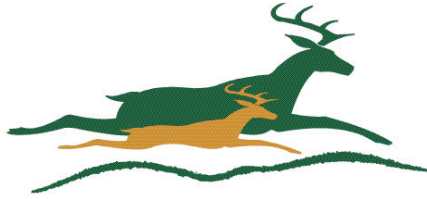


DEER CREST *News*

Summer 2002



Introduction to Deer Valley Lodging

Dear Deer Crest Homeowner:

Deer Valley Lodging has been selected by the Deer Crest Master Association ("Association") to be the property managers for the Deer Crest homeowners. We would like to take this opportunity to introduce our company and key staff members to you, and provide you with an update on the operations and activities at Deer Crest.

COMPANY

Deer Valley Lodging has been in business since 1981 and currently manages 14 homeowners associations and 500 rental properties in the Park City/Deer Valley area. Our parent company, Premier Resorts, is recognized as one of the leaders in the resort management industry, managing over 50 high-end resort properties and over 2,500 resort condominiums in Utah, Idaho, Colorado, Arizona, California, South Carolina and Hawaii.

As the Association's manager, we will be responsible for managing all common areas and facilities owned by the Association. This includes management and maintenance of the ski trails, roads, gatehouses, bike trails, open spaces, landscaping, and other infrastructure. This excludes the operation of the public ski runs, chair lifts, and gondola, which, as you may know, are operated by Deer Valley Resort.

In addition, we are responsible for the fiscal and administrative management of the Association. This includes budget preparation, dues collection, accounts payable, accounts receivable, financial statement preparation, organization and noticing of annual Association meetings, and communications with homeowners and vendors.

KEY STAFF MEMBERS

If you spent much time on the Deer Crest slopes this winter, you probably saw some of the operations staff on snowmobiles or skis, monitoring the snowmaking, and grooming the trails to give you a great day of skiing. Combined, they bring over 38 years of experience in snowmaking, grooming, trail maintenance, lift operations, ski patrol, ski instruction, and resort management to Deer Crest. We feel extremely fortunate to have these individuals as a part of the management team. (Please see Employee Profiles.)

continued...

Employee Profiles

Don Taylor, Operations Manager

Don was selected to be the Association's Operations Manager and started work in October of 2000. He has lived in Midway, Utah for many years, is married and has three children.

Don has 22 years of ski resort operations experience, 18 of which were at the Deer Valley Resort as the Ski Patrol Director. He created and managed the Deer Valley mountain biking operation, which was ranked as one of the top 5 in the Country, and annually hosted a NORBA National Race. His experience and familiarity with Deer Valley's management has been critical to the smooth integration of Deer Crest's and Deer Valley's operations.

Don's main interests are skiing, mountain biking, and raising his family.

Doug MacIsaac, Assistant Manager

Doug started working with the Master Association in August of 2001, filling the vacant position of Assistant Manager. He also has lived in Midway since the 1980's, is married and has two children.

Doug came to Deer Crest after working for nine years as the Operations and Maintenance Manager at the Utah Olympic Park. He also has 18 years of professional Ski Patrol experience, nine at Park City Mountain Resort.

Doug's main interests are skiing and all outdoor activities. He is proud of his accomplishment of being a three time Gelände Ski Jumping National Champion and two time World Gelände distance record holder.

Security Update

Exciting news for security here at Deer Crest with the completion of the Jordanelle Station. This location is visible from Highway 40 and has drastically enhanced the esthetics of the east entry portal and has also helped to complete the infrastructure of the development. Both stations (Queen Esther and Jordanelle) will contain state of the art digital cameras and recording equipment. Actually the PTZ (Pan Tilt Zoom) cameras are so new that this is the first place in the country that they will be used.

As you know we have changed the entry pass procedure that now allows the Homeowner or their property management company to issue entry passes into the development (this is what the four digit security code you gave us was for). This process will not change, just the passes will change from the windshield sticker to a magnetic strip or magnetic card that can be scanned while you are setting in your car and provide access into the development automatically (No more garage door openers or leaning out you car window to punch in a code). Just the thought of that alone is very exciting.

These access passes are re-usable and can be programmed for expiration dates and the time of day when they will work. The system will allow us to keep a log of all users and a video of license plate numbers and drivers. There will be a minimal charge for these passes. This system will have the capability to be updated and expanded to accommodate the new Rosewood Hotel that will be coming on line.



Maintenance Building

Introduction to Deer Valley Lodging

continued...

OPERATIONS UPDATE

The 2001-2002 ski season was the first where the Association's management team, maintenance staff, and private ski trails were fully operational. Following are some of the highlights:

- In mid November, our staff began snowmaking for the private ski trails.
- After hours of snowmaking and grooming, the private trails that access the gondola directly were opened on Dec. 8th.
- The private trails that start or end on the public runs were opened on Dec. 27th when Deer Valley opened Jordanelle.
- The ski trails were open every day till April 7th for the Association members' enjoyment.
- A state-of-the-art security system was designed for the Association's future use and construction started on the Jordanelle Guard House.
- The Maintenance Building plans were approved and the foundation was poured.
- The private ski trails were patrolled and maintained.
- The roads were plowed and salted to a high level.
- The second annual Association meeting was held Jan. 28th and operationally, we were significantly under budget for the past year.

We at Deer Valley Lodging are very excited to have this opportunity to serve as the manager for the Association. Our staff is committed to making Deer Crest one of the premier resort destinations in the country. We look forward to working with you during the coming year and would be interested in your ideas and input for future operations.

Best regards,

Kim D. McClelland
President

Ron Krieger
Vice Pres./General Mgr.

Don K. Taylor
Operations Mgr.

Enclosed is an information sheet listing key contacts. Please feel free to contact anyone on this list for assistance.



The Deer Crest Team

Employee Profiles

Mark Allen, Assistant Manager

Mark came to Deer Crest as Assistant Manager in November 2001, as the Master Association was taking over the responsibility of security and homeowner construction co-ordination. He also has lived in Midway for 11 years, having lived in Park City for 5 years prior. Mark has been married for 18 years and has three children.

Mark worked for 7 years at the Deer Valley resort, 5 of which as the Lift Operations Manager. He moved to Piper Impact for five years and then worked in construction co-ordination before coming to Deer Crest.

Mark is also a professional musician, playing guitar and singing in a Cowboy Band, and enjoys riding his classic 1961 Harley.

Adam Luther, Full Time Staff

Adam started to work for Deer Crest in the summer of 2001 as the full time Operations Crew. He also currently resides in Midway, Utah, is married, and looking forward to children in the future.

Adam has been in ski operations for 6 years at the Snowbird Resort. He has 4 years experience with environmental laboratory work, and has helped to manage his family run business.

Adam is an avid fly-fisherman and fly-fishing guide, and has traveled extensively throughout the United States.



Summer Concerts at Deer Valley Resort

DEER VALLEY RESORT

2002 SUMMER EVENTS SCHEDULE

June

- June 8 Pedalfest Mountain Biking Race
- June 22-23 Utah State Downhill Championship Series Mt. Bike Race
- June 28 Dan Fogelberg presented by United Concerts

July

- July 3 Utah Symphony Performance - It's a Grand old Flag
- July 13 Utah Symphony Performance with Marvin Hamlisch
- July 20 Utah Symphony Performance with Daniel Rodriguez
- July 20 Mountain Challenge Run
- July 27 Utah Symphony Performance - Bravo Broadway

August

- Aug. 3 Utah Symphony Performance with Michael Martin Murphy
- Aug. 3-4 Cadillac Park City Art Festival - Main Street
- Aug. 9 Jam Grass Bluegrass Festival presented by United Concerts
- Aug. 10 Utah Symphony Performance with Paul Winter Concert
- Aug. 11 Founders Title Bluegrass Festival
- Aug. 16, 18 Fidelity Investments International Jazz Festival
- Aug. 17 Utah Symphony Performance - Classical Favorites with Keith Lockhart
- Aug. 19-25 Uniting Fore Care Classic - Senior PGA Tour Park Meadows Golf Course
- Aug. 23 The Young Dubliners presented by United Concerts
- Aug. 24 Utah Symphony Performance - Tchaikovsky 1818 and the Utah Symphony Chorus
- Aug. 28 Melissa Ethridge presented by United Concerts
- Aug. 30 Bob Dylan presented by United Concerts

September

- Sept. 14-15 Utah State Downhill Championship Series Mt. Bike Race

Schedule Subject To Change Without Notice
Please Call 800-453-1360 for Calendar Update

Mailboxes

The mailboxes have been cleaned and are ready for use. We have changed the procedure for packages. Large packages that will not fit in your box will no longer be held at the Post Office. The Gate Attendants (currently Burns Security Guards) will be able to receive your packages and keep them secure until you or your property management can pick them up. This will require a signature and access code from the recipient. Small packages will be placed in the larger parcel boxes and the key to that box will be left in your box with a note that you have extra mail. Simply leave the key in the parcel box. We have had requests to switch boxes, but the post office will not allow us to do that due to their sequential filling system. Deer Crest is serviced through the Park City office, so we definitely have the Park City, Utah zip code of 84060.

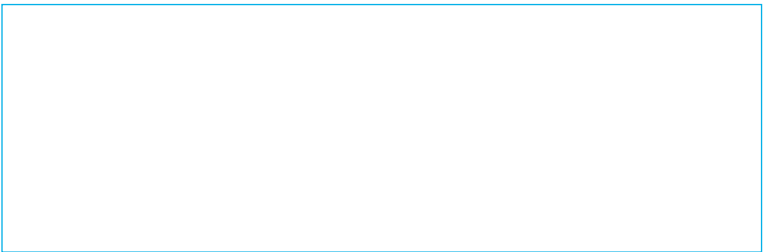
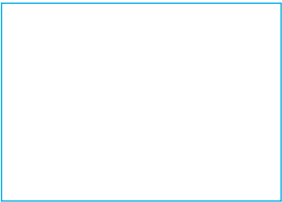
Board Member News

Board member Bob Sammons is in the process of selecting a committee of homeowners and an engineering firm to oversee the turnover of the Deer Crest project infrastructure and open spaces from the developer to the Deer Crest Master Association. This is a very large undertaking and money has been allocated in the budget to assure that the proper due diligence is done.



Deer Crest Development

Deer Crest
PO Box 3000
Park City, UT 84060



PREMIER RESORTS
where you belong



DEER CREST GENERAL DIRECTORY

Emergency (Gate House) 435-645-9872

HOMEOWNERS ASSOCIATION MANAGEMENT

(Manage, maintain & improve common area
homeowner property & issues)

Deer Crest Master Association

PO Box 2129 Park City, UT 84060

435-655-8822 office 435-645-9166 fax

Don Taylor (DVL/HOA) Operations Manager

dtaylor@deervalleylodging.com

435-640-3417 m 435-654-0912 h

Doug MacIsaac (DVL/HOA) Asst. Operations Manager

dmacisaac@deervalleylodging.com

435-640-4678 m 435-654-2086 h

Mark Allen (DVL/HOA) Asst. Operations Manager

mallen@deervalleylodging.com

435-640-4970 m 435-654-0070 h

GATEHOUSES

Queen Esther Gatehouse

Deer Valley Side - 24 hours

435-645-9872 / 435-649-7359 fax

Jordanelle Gatehouse

East Side

435-647-5961

DEER CREST ASSOCIATES

(Development issues, administrative, accounts payable,
central communications)

Gondola Office-off Hwy 40,

Mayflower Exit across from the Jordanelle Reservoir

PO Box 8888 Park City, UT 84060

435-655-8822 office

435-645-9166 fax

dcadmin@deercrest.com

Lynda Fetter - DC CEO / General Manager

lynda@deercrest.com 626-482-2222 m

Tim Langley - DC Consulting Project Manager

projmgr@deercrest.com 435-615-8484 h

Ophelia Hodgson - DC Office Manager

435-655-8213

DEER VALLEY LODGING

(Property Management)

1375 Deer Valley Drive

P.O. Box 3000 Park City, UT 84060

435-649-4040 Office 435-645-8419 Fax

800-782-4813 Toll Free

Kim McClelland - President

kmcclelland@premier-resorts.com

435-655-4820

Ron Krieger - Vice President / GM

rkrieger@deervalleylodging.com

435-655-4821

Don Mangum - HOA Accountant

dmangum@deervalleylodging.com

435-655-4826

MASTER ASSOCIATION ARCHITECTURAL DESIGN REVIEW

Rob Nielson - (Prospect)

Consulting Design Review

rob@prospectutah.com 801-631-1100 mobile

801-521-5057 Office

801-355-4048 Fax

DEER CREST PROPERTIES

(Real Estate & Marketing)

Main Street Sales Office

PO Box 8888

625 Main Street Park City, UT 84060

435-649-7170 Office 435-649-7270 Fax

888-317-8801 Toll Free

realty@deercrest.com

Suzanne Harris

Principal Broker, Director of Sales

435-640-1868

suzanne@deercrest.com

Little Baldy Sales Office

(Winter season on the mountain)

435-645-9340/435-645-9467

435-649-7351 Fax

Laura Asyeerne

Office Administrator/Trans. Coord.

801-372-4751 h/m