Updated October 7th, 2025 – See #6

Exciting Updates Coming to the Resort Golf Course Pro Shop!
We are thrilled to share that the Resort Golf Course Pro Shop renovations are slated for completion in October. These much-anticipated improvements will transform the space into a more welcoming and functional hub for Owners, golfers and guests.

The redesigned patio features a spacious new seating area with cozy firepits, covered gathering spaces, and a wind-blocking perimeter - the perfect place to relax and enjoy a beverage outdoors. And remember, you don't have to be a golfer to enjoy this new space - it's designed for everyone to gather, unwind, and take in the resort atmosphere.

Project Highlights:

- Expanded and improved patio space for after round and tournament gatherings
- Renovated and doubled restroom facilities
- Remodeled kitchen area for enhanced service
- Modernized facility upgrades to enrich the golfing and visitor experience
- Long-term investment that supports property values for ECMA owners

ECMA is partnering with the golf course operator to host an Open House upon completion of the project to showcase the new space. We invite you to stop by, explore the improvements, and enjoy the enhanced Pro Shop experience firsthand. More details will be shared soon!

Project Q&A

1. **What is the history behind the Resort Pro Shop and how did we get to where we are today?**
   The resort golf course was originally developed in 1985, with the pro shop completed in 1989. Since its construction, the pro shop has not undergone any substantial updates or renovations. The golf course and pro shop are owned by the Eagle Crest Master Association (ECMA) and are managed under a long-term lease agreement with the resort owner. The current 30-year lease began January 1, 2014. Under the lease terms, ECMA is responsible for capital improvements to the golf course and pro shop, while the resort owner is responsible for daily operations and general maintenance.

2. **How was the bid process handled by the ECMA Board of Directors?**
   During the spring and summer of 2024, ECMA worked with the golf staff to establish a general scope for the project. (See project highlights above.) The Board then engaged Neal Huston & Associates, a respected local architectural firm, to further refine and define the renovation plan for the pro shop. Once this detailed scope was in place, Keeton-King Contracting, LLC was invited to provide a bid. Keeton-King has extensive experience at Eagle Crest, including construction of the original golf shop, and their bid provided an initial construction cost for the project budget.

After receiving the bid, ECMA consulted with the architect about the merits of pursuing a competitive bid process. The architect noted that in other projects of similar scope, Keeton-King had consistently

proven competitive. He also advised that conducting a full competitive bid process would likely push construction into the 2025–26 course closure window, rather than the 2024–25 timeframe and could increase overall project costs. Based on this guidance and the need to align construction with the seasonal closure of the golf shop, the ECMA Board elected to proceed with the project under the Keeton-King bid, ensuring both cost control and timely execution.

3. **What was ECMA's decision process behind moving forward with the project?**
   In June 2024, based on the architect's recommendation and the cost estimate provided by Keeton-King Contracting, the ECMA Board resolved to move forward with the Pro Shop renovation project. Following this decision, the Board obtained proposals from potential lenders and sought legal counsel to confirm the Board's authority to secure a loan on behalf of the Association. With that guidance in place, ECMA, supported by legal representation, negotiated the terms of the loan agreement to ensure the project could be financed responsibly and in the best interest of ECMA Owners.

4. **Is ECMA required to get multiple bids for projects?**
   There is no requirement in the Association's governing documents or under the Oregon Planned Community Act that obligates ECMA to obtain multiple bids for projects. Directors made decisions believed to be in the best interests of the Association. As a part of the decision-making process, the ECMA directors acted in good faith, relying on information, opinions and reports of its legal counsel and other persons with the appropriate professional or expert competence and experience. (ORS 65.357) For many projects, soliciting multiple bids is considered best practice and may be the most appropriate approach. However, due to the nature of this project and the timing involved, the Board determined that a competitive bid process was not in the best interest of the Association.

5. **Is the project in line with the original budget?**
   Yes, we anticipate final numbers to be reviewed at the Q3 ECMA board meeting scheduled for September 26th.

6. **What is the impact to ECMA member's dues?**
   The impact on member dues will be based on the final project cost and the loan terms. Once the ECMA Board of Directors has reviewed and approved the final project costs, this information will be provided to all members. The current estimate for monthly debt service is approximately $13 per unit (based on a 20-year loan term).
   - In Summer 2024, the estimate was $20 per unit (based on a 15-year loan term). This higher figure was intentionally conservative for early discussions.
   - In September 2025, the interest rate suggested a payment of $16 per unit, which was shared with members.
   - After further consultation with the lender, and in line with current interest rates, the updated projection is $13 per unit per month.

ECMA is comprised of **507 dues-paying assessment units** across the following associations:
Eagle Crest Estate Homesite Association (commonly referred to as EHOA) – 182 units

- Vacation Resort Owners Association (VROA) – 124 units
- WorldMark – 82 units
- River View Vista Estates (RVVE) – 47 units
- Fairway Vista Estates (FVE) – 32 units
- Eagle Crest Hotel – 32 units
- Eagle Crest Conference Center – 4 units
- River Run Properties – 4 units

7. **What are the general terms of the loan that was secured by ECMA for this project?**
   The loan secured by ECMA included a construction line-of-credit followed by a 20-year term loan with no pre-payment penalty. The loan also allows the Association flexibility to refinance at a lower interest rate if rates decline in the future. At present, the project is being funded through the construction line of credit. Once construction is completed, the loan will be converted to the 20-year term loan. The final interest rate for the term loan will be determined at the time of rollover.

8. **Why was this project not funded from reserves?**
   During the original golf course lease term between ECMA and the resort owner, ECMA maintained only a small reserve account, and the long-term capital needs of the golf course were assumed to extend beyond a 30-year timeframe. When the current lease began in 2014, a new asset reserve funding system was established. While this reserve account has steadily grown since then, it remains underfunded relative to the significant capital needs of the golf course. Because of this, the reserves are not sufficient to fully fund a project of this scope. At the same time, ECMA has an obligation to ensure the golf course remains relevant and competitive with other Central Oregon courses, which requires investment beyond the current reserve balance. Financing through a loan was therefore determined to be the most practical solution.

9. **Who is responsible for the reserve fund currently?**
   The ECMA Board of Directors continues to be responsible for the reserve funds.

10. **What are the warranties associated with this project?**
    Keeton-King provides the standard construction warranty on the project, one-year warranty on labor. The warranty for materials and equipment vary with manufacturer and product, one- year or longer depending on the product. In addition, Keeton-King has a reputation with work at Eagle Crest to take care of construction issues following project completion.

11. **How is golf course irrigation managed and who is responsible for replacement items?**
    The pumping and irrigation equipment are funded through the golf course reserves. Replacement costs are included in reserves and are shared by all ECMA members.

12. **Will ECMA members be a part of any future contract decisions that the ECMA Board makes with respect to the golf course?**
    Contract decisions are made by the ECMA Board of Directors. The Board operates under a representative democracy, meaning members elect directors to make decisions on their behalf.

13. **When is the project scheduled for completion?**
    The project is scheduled for completion in October 2025, pending coordination with Central Oregon Electric on a required new power connection and landscaping.

14. **How do ECMA Members request copies of documents?**
    Members may submit a written request to Eagle Crest Management for copies of documents. Provided the request states its purpose, is made in good faith, and is for a proper purpose, the Association will make available for duplication during normal business hours the documents, information, and records

    specified under ORS 94.671. Before providing financial statements or other records, the Association may withhold or redact certain information as permitted by law. Depending on the delivery method and the time required to gather the materials, a fee may apply.

15. **What will the menu options be at the Resort Pro Shop next season?**
    The ECMA Board has referred this question to the golf course operator. All food and beverage decisions are made by the operator and will likely be finalized in Spring 2026, prior to the start of the next season.

16. **Will there be an option to pay my portion of the loan in advance to avoid interest?**
    The ECMA Board requested Eagle Crest Management research the option of offering a one-time loan pre-payment option. This research is already underway, so a Board decision could be reached in the next few weeks.