

PO BOX 160099 BIG SKY, MT 59716

December 12, 2011

Dear Spanish Peaks Club Owners,

The BOD concluded, after a comprehensive study, that it is in our best mutual interests to activate the radon mitigation system in all buildings both for potential health reasons and to maintain property values. Hammond Property Management, Inc. will coordinate the installation of the fans and homeowners will be directly billed for their pro-rata share, or roughly \$100.

As previously communicated, the geology in this part of Montana makes radon (a radioactive gas) prevalent. Earlier in the year, a radon test conducted in one unit reported a higher level than the standard level. Fortunately, each building was constructed with the necessary infrastructure for a vent pipe system which pulls radon from beneath the condo through embedded pipes and vents it to the outside (after the installation of an attic fan). As previously communicated, several affected units were retested after the fan was installed, and the radon level of such units has returned to a level below the standard level. With the efficacy of the system established, the BOD decided to activate the systems in all buildings as a prophylactic measure.

It should be noted that the fans are located in the attic space which is common space. Accordingly, the SPC HOA will be responsible for the maintenance of the radon mitigation system with regularly scheduled inspections such as are conducted on the fire suppression system.

Please let me know if you have questions.

Thank you.

Sincerely,

Brad Fretz SPC President 406-599-5117