

MODIFICATION AGREEMENT

THIS MODIFICATION AGREEMENT, dated December 31, 2008 is between The Steamboat Grand Resort Hotel Condominium Association, Inc., a Colorado nonprofit corporation ("Borrower") and Steamboat Ski & Resort Corporation, a Delaware corporation ("Lender").

RECITALS

A. On September 14, 2000 Grand Summit Resort Properties ("GSRP") sold certain real property in Routt County, Colorado to Borrower for Six Million Five Hundred Thousand Dollars ("Purchase Price") and in consideration for the sale Lenders took a promissory note secured by a deed of trust in the amount of the Purchase Price ("Loan"). The Loan is evidenced by Borrower's Promissory Note dated September 15, 2000 in the principal amount of \$6,500,000.00 as amended by that certain Allonge dated September 15, 2000 as amended by that certain Promissory Note Allonge and Reaffirmation dated September 15, 2001 (collectively the "Note") and the Loan is secured by that Deed of Trust dated September 15, 2000 between Borrower, Lender and the Public Trustee of Routt County, Colorado and recorded at Reception Number 533325 of the Routt County real property records (the "Deed of Trust").

B. Grand Summit Resort Properties, Inc. assigned the Note and Deed of Trust to Lender who is holder of the Note and the "Lender" as defined in the Note.

C. In consideration of the settlement of those claims asserted by the Borrower in Case No. 08CV163 as reflected in that certain Settlement Agreement and Mutual Release between Lender and Borrower dated December 31, 2008, Lender has agreed to: (i) reduce the principle amount of the Note to Two Million Six Hundred Fifty Six Thousand One Hundred Three 85/100 Dollars (\$2,656,103.85), (ii) reduce the interest rate on the Note from an annual rate of ten and 25/100 percent (10.25%) to annual rate of seven percent (7%), (iii) revise the amortization payment for the Note based on a 20 year amortization schedule beginning as of the date of this Modification Agreement with the unpaid balance of the note due and payable on September 15, 2020 and (iv) amend the Note to provide that Borrower's failure to make any payment due under the Note shall only become a default after Lender gives Borrower notice of such non-payment and Borrower fails to cure such non-payment within ten (10) days after receipt of such notice.

D. Lender has also agreed that if Lender exercises its option (the "Option") pursuant to that certain Option to Purchase Real Estate Agreement between Lender and Borrower dated December 31, 2008, a Memorandum of such Option being recorded at Reception Number 081994 and re-recorded at 082026 of the Routt County real property records, then the Note will be deemed satisfied and the Lender shall return the Note to Borrower marked "paid in full" and shall release the Deed of Trust.

E. Capitalized terms used but not defined in this Agreement shall have the meanings set forth in the Note and Deed of Trust.

In consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiently of which are hereby acknowledged, Borrower and the Lender agree as follows:

I. Amendment to the Note. The Note shall be amended as follows:

- (a) the principle sum of \$6,500,000.00 shall be reduced to \$2,656,103.85;
- (b) the interest rate of 10.25% shall be reduced to 7%;
- (c) Section 3 of the Note shall be amended to reflect the monthly payment of principal and interest currently set at \$64,895.00 being changed to \$20,592.74;
- (d) a new provision shall be added providing that the Note shall be deemed satisfied and paid in full upon Lender's exercise of the Option and the conveyance by Borrower to Lender of the real property which is the subject of the Option;
- (e) the changes described in subparagraphs (b) and (c) above shall be retroactive as of August 12, 2008 and to the extent Borrower paid Lender any overpayment Borrower will be credited the payment(s) of principal and interest next coming due under the terms of the Promissory Note; and

(f) a new provision shall be added to the Note to provide that Borrower's failure to make any payment due under the Note shall only become a default after Lender gives Borrower notice of such non-payment and Borrower fails to cure such non-payment within ten (10) days after receipt of such notice.

such amendment to be effected by a Note Amendment Agreement (the "Note Amendment"), between Borrower and the Lenders, to be attached to the Note in a form approved by Lenders.

2. Amendment to the Deeds of Trust. The Deed of Trust shall be amended:

(a) to reflect the amendment to the Note by amending the third paragraph of Page 1 to reflect the reduction in the principle sum of the Note;

(b) to revise Section 44 to provide that the Deed of Trust shall be released upon Lender's exercise of the Option and conveyance by Borrower to Lender of the real property which is the subject of the Option;

(c) by adding Section 21(b)(2) to reflect that a conversion of the Mortgaged Property to common elements of the Steamboat Grand Resort Hotel Condominiums shall not constitute an Event of Default under the Deed of Trust;

(d) by adding Section 48 to the Deed of Trust to provide that if Borrower converts the Mortgaged Property to common elements of the Steamboat Grand Resort Hotel Condominiums then to the extent Lender's consent is required for such conversion, SSRC agrees to allow Borrower to convert the Mortgaged Property to common elements subject to the agreement of Borrower that in the event the Deed of Trust is foreclosed by Lender or a deed in lieu of foreclosure is granted to Lender then such common elements shall be deemed a condominium unit with the same rights and obligations under the Declaration for the Steamboat Grant Resort Hotel Condominiums as was the Mortgaged Property prior to such conversion.

3. Additional Documents. Borrower shall execute and deliver to the Lender at any time and from time to time such additional amendments to the, the Note and Deed of Trust or any other loan document as the Lenders may request to confirm and carry out the transactions contemplated hereby or to confirm, correct and clarify the security for the loan.

4. Continuation of the Loan Agreement, etc. Except as specified in this Modification Agreement, the Note shall remain in full force and effect, and if there is a conflict between the terms of this Agreement, the Note Amendment or the Deed of Trust Amendment and those of the Note or the Deed of Trust, the terms of this Modification Agreement, the Note Amendment and the Deed of Trust Amendment shall control.

5. Certification of Borrower. Borrower hereby certifies to the Lender that as of the date of this Modification Agreement that the Note as amended by the Note Amendment is an obligation of the Borrower and that Borrower has obtained all approvals by the owners of units at the Steamboat Grand Resort Hotel necessary pursuant to its Condominium Declaration and C.R.S. 38-33.3-312 to encumber the property secured by the Deed of Trust.

6. Miscellaneous.

(a) This Agreement shall be governed by and construed under the laws of the State of Colorado and shall be binding upon and inure to the benefit of the parties hereto and their heirs, administrators, executors, personal representative, successors and assigns.

(b) This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(c) This Agreement and all documents to be executed and delivered hereunder may be delivered in the form of a facsimile copy, subsequently confirmed by delivery of the originally executed document.

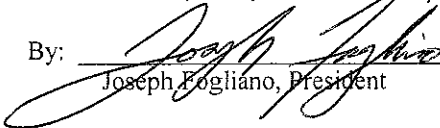
(d) Time is of the essence hereof with respect to the dates, terms and conditions of this Agreement and the documents to be delivered pursuant hereto.

(e) This Agreement constitutes the entire agreement between Borrower and the Lender concerning the subject matter of this Agreement. This Agreement may not be amended or modified orally, but only by a written agreement executed by Borrower and the Lender and designated as an amendment or modification of this Agreement.

(f) If any provision of this Agreement shall be held invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be impaired thereby.

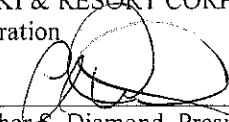
BORROWER:

THE STEAMBOAT GRAND RESORT HOTEL CONDOMINIUM
ASSOCIATION, INC., a Colorado nonprofit corporation

By: 
Joseph Fogliano, President

LENDER:

STEAMBOAT SKI & RESORT CORPORATION,
a Delaware corporation

By: 
Christopher S. Diamond, President

NOTE AMENDMENT AGREEMENT

THIS AGREEMENT, dated December 31, 2008, is between The Steamboat Grand Resort Hotel Condominium Association, Inc., a Colorado nonprofit corporation ("**Borrower**"), and Steamboat Ski & Resort Corporation, Inc., a Delaware corporation ("**Lender**").

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Lender agree as follows:

1. This Agreement shall be attached to and shall become a part of the Promissory Note, dated September 15, 2000, given by Borrower to the Grand Summit Resort Properties, Inc., a Maine Corporation ("GSRP"), in the principal amount of \$6,500,000.00 as amended by that certain Allonge between Borrower and GSRP dated September 15, 2000 as further amended by that certain Promissory Note Allonge and Reaffirmation between Borrower and GSRP dated September 15, 2000 (collectively the "Note").

2. GSRP assigned the Note to Lender who is the holder of the Note and the "Lender" as defined in the Note.

3. The Note is hereby amended to reflect the change in the principle sum of the Note, the interest rate and to reflect Steamboat Ski & Resort Corporation, Inc as the Lender under the Note by amending the first paragraph to read:

FOR VALUE RECEIVED, THE STEAMBOAT GRAND RESORT HOTEL CONDOMINIUM ASSOCIATION, Inc., a Colorado nonprofit corporation ("Borrower") jointly and severally (if more than one) promises to pay to the order of STEAMBOAT SKI & RESORT CORPORATION, INC. a Delaware corporation, its successors and assigns, the principal sum of Two Million Six Hundred Fifty Six Thousand One Hundred Three and 85/100 Dollars (US \$2,656,103.85), with interest on the unpaid principal balance at the annual rate of seven percent (7%).

4. The Note is hereby amended to reflect the change in the address for payments by amending Section 2 to read:

Address for Payment. All payments due under this Note shall be payable at Steamboat Ski & Resort Corporation, 2305 Mount Werner Circle, Steamboat Springs, Colorado 80487, or such other place as may be designated by written notice to Borrower from or on behalf of Lender.

5. The Note is hereby amended to reflect the change in the amount of monthly installments of principal and interest by amending Section 3(b) of the Note to read:

Consecutive monthly installments of principal and interest, each in the amount of Twenty Thousand Five Hundred Ninety Two and 74/100 Dollars (US \$20,592.74), shall be payable on the fifteenth day of each month beginning on January 15, 2009 until the entire unpaid principal balance evidenced by this Note is fully paid or otherwise paid or is satisfied pursuant to Section 22 below. Any accrued interest remaining past due for 30 days or more shall be added to and become part of the unpaid principal balance and shall bear interest at the rate or rates specified in this Note, and any reference below to "accrued interest" shall refer to accrued interest which has not become part of the unpaid principal balance. Any remaining principal and interest shall be due and payable on September 15, 2020 or on any earlier date on which the unpaid principal balance of this Note becomes due and payable, by acceleration or otherwise (the "Maturity Date"). The unpaid principal balance shall continue to bear interest after the Maturity Date at the Default Rate set forth in this Note until and including the date on which it is paid in full.

6. The Note is hereby amended to reflect that the change in the interest rate and monthly installments of principal and interest as described in Section 5 above shall be retroactive as of August 12, 2008 by adding the following new Section 3(d) to the Note:

(3)(d) The change in interest rate to 7% and the change in the monthly installment of principal and interest as described in amended Section 3(b) above shall apply to all future payments beginning with the payment due and payable on January 15, 2009 and shall apply retroactively to payments that were due and payable on August 15, 2008, September 15, 2008, October 15, 2008, November 15, 2008 and December 15, 2008 ("Retroactive Payments"). Any Retroactive Payments made by Borrower pursuant to the terms of the Note prior to this Note Amendment shall be credited against future payments.

7. The Note is hereby amended to reflect that the Note will be deemed satisfied upon the exercise of the Option and the conveyance to Lender of the real property subject to the Option by adding the following new Section 22 to the Note:

22 Exercise of Option. If Lender exercises its option pursuant to that certain Option to Purchase Real Estate and Agreement between Lender and Borrower dated December 31, 2008, a Memorandum of such Option being recorded at Reception Number 681994 ^{and recorded at 08/02/10} of the Routt County real property records ("Option"), then upon conveyance to Lender of the real property subject to the Option, the Note will be deemed satisfied and Lender shall return the Note marked "paid in full" to Borrower and shall release the Deed of Trust.

8. The Note is hereby amended to grant Borrower notice and a ten (10) day right to cure prior to Lender finding Borrower in default by adding the following new Section 3(d) to the Note:

3(d) Borrower's failure to make any payment of Indebtedness due under this Note, the Security Instrument or any other Loan Document shall only become an Event of Default after Lender gives Borrower notice of such non-payment and Borrower fails to cure such non-payment within ten (10) calendar days after receipt of such notice.

9. Except as amended hereby, the provisions of the Note are not changed, altered or amended, and such provisions are hereby ratified and confirmed and remain in full force and effect.

10. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, administrators, executors, personal representatives, successor and assigns.

BORROWER:

THE STEAMBOAT GRAND RESORT HOTEL CONDOMINIUM ASSOCIATION, INC., a Colorado nonprofit corporation

By: Joseph Fogliano
Joseph Fogliano, President

LENDER:

STEAMBOAT SKI & RESORT CORPORATION,
a Delaware corporation

By: Christopher S. Diamond
Christopher S. Diamond, President

DEED OF TRUST AMENDMENT

THIS DEED OF TRUST AMENDMENT is made and given as of December 31, 2008, by THE STEAMBOAT GRAND RESORT HOTEL CONDOMINIUM ASSOCIATION, INC., a Colorado non profit corporation ("Borrower"), to the Public Trustee of Routt County, Colorado, for the benefit of STEAMBOAT SKI & RESORT CORPORATION ("Lender").

RECITALS

A. Pursuant to the Deed of Trust, Assignment of Rents and Security Agreement dated September 15, 2000, and recorded September 20, 2000 at Reception No. 533325, of the real property records of the County of Routt, State of Colorado, as assigned to Lender from Grand Summit Resort Properties, Inc., a Maine corporation pursuant to that Assignment of Deed of Trust, Assignment of Rents and Security Agreement dated March 1, 2007 and recorded March 7, 2007 at Reception Number 653142 of the real property records of the County of Routt, State of Colorado (collectively the "Deed of Trust"). Borrower conveyed to the Public Trustee of Routt County, Colorado certain real property in Routt County, Colorado described in the Deed of Trust (the "Property") to secure a Promissory Note payable by Borrower to Lender dated September 15, 2000 in the principal amount of \$6,500,000.00 (the "Note") and other indebtedness and obligations, as defined and described in the Deed of Trust as the "Indebtedness."

B. Lender is the current owner and holder of the Note and the other Obligations secured by the Deed of Trust.

C. Borrower is the legal owner of the Mortgaged Property (as defined in the Deed of Trust)

D. Borrower and Borrower have amended the Note to reflect a reduction in the principal amount of the Note from \$6,500,000.00 to \$2,656,103.85.

E. Borrower and Lender have amended the Note to reflect that upon Lender's exercises of its option pursuant to that certain Option to Purchase Real Estate and Agreement between Lender and Borrower dated December 31, 2008, a Memorandum of such Option being recorded at Reception Number 681994 and rerecorded at 1082026 of the Routt County real property records ("Option") and the subsequent conveyance to Lender of the real property subject to the Option, the Note will be deemed satisfied and the Deed of Trust shall be fully released.

F. Lender has agreed that any conversion by Borrower of the Mortgaged Property to common elements shall not be an event of default but if Lender forecloses on the Note after such conversion then such common elements shall be deemed a unit at the Steamboat Grand Resort Hotel Condominium with the same rights and obligations under the Declaration as was the Mortgaged property prior to such conversion to common elements.

F. Lender and Borrower have agreed to amend the Deed of Trust to reflect the amendment to the Note.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged:

1. Paragraph 3 of Page 1 of the Deed of Trust is hereby amended to read as follows:

TO SECURE TO LENDER the repayment of the Indebtedness evidenced by Borrower's Promissory Note payable to Lender (as Holder of the Promissory Note per the Assignment of the Note by Grand Summit Resort Properties, Inc., a Maine corporation) dated September 15, 2000, as amended by that certain Allonge dated September 15, 2000 as amended by that certain Promissory Note Allonge and Reaffirmation dated September 15, 2000 as further amended by that certain Note Amendment Agreement dated December 31, 2008, and maturing on September 15, 2020 in the principal amount of \$2,656,103.85, and all renewals, extensions and modifications of the Indebtedness and the performance of the covenants and agreements of Borrower contained in the Loan Documents.

2. Section 44 of the Deed of Trust is hereby amended to read as follows:

44. RELEASE. Upon either (a) Payment of the Indebtedness or (b) Lender's exercises of its option pursuant to that certain Option to Purchase Real Estate and Agreement between Lender and Borrower dated December 31, 2008, a Memorandum of such Option being recorded at Reception Number 681994 and rerecorded at 1082026 of the Routt County real property records ("Option") and the subsequent conveyance to Lender of the real property subject to the Option, Lender shall request Trustee to

release this Instrument and shall deliver to Trustee the canceled Note. Trustee shall release this Instrument without further inquiry or liability. Borrower shall pay all costs of recordation, if any, of the release and shall pay the statutory Trustee's fee.

3. Section 21(b)(2) of the Deed of Trust is hereby amended to read as follows:

21(b)(2). A conversion of the Mortgaged Property to Common Elements of the Steamboat Grand Resort Hotel Condominiums.

4. A new Section 48 is hereby added to the Deed Trust to read as follows:

48. If Borrower converts the Mortgaged Property to Common Elements of the Steamboat Grand Resort Hotel Condominiums then to the extent Lender's consent is required for such conversion, Lender agrees to allow Borrower to convert the Mortgaged Property to common elements subject to the agreement of Borrower that in the event this Deed of Trust is foreclosed by Lender or a deed in lieu of foreclosure is granted to Lender then such common elements shall be deemed a unit with the same rights and obligations under the Declaration for the Steamboat Grand Resort Hotel Condominiums as was the Mortgaged Property prior to such conversion.

5. Except as amended hereby the provisions of the Deed of Trust are not changed, altered or amended and such provisions and the lien of the Deed of Trust are hereby ratified and confirmed and remain in full force and effect.

BORROWER:

THE STEAMBOAT GRAND RESORT HOTEL CONDOMINIUM
ASSOCIATION, INC., a Colorado nonprofit corporation

By: _____

Joseph Fogliano, President

The undersigned hereby acknowledges and agrees to the terms of the foregoing Deed of Trust Amendment.

LENDER:

STEAMBOAT SKI & RESORT CORPORATION,
a Delaware corporation

By: _____

Christopher S. Diamond, President

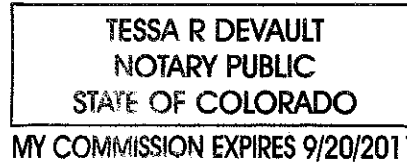
STATE OF Colorado)
) ss.
COUNTY OF Routt)

The foregoing Deed of Trust Amendment was acknowledged before me this 31st day of December, 2008, by Joseph Fogliano as President of The Steamboat Grand Resort Hotel Condominium Association, Inc.

Witness my hand and official seal.

My commission expires: 9/20/11

Tessa R DeVault
Notary Public



STATE OF COLORADO)
) ss.
COUNTY OF ROUTT)

The foregoing Deed of Trust Amendment was acknowledged before me this 31st day of December, 2008, by Christopher Diamond President of Steamboat Ski & Resort Corporation.

Witness my hand and official seal.

My commission expires: 9/20/11

Tessa R DeVault
Notary Public

