

EXHIBIT I

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January 16, 2015

VIA E-MAIL: JWRIGHT@ALLISONMACKENZIE.COM

Joan C. Wright, Esq.

Partner

Allison, MacKenzie, Pavlakis, Wright & Fagan,
Ltd.

402 North Division Street

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Re: Tahoe Beach & Ski Club Resort

Client-Matter #: 096319.000024

Dear Joan:

As you know, we represent Diamond Resorts International® Inc. and its affiliates and subsidiaries ("Diamond"), including Diamond Resorts Tahoe Beach & Ski Club Development, LLC ("Diamond Tahoe"), with respect to their interests at Tahoe Beach & Ski Club Resort (the "Resort"). We also represent the Diamond Resorts U.S. Collection Association (the "U.S. Collection") and the Diamond Resorts California Collection Association (the "California Collection") with respect to their respective interests at the Resort. We are responding to Alfred Fong's two letters to David Palmer dated January 9, 2015, on behalf of your client Tahoe Beach and Ski Club Owners Association (the "Association").

With respect to Mr. Fong's first letter to Mr. Palmer (the "First Letter"), in which the Association declares its intention to disavow and repudiate that certain Grant Deed dated December 11, 2014, from the Association, as grantor, conveying title to two hundred eighty-seven (287) timeshare interests (the "287 Timeshare Interests") at the Resort to Diamond Tahoe, as grantee (the "Grant Deed"), please be advised that: (i) the 287 Timeshare Interests are the lawful property of Diamond Tahoe, (ii) Diamond Tahoe hereby rejects all innuendos, assertions and statements expressly made or implied by Mr. Fong in the First Letter that challenge the validity of the Grant Deed, (iii) Diamond Tahoe will immediately and aggressively take all necessary steps to protect its rights as well as the rights of all of the owners, members, exchangers, renters, and other constituents represented by Diamond (the "Diamond Constituents") in connection with the defense of Diamond Tahoe's title to, ownership of and use rights in the 287 Timeshare Interests, and (iv) the Association and its officers and directors will be liable to Diamond, Diamond Tahoe and the Diamond Constituents for any and all loss or damage suffered or incurred by each or all of them arising as a result of the Association's disavowal and

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repudiation of the Grant Deed, including but not limited to lost rental revenues, lost sales profits, other lost use opportunities by each or all of them, and the costs and expenses of prosecution of any related claims or litigation, including any related attorney's fees.

The First Letter is also replete with false and defamatory statements regarding Diamond, Frank Goeckel, and the transaction between Diamond Tahoe and the Association that culminated with the delivery and recording of the Grant Deed. Further, certain officers and directors of the Association, and certain other owners believed to be acting in concert with such officers and directors, have made and published numerous false and defamatory statements about Diamond, its business plans, and its intentions with respect to the Resort. Please be advised that publication of false and defamatory statements about Diamond or its officers, directors, employees or other representatives, is highly damaging to Diamond's reputation and will not be tolerated. This includes defamatory publications that are disingenuously postured as "opinion," which appears to be a popular technique by certain of the Association's "opinion leaders."

Demand is hereby made that the Association and its officers, directors, employees and independent contractors immediately cease and desist in the making or publication of any and all false or otherwise defamatory statements about Diamond and its officers, directors, employees or independent contractors, including those false or defamatory statements made or published on websites or in newsletters, in blogs or in other formal or informal communication platforms operated or maintained by the Association or its officers, directors, employees or other representatives. Please be advised that Diamond will hold the Association and its officers and directors responsible and liable for any and all loss or damage suffered or incurred by Diamond or its officers, directors, employees or independent contractors arising as a result of the publication of any or all of such false or defamatory statements, including the costs and expenses of prosecution of any related claims or litigation and any related attorney's fees.

Finally, the First Letter refers to a "warning" received by the Association from its auditors, "that it was not a good policy to have significant portions of the resort owned by one entity." While such a "warning" may make sense with respect to a newly-formed or otherwise undercapitalized business entity that has or is acquiring a significant amount of inventory at the Resort, it is difficult to understand what that warning, or what the Association's carefully contrived "policy" fashioned in "reliance" on that warning in opposition to bulk ownership of timeshare interests, has to do with Diamond Tahoe, the U.S. Collection or the California Collection. Both the U.S. Collection, with some 90,000 members and 2015 assessment billings of \$172 million, and the California Collection, with almost 3,000 members and 2015 assessment billings of \$6.5 million, are well capitalized and meet their obligations on time, as does Diamond Tahoe as a direct subsidiary of Diamond, a public company with a market capitalization of \$2 billion.

The Association is—or should be—in the business of operating, maintaining, repairing and replacing the units and common areas of the Resort, and of assessing and collecting the common expenses that are related to that core mission. In its attempt to disavow and repudiate the Grant Deed, the Association has not only unnecessarily exposed itself and its members (including Diamond Tahoe, the U.S. Collection and the California Collection) to the unnecessary burden of damages, court costs and attorney's fees, but it has inexplicably turned its nose up at approximately \$365,000 of Diamond Tahoe's money for the purchase of the 287 Timeshare Interests and the related 2015 common expense assessments. This is money that the Association has no immediate prospects of collecting from another source, resulting in

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assessments to Association members that are higher than they would otherwise be if Diamond Tahoe's funds were accepted (and if the related assessments on the 287 Timeshare Interests are collected going forward). This is not just a dereliction of the fiduciary duty owed by the Association and its officers and directors to all of its members (including Diamond Tahoe, the U.S. Collection and the California Collection), it is an actionable breach of that duty.

Bottom line, Diamond Tahoe bought the 287 Timeshare Interests from the Association through the Association's duly authorized agent on the financial terms established by the Association, and timely tendered both the purchase price and the related 2015 common expense assessments to the Association through the Association's duly authorized agent, and Diamond and Diamond Tahoe intend to obtain the full benefit of that bargain from the Association, together with damages and attorney's fees, if the Association fails to validate the Grant Deed in writing and lift its block on Diamond's usage of the 287 Timeshare Interests on or before close of business (PT) on Tuesday, January 20, 2015.

Two other matters: the Association has been advised on numerous occasions in several different formats that Mr. Goeckel, as Senior Vice-President, Management Services Development for Diamond, is Diamond's duly-authorized representative for all matters concerning the Resort. From this point forward, please ask your client to direct any matters concerning Diamond's business interests at the Resort to Mr. Goeckel's attention. Until further notice, please direct any correspondence or other matters concerning Diamond's legal interests at the Resort to my attention.

Also, with respect to Mr. Fong's second letter to Mr. Palmer, that gives notice of termination on behalf of the Association of that certain THE ClubSM Affiliation Agreement dated February, 2008, by and among Diamond Resorts International Club, Inc., Diamond Resorts California Collection Development, LLC, Vacation Resorts International, Inc. and the Association, receipt of the letter is acknowledged.

Please be governed accordingly.

Sincerely yours,

Baker & Hostetler LLP

Robert J. Webb
Partner

RJW/llj

cc: Brandon Crossland, Esq.
Lisa Damji, Esq.