



February 21, 2012

CORDILLERA

Dear Cordillera Members and Property Owners,

Please allow me to introduce myself. My name is Dr. Jeffrey L. Rush. I am a retired radiologist based in southern California, with offices in both Los Angeles and San Diego. I am, primarily, a real estate developer, having successfully developed many millions of square feet of commercial medical and office buildings. You will see that I have a long history of both developing, as well as investing in, high profile real estate projects. I am also an avid golfer and spend much of my summer at the Roaring Fork Club and at Mayacama. I have made many visits to the Club at Cordillera and believe it to be one of the most spectacular Club/Community complexes in the country.

Regarding Cordillera, it is important to make it clear to everyone up front that David Wilhelm and I have been and remain close friends. I consider David to be one of the most creative individuals in the golf and resort industry and a true visionary. Over the years, through one or more investment vehicles, I have made a number of significant investments in David Wilhelm's properties, including Cordillera. As a result of my investment in Cordillera, I am currently a limited partner in the Club. As such, I have not only an emotional attachment to Cordillera but also a financial stake in its future.

David and I have discussed at length the future of Cordillera and what is best for the Club and for David personally. After lengthy discussions and a great deal of soul searching, David Wilhelm has concluded (and I agree), that it is in the best interests of Cordillera, David, and all involved if he steps down as the Managing Member of Cordillera Golf Club and pursues other interests. While this may seem like a difficult decision for David, in reality it is not. In the end, David is passionate about Cordillera and simply wants what is best for him and the Club. Given the current situation at Cordillera, there is more than enough blame to go around and arm chair quarterbacking and finger pointing at this point is unproductive. Similar to politics, sometimes a change in leadership is necessary.

As a result, David has agreed to resign as the Managing Member of Cordillera Golf Club. A new management company is being created to assume the role of Managing Member of Cordillera Golf Club. I will control and own this new management company and, in effect, will be the Managing Member of the Club. David will not have any ownership interest, voting interest or decision making authority in the management company. We will also be restructuring David's equity interest in Cordillera. As most of you know, the Wilhelm family has made a substantial investment in Cordillera. It is not appropriate for David to walk away from this investment. Accordingly, as part of this restructure, David's investment in Cordillera Golf Club will be converted to what is effectively a limited partnership, non-voting interest. While David will continue to retain his investment in Cordillera (and therefore will have a keen interest in the future success of Cordillera), David will not have any voting interest or decision making authority in Club operations. Once the full restructure documents have been finalized, then everyone can be advised of the relative rights and obligations of the parties.



Turning to the atmosphere at Cordillera, there is no way to put a positive spin on the situation. It is an absolute mess. I applaud David for keeping the project out of Bankruptcy. Nevertheless, this is a true work out and total restructuring project from every possible angle. However, one thing needs to be made perfectly clear to everyone – **I cannot and will not make any promises concerning the future of Cordillera.** In fact, if you are a person of integrity, it is impossible to make any such promises. Much damage has been done and there are many problems which have to be solved. Having said that, I am very confident that with the desire, help, and support of the membership and the Community we can get the Club back on track and return it to its former stature as a very special Club/Community. Too much is at stake for everyone if we do not recognize this.

But time is **absolutely** of the essence.

Four building blocks must all come together quickly if we are to have a viable Club for the 2012 season which is just several short weeks away:

1. **Establishing financial stability.** I can announce that we have an agreement in principle with Alpine to restructure and extend the club's debt on terms which are most favorable to the Club. The terms involve a substantial pay down of the principal which I have agreed to make. This will ensure that the Club is on a firm financial foundation and, most important, that it is in no danger of Bankruptcy or foreclosure.
2. **Seating and empowering a new management team.** I am in the final process of hiring a very experienced CEO who will direct all operations of the Club. I expect to announce and present him to you as quickly as possible, at which time he will meet with members of the Cordillera governing Boards and groups of Club members to review with them our strategic and operational plans. Our overarching strategy will be to run Cordillera as a prudent business enterprise.
3. **Ending the legal and emotional turmoil.** There will be no Club without peace. Toward that end, on behalf of the Club, I am offering to dismiss all lawsuits against the CTC and the CPOA. I can represent to you that WFP has agreed to do the same. Under separate cover to this letter, I and David Wilhelm will deliver a formal proposal to the CPOA and the CMD to dismiss the litigation.
4. **Getting members back.** This can happen only in an atmosphere where 1, 2, and 3 above have been resolved. I am hopeful that the steadfast members, who wish to have the Club and their investments survive and prosper, will see the wisdom in returning.

The building blocks above are sequential. 1 and 2 have been set in place. I am confident that 3 and 4 can come together within the next couple of weeks. For all our sakes, let's hope so. Without all 4 there can be no Cordillera.

I will keep you apprised as developments occur.

Most sincerely,

Dr. Jeffery Rush