

SHORT TERM OCCUPANCY MANAGEMENT AGREEMENT

STEAMBOAT GRAND RESORT HOTEL AND CONDOMINIUMS SHORT TERM OCCUPANCY MANAGEMENT AGREEMENT SATURDAY-TO-SATURDAY Unit 347/348 OWNERSHIP QUARTER SHARE IV, ALTERNATING SHARES A

Interval Owner or representative of Owner

Name: Home Phone:
Address: Cell Phone:
City: State: Zip:
Email Address:

ARTICLE I

1. Steamboat Ski & Resort Corporation (the "Manager") and the undersigned owner (the "Owner") of an alternating quarter share ownership interest in the Steamboat Grand Resort Hotel and Condominiums (the "Hotel") for in consideration of the mutual covenants terms and conditions contained herein, agree that Manager shall be the exclusive short term occupancy manager of the Owner's alternating quarter share ownership interest and that parties shall be governed by the terms of this Agreement.
2. This Agreement shall be effective as of January 1, 2008 and shall automatically renew on May 1, for one-year renewal terms unless earlier terminated as described in paragraphs 4 or 6 below. <EXPLANATION ON PAGE 8a>
3. The property to which this Agreement applies is known as Unit No. 347/, Quarter share IV, Alternating share A, (herein referred to as the Unit) within the Hotel. A long-term calendar and a schedule of housekeeping rates for the upcoming year are provided to Owner together with this Agreement. A new calendar and housekeeping rates for the upcoming year will be mailed out annually for Owner to complete within 30 days of receipt from Owner Services Office. All housekeeping rates are subject to annual review and may be changed without Owners prior consent.
4. This Agreement may be terminated by either party, upon one hundred eighty (180) days' written notice prior to any anniversary date of the execution of this Agreement. Written termination notice by Owner shall be to the Owner Services Office at the address listed below and by the Manager shall be upon one hundred eighty (180) days' written notice to Owner at the address listed above. In the event of termination or non-renewal of this Agreement by Owner, Manager shall use its best efforts to transfer existing reservations from the Unit to other units, but cannot guarantee availability of the Unit for periods in which Unit has been released into Manager's short-term occupancy program pursuant to this Agreement. In the event that this Agreement is terminated or not renewed by Owner, Owner and Manager agree that, to the extent that any nights deposited in the short-term occupancy program cannot be released to Owner, the terms and conditions of this Agreement shall govern all unreleased nights.
5. Owner agrees that Manager shall not be liable for the acts, negligence, or any other activities by short term occupancy guests or for damage by short term occupancy guests to the Unit during the period of short term occupancy or RCI exchange activity. Manager shall use its best efforts to collect reimbursement from short term occupancy guests at check-out or immediately thereafter for any damage to the Unit, but shall not be liable for its inability to do so including, but not limited to, if its inability is the result of "bounced" checks, credit card "charge backs" or fraud.
6. If, for any reason, Owner violates any of the terms of this Agreement, including but not limited to abuse of the Unit or Premises by Owner or Owner's guests or Owner's failure to pay taxes or assessments, Manager shall have the right to give Owner written notice of Manager's intention to terminate this Agreement, allowing Owner 15 days to take remedial action to the satisfaction of Manager. Manager will give Owner written notice of Manager's intention to invoke the remedies allowed under this section either by hand delivery, in person, or by registered or certified mail. Notice will be deemed given upon receipt.
7. If any action at law or in equity will be brought to recover any monies under this Agreement, or for, or on account of any breach of, or to enforce or interpret any of the provisions of this Agreement, or for the recovery of the Unit, the prevailing party will be entitled to recover from the other party, as part of the prevailing party's costs, reasonable attorney's fees, the amount of which will be fixed by the Court in which the dispute is litigated and will be made part of any judgment or decree rendered.

8. Both parties agree that the venue for any such action will be Routt County, Colorado. This Agreement will be construed in accordance with the laws of the State of Colorado.

9. This Agreement represents the entire agreement between the parties and supersedes all prior agreements or understandings made in connection with the subject matter herein, whether oral or written. No variance or modification thereof shall be valid or enforceable except by supplemental agreement in writing signed by Owner and Manager. In the event that one or more provisions of this Agreement are found to be invalid, such invalidity will not affect the remainder of the Agreement, all of which shall remain in full force and effect. This Agreement shall be binding upon parties and their respective heirs, personal representatives, successors and assigns.

10. Owner agrees that Manager, in conjunction with the exercise of its responsibilities as short-term occupancy management agent, has the right to enter the Unit under any reasonable circumstances, including any emergency circumstances that arise. By signing below, Owner verifies and affirms that he/she is either the sole Owner or the authorized representative of multiple Owners.

11. If either the Hotel or Unit is damaged by fire, catastrophe, acts of God, civil commotion, war or other casualty so as to render the Unit unfit for Occupancy purposes, as determined by Manager, then all Unit reservations that cannot be fulfilled due to the condition of the building or Unit may be cancelled, and the obligations of the parties hereunder shall be temporarily abated until the Hotel and/or Unit is restored to a good and occupiable condition. <EXPLANATION ON PAGE 8B>

ARTICLE II

THE RESPONSIBILITIES OF OWNER:

1. Owner shall pay to Manager the sum equal to forty-five percent (45%) of the net short term occupancy income* received or paid for the short term occupancy of the Unit; provided, however, that if Owner was the procuring cause for the short term occupancy, and the short term occupancy guest occupies the Unit; then Owner shall pay to Manager thirty-five percent (35%) of the net short term occupancy income. In order for Owner to receive credit as the procuring cause, notification must be made at the time the reservation is made to the Owner Services Office.
2. Owner agrees that Manager shall be the exclusive short-term occupancy agent for the Unit. Owner agrees not to compete with Manager personally (except as provided in Paragraph 1 above) or through agents. Owner is prohibited from accepting any remuneration whether in cash or in kind from any party other than Manager for Occupancy of the Unit. Owner's failure to comply with these provisions will constitute a material breach of this Agreement and may result in immediate termination of this Agreement. <EXPLANATION ON PAGE 8C>
3. Owner shall complete the Owner Usage Calendar (which shall mean a written calendar to be supplied by Manager to Owner which Owner will complete and return to Manager pursuant to the terms of this Agreement) each year within 30 days of receipt from Owner Services Office. The Owner Usage Calendar shall indicate which weeks should be placed in the short term occupancy pool, which weeks should be reserved for Owner usage, and which weeks have been banked with RCI (if applicable). An Owner Usage Calendar that is not returned to Owner Services Office on or before, 30 days of receipt will result in the Owner's weeks automatically defaulting into the short-term occupancy pool. <EXPLANATION ON PAGE 8D> Any changes to Owner Usage Calendar must be made in writing and received by the Owner Services Office no less than two (2) weeks prior to the intended arrival date and will be honored only if there are no existing short-term occupancy reservations booked in the Owner's Unit. If there is an existing short-term occupancy reservation, Manager will use good faith efforts to move the existing reservation for Owner's Unit to another unit, however, Manager will be under no obligation to do so. Owner understands and agrees that for Manager to effectively manage the short term occupancy of Owner's Unit, Manager relies upon Owner's commitment to place the Unit in the short-term occupancy program during the periods indicated by Owner on the Owner Usage Calendar. Because of this reliance, it is not always possible for Manager to release the Unit back to Owner for a certain date or dates upon Owner's request, even if Owner gives more than two (2) weeks advance notice of a requested change. While Manager may be able to accommodate a request for a change one time, it may not be possible to do so on another occasion. Please take these terms into consideration when completing your Owner-Usage Calendar. Owner is responsible for making deposits directly with RCI.
4. Owner shall be required to use setup and daily housekeeping and pay the related fees during the periods of Owner occupancy, Space Available Program, and RCI exchange periods. Housekeeping rates will be distributed for each year with the Owner Usage Calendars. These fees are payable upon departure. Fees for RCI use will be billed to Owner after such use.

5. Owner agrees to pay a reservation fee during periods of Owner occupancy, Space Available, and RCI exchange periods. The amount of the reservation fee will be distributed annual with the Owner Usage Calendar. <EXPLANATION ON PAGE 8E>
6. Owner further agrees that short term occupancy rates may be discounted from advertised rates based upon occupancy, conference use, and market trends, as determined in Manager's reasonable judgment. Owner agrees and acknowledges that, to the extent Manager provides, or arranges for the provision of goods and services to short term occupancy guests and/or Owner, Manager is authorized to retain for its sole account any fees, rebates, interest, markups, or commissions resulting from such provision of goods and services.
7. Owner agrees to assist Manager in marketing efforts by providing the ability to offer complimentary accommodations to people influential in resort and lodging promotions. Owner will give Manager the right to use Owner's Unit on a rotating basis for a maximum of two (2) nights per year. Manager will make best efforts to ensure that such use will not negatively impact the Short-term occupancy Management Program.
8. Owner agrees and acknowledges that waiver by Manager of any of Owner's obligations or of any breach by Owner of any of Owner's obligations under this Agreement shall not create any obligation on the part of Manager to grant a waiver in the future under similar circumstances.
9. For owners whose units are enrolled in the Short Term Occupancy Management Program, Manager will establish a Maintenance Reserve that will be funded from each reservation at a rate equal to 4% of the gross room revenue and is subject to an annual review. Monies in the Maintenance Reserve will be used at the sole discretion of the Manager, according to policies established as described in Exhibit A attached to this Agreement, for minor repairs or replacements to keep the Unit in good and occupiable condition, as deemed necessary. Owner understands that Manager makes no warranty as to the sufficiency of monies held in the Maintenance Reserve to pay the cost of all required repairs and replacements. Owner agrees that if there are insufficient funds in the Maintenance Reserve at the time repairs or replacements are required by Manager, Owner, together with the other quarter share and alternating quartershare owners of the Unit, will be responsible for making such repairs or replacements at Owner's expense. Owner further understands that Manager will not advance funds against anticipated future short-term occupancy income to Owner for purpose of meeting such expense. If Manager determines at any time during the term of this Agreement that Owner is not contributing equitably to the Maintenance Reserve as a result of low participation in the Short Term Occupancy Management Program, Manager may assess an additional charge against Owner for Owner Space Available usage or Owner usage to compensate for the minimal contributions to the Maintenance Reserve.
10. Owner understands and agrees that monies held in the Maintenance Reserve are for the common benefit of all of the Unit Owners in the Short Term Occupancy Management Program, and Owner will have no claim therein except to that extent. Manager agrees that monies in the Maintenance Reserve will be spent only for repairs and replacements to units in the Hotel and will not be used for any other purpose. Manager will provide the Homeowners' Association with an annual accounting for the Maintenance Reserve.
11. In the event that Manager ceases to be the Manager of the Hotel at any time, funds remaining in the Maintenance Reserve will be divided between the Homeowners' Association and Manager, based upon the percentage of contribution to the Maintenance Reserve by Manager (currently 45%) and the Owners (currently 55%). Owner agrees and acknowledges that Owner's failure to meet any of Owner's obligations under this Agreement and follow the rules of the Short Term Occupancy Management Program may result in suspension of any or all of Owner's benefits, including, the right to use Space Available. <EXPLANATION ON PAGE 8F>
12. Owner will provide written notice to Manager if the Unit is listed for sale with a real estate broker, or offered for sale directly by Owner. Owner understands and agrees that real estate agents must obtain keys to the Unit from Manager, and that keys may not be issued while short-term occupancy guests are occupying the Unit, in Manager's sole discretion. Owner agrees to notify any listing broker of Manager's policy for obtaining access to the Unit, and Owner agrees that Manager has the right to prevent short-term occupancy guests from being disturbed for real estate sales purposes. Owner further agrees that, in the event of a sale of the Unit, the contract evidencing the sale shall expressly provide that the sale will be subject to the terms and conditions of this Agreement, and that the purchaser of the Unit will honor all confirmed reservations that Manager is unable to relocate to other units.
13. Owner agrees to indemnify, defend and hold Manager harmless from and against any and all claims, demands, liabilities, costs, damages and judgments arising pursuant to Manager's performance of its obligations hereunder including the use, occupancy and ownership of Owner's Unit, except those arising as a result of Manager's gross negligence or intentional act. Owner agrees that Manager shall not be liable for any claim for loss or injury to any person or property located in the Unit or the Hotel, except for loss or injury caused by Manager's gross negligence or willful misconduct.

14. Owner warrants that s/he has read this Agreement prior to signing it. Owner is under no obligation to enter into this Agreement with Manager, and s/he understands that by entering into this Agreement, s/he may restrict his/her personal use of the Unit.
15. Owner acknowledges that Manager makes no guarantees, warranties or representations as to the number of occupancy nights or amount of income to be generated by the occupancy and/or management of Owner's Unit under this Agreement. <EXPLANATION ON PAGE 8G>
16. Owner understands and agrees that the Board of Directors of the Steamboat Grand Resort Hotel Condominium Association, Inc. may require Manager to pay 100% of Owner's share of net short term occupancy income from the Unit to the Homeowners Association for the payment of past Owner's due assessments, legal fees, collection costs and/or property taxes, subject to the following requirements:
 - a) The Homeowners' Association has notified Owner of its intent to request Manager to pay net short term occupancy income to it;
 - b) Owner's balance due to the Homeowners' Association is at least sixty days past due and the Homeowners' Association so notifies Manager;
 - c) Owner's liabilities to Manager will be satisfied prior to paying any net short term occupancy income to the Homeowners' Association;
 - d) Manager will continue to pay net short term occupancy income to the Homeowners' Association until the Association notifies Manager to discontinue making payments to it because the Owner's balance is paid in full; and
 - e) Payment of net short term occupancy income to the Homeowners' Association does not preclude the Homeowners' Association from pursuing any and all other remedies available to it for the collection of unpaid assessments, taxes and related amounts.
 - f) Failure to pay any amounts owed to Manager or to the Homeowners' Association may also result in suspension of Owner's rights.

**Net short term occupancy income is defined as follows: the actual short term occupancy income received for each night less credit card charges, preventative maintenance program contribution, travel agent commissions, meeting room fees, parking charges (if applicable), and activity/marketing fees. Note that taxes, service charges, resort use fees and gratuities are not included in net short-term occupancy income.*

ARTICLE III

THE RESPONSIBILITIES OF MANAGER:

1. Manager shall have the sole discretion to allow short-term occupancy of the Unit on Owner's behalf at a competitive short-term occupancy rate established by Manager.
2. Manager shall immediately begin the expenditure of time, effort, and money to procure short term occupancy guests and will offer the Unit for short term occupancy to transients, as well as reserved guests, on a nightly basis according to the schedule provided by Owner, but in no instance shall be for more than 30 night's occupancy. <EXPLANATION ON PAGE 8H>
3. Manager will fairly apportioning its efforts in attempting to allow occupancy of the Unit, and the comparable units for which Manager serves as Manager
4. Space Available Usage: Manager will allow Owner to use a comparable or lesser unit in the Hotel on space-available basis during weeks other than Owner's reserved weeks as indicated on the Owner Usage Calendar. Such requests to Manager shall be made no earlier than 72 hours prior to date of arrival. If space is available, Owner's stay shall be no longer than a three (3) nights in any one unit will be allowed, for a maximum of six (6) days. Space Available is generally determined as less than ninety percent (90%) anticipated occupancy during the desired period but is at the sole discretion of Manager. Owner will be responsible for all housekeeping charges incurred during the usage period and these fees will be determined based upon the actual room being utilized during the visit. A housekeeping set-up charge will apply for each room change during the Space Available stay. Refer to housekeeping rates listed in the schedule that will accompany each year's Owner Usage Calendar. Space Available use is available to Owners and immediate family (parents, children, grandchildren) who are listed on Addendum One. Owner agrees that Owner's Unit may be made available to the other owners on a rotating basis for the "Space Available" program, which is described above. Owner will accrue no revenue for nights used under this program. Manager may request specific levels of annual participation in the Short Term Occupancy Management Program and/or require specific levels of

annual participation in the Program as a condition for participation in Space Available. Requests and conditions, if any, will be published by Manager together with the Owner Usage Calendar each year. <EXPLANATION ON PAGE 8I>

- 5. Manager agrees to use diligent efforts to ensure that all short-term occupancy guests pay all charges for occupancy of Owner's Unit. Manager shall not be liable to Owner for "bounced" checks, credit card "charge backs" or fraud by short term occupancy guests.
- 6. Manager agrees to obtain an appropriate fidelity bond or insurance covering Manager and all of its employees who handle or are responsible for moneys or property of Owner pursuant to this Agreement.
- 7. Manager agrees to provide housekeeping and linen service and other services while Owner's Unit is being occupied by a short term occupancy guest pursuant to this Agreement and further to clean the premises after termination of such occupancy. All units will be cleaned after Owner and Owner-guest occupancy. Owners will not be charged housekeeping fees for nightly short-term occupancy guests.
- 8. Manager shall render a monthly statement of net short-term occupancy room revenue received and Manager's commission from it and remit to Owner net short-term occupancy proceeds. Net short-term occupancy proceeds shall be due and payable within 30 days of month's end. The accounting month ends on the last Sunday of each calendar month. Manager shall maintain accurate books and records of all funds received and disbursed in connection with the management and operation of the Unit. Such books and records shall be open for inspection by Owner at reasonable times and with reasonable prior notice given. Owner understands that the names of all short term occupancy guests, their addresses and telephone numbers are the sole and exclusive property of Manager and that such information will not be made available to Owner. Owner further agrees that Owner shall have no right to access the books and records pertaining to other units and properties, which Manager may manage.
- 9. Manager may from time to time offer incentives or other programs, in its sole discretion. Manager also reserves the right to offer other Short Term Occupancy Management programs for some or all of the units in the Hotel.
- 10. Manager agrees to indemnify, defend and hold Owner harmless from and against any and all claims, demands, costs, damages and judgments arising pursuant to or relating to this Agreement that arise as a result of Manager's gross negligence or intentional act.
- 11. Manager may assign its rights and duties under this Agreement to any other person or entity as long as the assignee agrees, in writing, to assume and perform the terms and covenants of Manager under this Agreement. Upon such assumption, Manager shall be released from any and all obligations hereunder.

THE PARTIES HERETO HAVE CAREFULLY READ THIS AGREEMENT UNDERSTAND ITS CONTENTS AND SIGN IT WITH FULL KNOWLEDGE OF ITS SIGNIFICANCE.

MANAGER:
Steamboat Ski & Resort Corp.

OWNER:

By: _____
Signature
Title: Vice President

By: _____
Signature of Person whose name appears on page one

Printed Name: Mike Lomas

Printed Name

Date: _____

Date: _____

ADDENDUM 1

List of Immediate Family Members (Parents, Children, and Grandchildren only) for Space Available Use (specify relationship to Owner):

List of Additional Owners (Members of the LLC, Family Partnerships, or listed on the deed):

Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Phone Number: _____ Cell Phone: _____

Email Address: _____

Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Phone Number: _____ Cell Phone: _____

Email Address: _____

Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Phone Number: _____ Cell Phone: _____

Email Address: _____

EXHIBIT A

Maintenance Reserve Fund Policies

- Complete Unit inspection of maintenance items performed twice a year.
- Spot painting where necessary to cover wear marks and minor sheetrock repairs due to guest wear.
- Repair to carpet of minor stains, cigarette burns, or burns from fireplace embers (if applicable).
- Minor retexturing of ceilings, where necessary.
- Repair or replacement of lamps or globes of in-unit ceiling or wall light fixtures.
- Repair of small electrical fixtures including switchplates, coverplates, bath vent fans, outlets, switches, and smoke detectors.
- Repair of door stops, doorknobs, and any minor refinishing of interior doors.
- Spot refinishing of wood dining chairs and bar stools and regluing of spindles.
- Repair of electric appliances such as refrigerators, ranges, hot water heaters, electric baseboard heaters, dishwashers (including repair or replacement of broken or rusty racks), washers, dryers, etc., where cost is under fifty dollars (\$50).
- Repair of broken closet shelving and rods.
- Repair or replacement of yellowing or defective caulking around kitchen counters, vanities, tubs, etc.
- Repair, replacement, or resetting of trim rings around recessed light fixtures where cost is under fifty dollars (\$50).
- In curtains and curtain linings repair of minor tears (if applicable).
- Repair or replacement of shower curtains.
- Minor repair of wallpaper including re-gluing of loose edges and corners, removal of spots, stains, and marks where possible.
- Repair or replacement of broken bath fixtures such as towel racks, toilet paper holders, and toilet seats.
- Repair or replacement of existing flooring binder bars between flooring type or carpet seams.
- Repair of window blinds.
- Minor repair of tears, stains, and cigarette burns in bedspreads.
- Maintain appropriate supply of dishes, silverware, pots and pans, ice cube trays, place mats, wastebaskets, kitchen trash containers, and other kitchen utensils.
- Repair of Unit door locks.
- Repair of in-unit window locks.
- Repair of interior weather stripping and window seal replacement.
- Minor plumbing and appliance repairs.
- Replacement of linen, blankets and pillows, as necessary.
- Diagnosis of problems with: appliances, heat and hot water, TV and VCR.
- Twice yearly deep cleaning.
- Cleaning of Unit windows

The following items or work may be charged to the four percent (4%) Preventive Maintenance Fund if, after review of the money in the fund, Manager agrees that funds are available to permit the repair or replacement:

- Replacement of lampshades.
- Minor refinishing or repairing of wood table or furniture tops, cabinet faces, interior wood railings, wood sills, and wood windowsills.

Explanation of Changes

- A. The agreement is no longer a 3-year agreement instead it is automatically renewed each year on May 1. Please do keep in mind that if for any reason you as the owner would like to cancel your agreement refer to Article I number 4.
- B. To inform the owner what would happen in case of fire, catastrophe, acts of God, civil commotion, war or other casualty damages either the Hotel or Unit.
- C. More defined explanation that once the agreement is signed by the owner and manager the owner cannot accept funds from anyone other than the Manager for renting the unit.
- D. To put in writing that when a calendar is not returned to Owner Services what will happen to the owner weeks and a time frame for the owner to return their calendar.
- E. Added the new fee the Homeowners Association has chosen to enforce.
- F. Inform the owner if they do not meet the Agreement or pay their bills in a timely manner we have the right to suspend the owner benefits including Space Available until the owner is current again.
- G. The Manager will do their best to occupy the units, however we cannot make any guarantees on the rental nights or income.
- H. Because of the type of facility that the Steamboat Grand is we do accept rentals for longer than 30 nights in one unit.
- I. The only change to the Space Available program is we took out the information regarding American Skiing Company since Steamboat Ski & Resort Corporation is no longer owned by ASC.