



WINTER PARK RESORT

MORE THAN YOU IMAGINE.

June 15, 2015

TMII Development, LLC
Attn: Kevin Magenis
PO Box 2281
Fraser, Colorado 80442

Re: Proposed Land Exchange

Dear Kevin:

It is our understanding that your company, TMII Development LLC ("Developer") intends to construct a multifamily development on a 5 acre development parcel east of the Mary Jane/Winter Park ski corridor and across from the Bridger's Cache subdivision (the "Project"). We also understand that the Project includes an ingress/egress roadway from the Mary Jane Road near the entrance of the Dotsero Junction Parking Lot near the Mary Jane Ski Area base building, to be constructed as part of the Project ("Access Road").

The following is a statement of the terms under which we believe the Colorado Arlberg Club (the "Club") and Intrawest/Winter Park Operations Corporation ("IWPOC") and Winter Park Recreational Association ("WPRA") would agree not to oppose the proposed land exchange between the Developer, and the United States Forest Service that is needed for completion of the Project. We understand that the land you are proposing to acquire from the Forest Service ("Exchange Parcel") is shown on the map attached hereto as Attachment A and incorporated herein by this reference.

As you know, IWPOC operates Winter Park Resort under the terms of a Lease and Operating Agreement between itself and WPRA, the legal title holder of Winter Park Resort. The terms set forth below are subject to approval by the Boards of both WPRA and the Club. The terms may also be subject to the approval of the City and County of Denver ("City") which is the beneficial owner of Winter Park Resort. If the terms set out in this letter are acceptable to the Developer, IWPOC will recommend that the WPRA Board and, if applicable, the City approve the terms. The terms set out herein will also be presented to the Club's Board for approval. We cannot, however, guarantee they will be accepted by either Board or the City. (As used herein below the term "Resort" refers collectively to WPRA and IWPOC.)

1. The existing restrictions contained in the Agreement for Partial Release and Termination of Ski Easement between the Club and LDM Development L.L.C. relating to development of Outlot F of Bridger's Cache will apply to the entire Project including Outlots F and E and the portion of the Exchange Parcel not conveyed to WPRA. These restrictions are:
 - a. the Project shall be restricted to condominium or townhome units, none of which contains more than 2,500 square feet of habitable interior living area;
 - b. no liquor license shall ever be issued with respect to any use on the Project;

- c. no commercial or retail use shall ever be permitted on the Project other than a commercial rental pool or similar nightly rental operation.
- 2. The entire Project will also be subject to the following obligations and restrictions:
 - a. the Club and the Resort shall be furnished with a legal description and ALTA survey of (1) the Exchange Parcel and (2) the portions of Outlot F, Outlot E and the Exchange Parcel on which the proposed development will be located showing the proposed locations for structure(s), the Access Road, parking, snow storage, infrastructure including utilities, etc. when the ALTA survey and maps are available;
 - b. the Project shall consist of a maximum of 75 condominium units or townhomes in a single structure with at least 1.25 parking spaces per dwelling unit and no more than 25 guest parking spaces. We understand that the general location and layout of the Project is shown on the map attached hereto as Attachment B and incorporated herein by this reference. We also understand that the underground garage to be constructed as part of the Project extends beyond Outlot E and F under the proposed Access Road. We also understand that the portion of the Exchange Parcel not conveyed to WPRA and not being utilized for construction of the Project as shown on Attachment A will remain unimproved open space with improvements thereon limited to trails to be built or maintained on the open space;
 - c. the highest point on the roof of the building, any equipment or structure on the roof, or any other structure in the Project shall be no more than 15 feet in elevation above the centerline of the Mary Jane Road at a point on the Mary Jane Road nearest to that highest point of the building as shown on the drawing attached hereto as Attachment C which is incorporated herein by this reference;
 - d. a landscaped buffer with trees shall be maintained between the Mary Jane Road and the Access Road and the building(s) that are part of the Project;
 - e. no improvements shall be made on the land acquired from the Forest Service and retained by the Developer other than the surface guest parking spaces, the underground parking garage that extends from Outlots E and F under the Access Road (drawing attached) and the new access road to the Project (including entry gate and cul-de-sac turnaround at north end) from the existing Mary Jane Road;
 - f. no further development of any kind shall be made on Outlots E and F and the portion of the Exchange Parcel not conveyed to WPRA without the prior written consent of both the Club and the Resort, which consent may be withheld in the absolute discretion of the Club or the Resort;
 - g. as part of the approval process with the Town of Winter Park, the Developer will be required to provide a snow removal and storage plan that must be approved by the Club and the Resort at their sole discretion. It must also be understood and agreed that the snow removal from the Mary Jane Road and associated snow storage in the vicinity of the Mary Jane Road performed by the Resort will continue to be done as it has been in the past and any mitigations needed as a result of this will be the responsibility of the Developer or subsequent property owners;

- h. the Club and the Resort shall have the right to review and approve any signage on or visible from the Mary Jane Road or any Club or WPRA owned property and the design and appearance of the entrance gate for the Project, which approval may be withheld in the absolute discretion of the Club or WPRA.
- 3. The above restrictions shall be set forth in a restrictive covenant to be recorded concurrent with Developer's acquisition of the Exchange Parcel, which covenant shall run with the Exchange Parcel, Outlot E and Outlot F for the benefit of the Club and the Resort, either of which may enforce the covenant separately. The covenant shall provide that it shall not be amended, modified or terminated without the prior written approval of both the Club and the Resort. The Developer shall draft a proposed restrictive covenant for review and approval by the Resort and the Club prior to execution of a final agreement memorializing the terms of this letter of understanding ("Final Agreement").
- 4. Prior to commencement of any application for a building permit with the Town of Winter Park for the Project, the Developer shall provide the Club and the Resort with all relevant plans and specifications with respect to the Project. The Club and the Resort shall have 30 days from their respective receipt of the plans and specifications in which to review them for compliance with the foregoing restrictions.
- 5. The Final Agreement to be executed between the Developer, the Club and the Resort shall include other appropriate provisions including the following:
 - a. title to any part of the existing Mary Jane Road, Resort parking areas, snow storage areas adjacent to the road, and wooded areas east and south of the Mary Jane Road (generally, land shown on Attachment A as the "Preliminary Area to Deed to Winter Park Resort") acquired by the Developer from the Forest Service shall be conveyed by the Developer to WPRA as part of the closing of the Land Exchange by way of a Special Warranty Deed acceptable in form to WPRA, and the Club shall be granted the perpetual right to use that existing Mary Jane Road for access to the Club at all times;
 - b. access to the Project shall be from the existing Mary Jane Road to the Mary Jane base area, shall not cross any property owned by the Club and at no time shall that road to the Mary Jane base area be blocked by construction or other activities in connection with the Project;
 - c. The Developer and the owners of units in the Project shall contribute on a basis acceptable to the Resort a portion of the expenses of maintaining the Mary Jane Road;
 - d. the triangular parcel of land owned by the Club which is adjacent to Outlot E shall, at the expense of the Developer, be surveyed and at the option of the Club after consultation with the Resort, before construction of the Project begins, shall be separated, signed and posted in a manner acceptable to the Club and the Resort to prevent trespassing on such parcel and the owners of the units in the Project shall remain responsible for the expenses of maintaining such separation, signage and postings. The separation of the triangular parcel may be by natural barriers such as trees and/or other vegetation or by constructed fencing as approved by the Club and the Resort in the exercise of their sole discretion;

- e. the Club shall be granted the right by the Developer and the Resort to access the area where existing utilities are located on Outlot E and the Resort and the Developer will not oppose Club efforts to increase the capacity of those utilities for future development by the Club of lands owned by it, however, to the extent such utilities are the property of utility service providers, such access may require the consent and approval of the service provider and any easement, license or right of access granted to the utilities will be subject to the rights of existing utility service providers. Any such access will be subject to the terms of an easement or license acceptable in form to the Developer and the Resort in the exercise of their reasonable discretion.
- f. The Developer and WPRA with respect to the portions of the Exchange Parcel conveyed to WPRA will provide easements for existing utilities on all land acquired from the Forest Service subject to the terms of an easement acceptable in form to the Developer and the Resort in the exercise of their reasonable discretion.
- g. within the undeveloped portion of Outlot E and/or the Exchange Parcel, the Developer will provide a travel area for the reroute of the existing Jackalope Mountain Bike Trail and work with the Resort to develop and maintain future mountain bike / hiking trails on the undeveloped portions of Outlot E and the Exchange Parcel.
- h. The Developer will pay for all reasonable legal fees for Resort and the Club related to any of the above matters.
- i. The Resort will execute a suitable amendment to the Winter Park Resort Special Use Permit or such other documentation as the Forest Service may require to exclude the Exchange Parcel from the permit boundary as part of the closing on the land exchange.
- j. The Resort and Club shall prepare and send to the Forest Service a letter stating they will not oppose the proposed land exchange as long as the terms of this Agreement are carried out by the Developer.

Following the execution of this letter of understanding by all the parties, the parties will prepare a formal definitive agreement containing the above terms and other appropriate provisions common to such agreements. Among other matters to be included in a definitive agreement would be an exhibit in the form of the restrictive covenant referred to in Paragraph 3 above and language regarding the timing of the execution and recording of the restrictive covenant. None of the parties shall be bound by the terms of this letter of understanding until the final definitive agreement is approved by their respective boards or members and is executed by all the parties hereto.

Colorado Arlberg Club



By: Dennis Jackson, President

Intrawest/Winter Park Operations Corporation


By: Gary DeFrango, President/COO

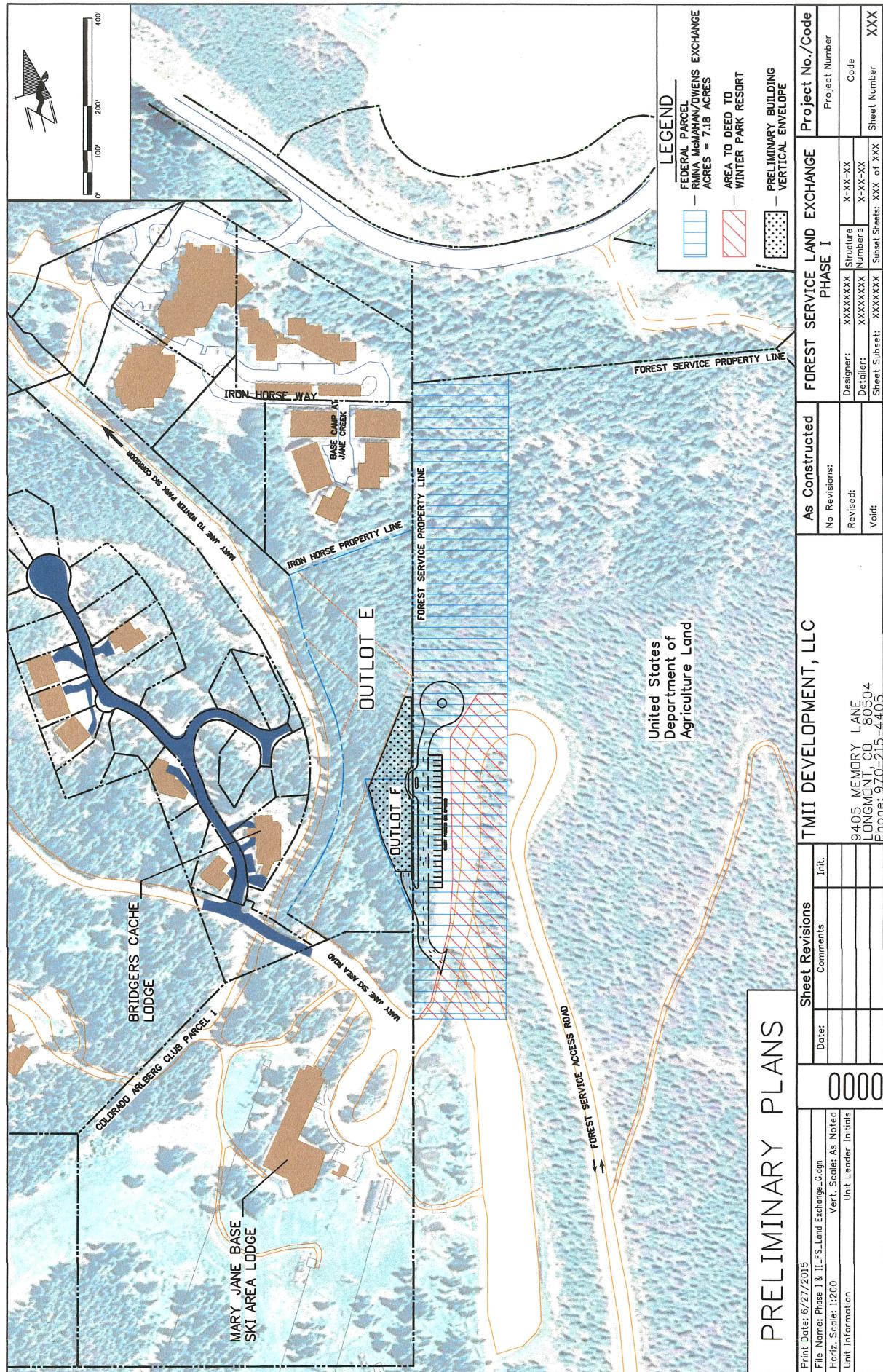
Accepted and Acknowledged by Developer

TMII Development, LLC

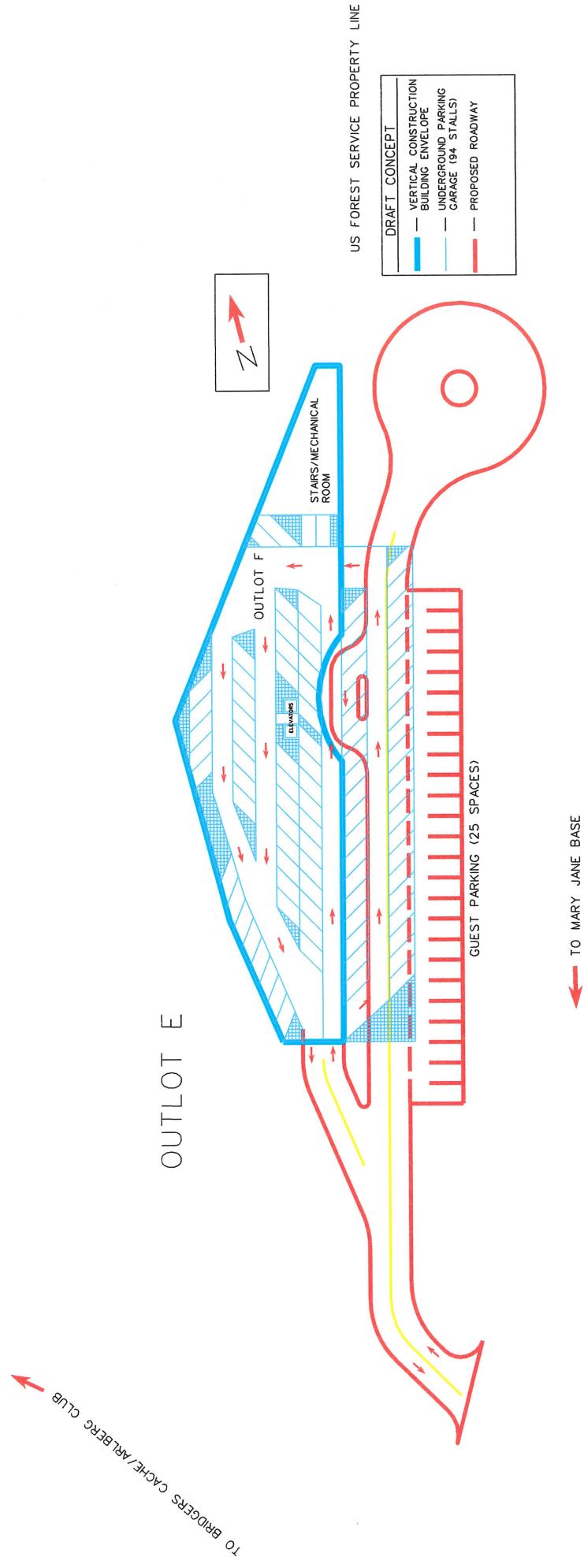

By: Kevin Magenis, Managing Member

Dated: 6/15/15

ATTACHMENT A



ATTACHMENT B



DRAFT PLANS 1/23/2015

ATTACHMENT C

CONCEPT - PROPOSED BUILDING (SIDE VIEW, LOOKING WEST)
12' FLOORS

