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July 9, 2011

Dear Member,

Our renovation is just around the corner and we have some important news for you. Please review this information carefully.

Construction Start Date

We're scheduled to start demolition of our existing aquatics facility on Monday, August 22. We're starting a little earlier so that we can meet certain construction milestones before the rainy season. This should help us keep our costs down and stay on target for opening next April.

The tennis court resurfacing is targeted to start in September. We're still working on the details of which courts will be resurfaced at that time. All courts will be resurfaced with this renovation. We'll have more specific information on the timing of the tennis court closures in the coming weeks.

The Clubhouse, locker rooms and fitness room will remain open during construction. Any short-term, temporary closures of these areas or interruptions in service (gas, electric, water, etc.) will be communicated via email. If you do not receive the weekly email newsletters, send an email to ashakeshaft@rafaelracquetclub.com to be added to the list.

Funding

We've been approved for a construction loan with Bank of Marin. Once we begin drawing against the loan (in September or October), we'll need to start making interest payments. At that time, we'll start billing the monthly capital debt assessment to your monthly statement.

We'd initially hoped to defer billing the monthly capital debt assessments until after the pool was complete. After reviewing the final project budget, the board determined that funding the interest payments out of the club's operating budget wouldn't be financially viable.

The monthly capital debt assessment will not exceed \$35/month per member (as approved in the 2010 project ballot measure). During construction the monthly assessment could be lower since we are only paying interest on the loan. When the project is complete, this amount will increase but will not exceed \$35/month.

After 5 years of planning, we're thrilled that we are now only weeks away from putting a shovel in the ground. If you have any questions or want to learn more, feel free to contact General Manager Ariel Shakeshaft (ashakeshaft@rafaelracquetclub.com or 785-4631).

Thank you for being a member of Rafael Racquet Club,

RRC Board of Directors

Jay Ginwala ~ Tom Graves ~ Geoff Greenlee ~ Jeff Hopkins ~ Derek Weller