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Telemark Lodge Doors to Close

After exhausting every effort and falling short of completing a pending sales transaction, the doors of Telemark Lodge will close at midnight on Wednesday May 5, 2010. While the stage had been set for the final steps of the resort sale untimely delays in acquiring funding derailed the process. Inability of Telemark Partners, LLC, the potential buyers, to complete the essential financial requirements in a timely fashion have brought the hotel operations to a standstill.

Both parties were optimistic following the overwhelming purchase agreement approval by Telemark Interval Owners Association (TIOA) members at a March special meeting. In addition, the Town of Cable Planning Commission and Town of Cable Board had approved land use and zoning resolutions addressing a buyer's contingency. Many of the land use entitlement requests had also recently gained approval by the Bayfield County Planning and Zoning Department.

The buyer's failure to meet deadlines to deposit earnest money, confirm purchase price funding, set a reasonable sale closing date and most importantly provide pledged hotel operational support funds resulted in the shut down of Telemark Lodge operations.

TIOA Board President, Gary Crandall remarked, "The TIOA had completed all the requirements on its side of the transaction. There was a high level of confidence, on both sides, in working through the final important steps. The buyer's time frame difficulties in finalizing an operational bridge loan and the purchase price and redevelopment funding package has forced us to make this decision. Our TIOA owners and Telemark employees have given everything to sustain our operations to this point. Lacking the required support funding and timely completion of the sales transaction, we had no choice but to close the doors."

"We will continue sale talks with Telemark Partners and with other previously received sales leads in the hope of finding a compatible and qualified buyer. For our owners, the employees and the community, it is important that we continue our search for a buyer for Telemark."

At their annual membership meeting in October 2009, TIOA members had approved a Board resolution to cease operations of the resort by March 31, 2010 if an acceptable purchase agreement had not been confirmed by March 1. The purchase agreement talks continued toward a positive conclusion with a buyer's promise of operational funding support. With the anticipation of support funds, the TIOA continued operating Telemark Lodge beyond approved March shut down date.

While the hotel based operations including rental of hotel rooms, restaurant and lounge will be ceased on May 5, scaled down operations will continue in the Christiana Villas and Telemark Pointe condominiums for TIOA owners and guests. Many outdoor recreation opportunities will still be available for condominium guests. The TIOA Board will continue efforts to market the resort sale searching for a compatible and funded buyer.

"After our exhaustive efforts to move the sale forward, we are truly disappointed in the outcome," Crandall continued. "Our timeshare owners have been completely supportive, our employees have faithfully hung in there and the community has been completely behind us. Everyone on all sides has been working toward a positive future for Telemark. In the end, the final funding step in this real estate journey was not completed bringing us to a far reaching and regrettable closure decision."