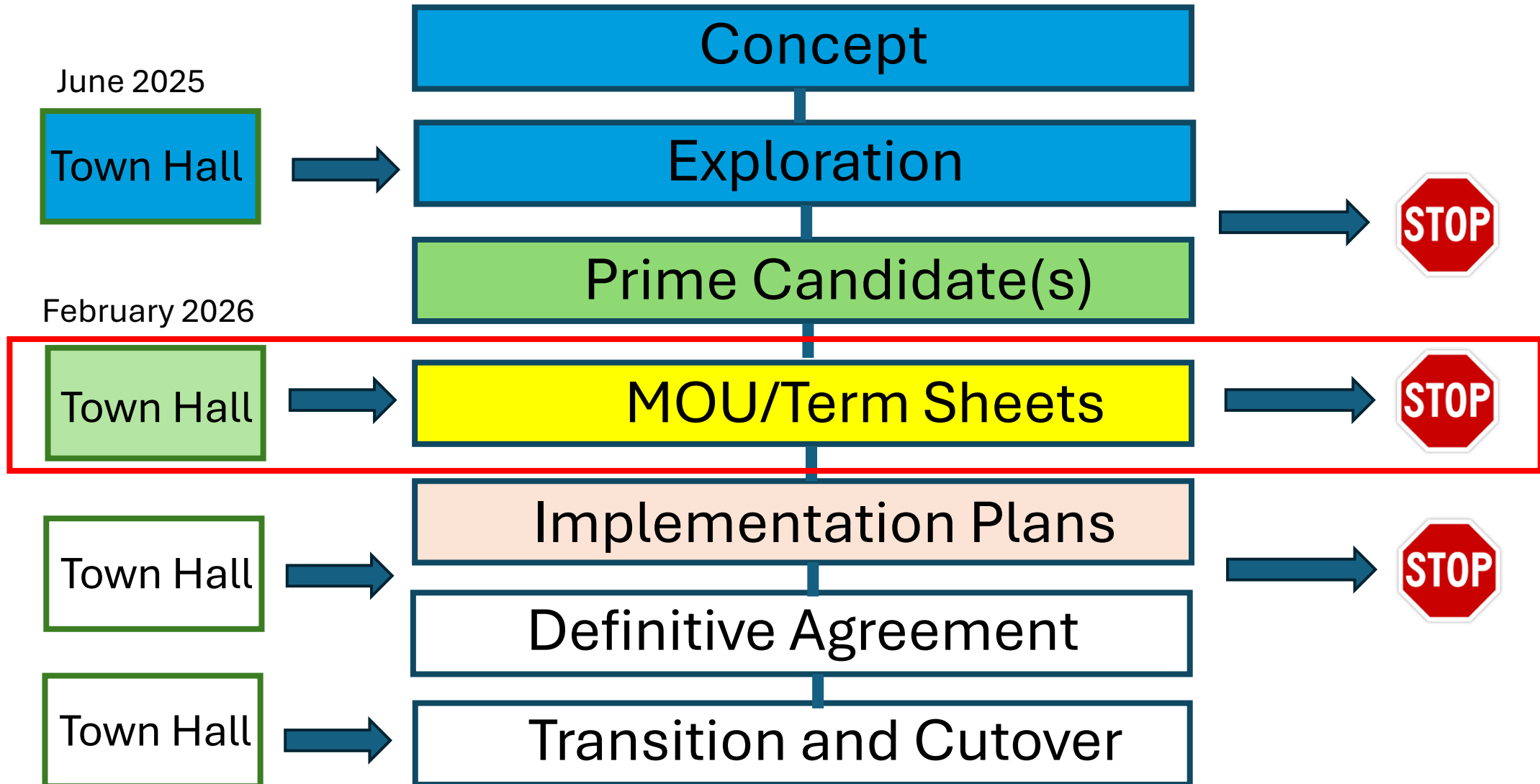
Estimates

# 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