OPERATIONS GUARANTY AGREEMENT

THIS OPERATIONS GUARANTY AGREEMENT (this "**Agreement**") is made and entered into as of this 28th day of November, 2016, by and among BASE VILLAGE METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado ("**District No. 1**"), and SNOWMASS VENTURES, LLC, a Delaware limited liability company (the "**Developer**") (each a "**Party**" or collectively, the "**Parties**"). This Agreement shall be effective upon the successful closing of Base Village Metropolitan District No. 2's General Obligation Limited Tax Refunding Bonds, Series 2016A (the "**2016A Bonds**") and its Subordinate General Obligation Limited Tax Refunding Bonds, Series 2016B (the "**2016B Bonds**," together with the 2016A Bonds, collectively, the "**2016 Bonds**").

RECITALS

WHEREAS, the District has been duly and validly organized in accordance with the provisions of Article 1, Title 32, Colorado Revised Statutes ("**Special District Act**"), with the power to provide certain public infrastructure, improvements and services, as described in the Special District Act, within and without its boundaries (collectively, the "**Public Infrastructure**"), as authorized and in accordance with the Amended and Restated Consolidated Service Plan for Base Village Metropolitan District Nos. 1 and 2 (the "**Service Plan**"), approved by the Town of Snowmass Village, Colorado (the "**Town**"); and

WHEREAS, under the Service Plan, the District is intended to work with Base Village Metropolitan District No. 2 ("**District No. 2**", together with District No. 1, the "**Districts**") to coordinate their efforts with respect to all activities authorized in the Service Plan, including, but not limited, to the management and administration, structuring of financing, coordination of construction, and operations and maintenance of public improvements necessary and appropriate for the development of Base Village (the "**Public Improvements**"); and

WHEREAS, pursuant to the Service Plan, District No. 1 is to be responsible for managing the construction, acquisition and operation of the Public Improvements and District No. 2 shall have primary responsibility for providing the tax base as might be needed for operational and administrative requirements of the Districts or as necessary to pay the debt service on bonds issued to construct and/or acquire the capital improvements described in the Service Plan; and

WHEREAS, the Districts have entered into that Certain Operation, Maintenance and Administrative Services Agreement (the "**Operation Agreement**"), dated November 28, 2016, which is also to be effective upon the closing of the 2016 Bonds, for the purpose of establishing the respective obligations of the Districts in relation to the provision of the O&M Services (as defined in the Operation Agreement) and the Administrative Services (as defined in the Operation Agreement, and together with the O&M Services, collectively the "**Services**") and the funding of costs related to the Services; and

WHEREAS, the Operation Agreement authorizes District No. 1 to undertake the Services on behalf of both Districts, to maintain the Districts' good standing and otherwise facilitate the

powers and functions authorized to the Districts under the Service Plan, including, but not limited to, operation and maintenance of the Public Infrastructure; and

WHEREAS, the Operation Agreement provides for the transfer of revenues derived from an ad valorem tax imposed by District No. 2 on property within its boundaries of no more than 6 mills, in order to fund the costs related to the Services (the "**Operating Costs**"), which obligation of District No. 2 will terminate the first year District No.1 is able to fully fund Operating Costs without such contribution from District No. 2 and

WHEREAS, District No. 1 has incurred and will continue to incur Operating Costs; and

WHEREAS, District No. 1's ability to fund the Operating Costs is limited to the net revenue available to it after taking into account the payment on an annual basis of all amounts due with respect to its pledge of revenue to the payment of bonds issued by District No. 2, and the contribution made by District No. 2, pursuant to the Operating Agreement; and

WHEREAS, it is in the best interests of the Developer, as developer of the Project, and the District to enter into this Agreement to ensure sufficient revenues to fund Operating Costs.

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

COVENANTS AND AGREEMENTS

1. Purpose and Limitations. The Parties agree that the purpose of this Agreement is to establish a source of supplemental funding for Operating Costs in the event that the District No. 1 does not have sufficient moneys to pay Operating Costs as the same come due during any particular year (such insufficient amount being referred to herein as the "**Shortfall**"). The Developer shall be obligated to provide supplemental funding in the amount of the Shortfall as set forth in this Agreement but only if: a) the Districts each certify the full amount of the property tax mill levy that they are required to levy to produce property tax revenue to pay Operating Costs; and (b) the Districts make every reasonable effort to collect and apply all other legally available revenue to pay Operating Costs.

2. Operations Funding Commitment. Subject to the limitations set forth in Paragraph 1 above, the Developer shall be obligated to provide sufficient funds to timely pay for all Operating Costs in the manner as provided in Paragraph 3(b) herein.

3. Estimate of Supplemental Funding Amounts/Timing of Funding.

(a) On or before December 15 of each year prior to the ensuing fiscal year, District No. 1 shall provide the Developer with a copy of the budgets for District No. 1 and District No. 2 (but only if District No. 2 is still obligated to provide funding for Operating costs under the Operation Agreement) for the ensuing fiscal year, in the form required by the State of Colorado for special districts and shall provide or cause to be provided: (i) an estimate of the

Shortfall amount, if any, which may be required during the period covered by the budgets; and (ii) approved budgets in accordance with State Law and as necessary to certify the respective mill levies of the Districts.

(b) Commencing in January 2017, on or before ten (10) days prior to the last business day of each month when a Shortfall is anticipated, District No. 1 shall provide the Developer with a good faith estimate of the anticipated Shortfall in the month following such estimate. On or before the first (1st) business day of the month in which the Shortfall is anticipated, the Developer shall advance immediately available funds to District No. 1 in the amount of the applicable Shortfall. Any advance amounts not otherwise used for the payment of Operating Costs within thirty (30) days of a regular meeting of District No.1 verifying claims and approving such Operating Costs, or otherwise needed for funding a Shortfall in the subsequent month, shall be promptly remitted back to the Developer.

4. Annual/Final Reconciliation. Not less than sixty (60) days following the end of any fiscal year, District No. 1 shall furnish the Developer with an unaudited reconciliation of actual Operating Costs, all revenue of the Districts used to pay for Operating Costs, any Shortfall amounts advanced, and any amounts remitted or credited as provided in Paragraph 3(b) herein for the preceding fiscal year. Any supplemental funding advanced by the Developer to pay for Operating Cost Shortfalls in excess of the fiscal year Shortfall amount ("**Reimbursement Amounts**") shall be remitted as provided in Paragraph 5 herein.

5. Reimbursement of Advances. District No. 1 agrees to reimburse the Developer, from any and all legally available funds of District No. 1, and further agrees to include such Reimbursement Amounts in its annual budget. The reimbursement obligation established in this Paragraph 5 shall be subject to annual appropriation by the District. Notwithstanding the foregoing provisions, the Parties acknowledge that District No. 1 shall be entitled to retain a balance of up to $25,000 of all Reimbursement Amounts due and owing for emergency operating funds (the "Contingency Fund"), and that no reimbursement shall be due to the Developer from the District from the Contingency Fund until the termination of this Agreement or until such other date as is agreed to by the parties.

6. Default/Remedies. Failure of the Developer to pay a Shortfall in the amount due and when due pursuant to Paragraph 3(b) hereof shall constitute a "**Payment Default**" hereunder. Except for the absence of an annual appropriation by District No. 1 of any reimbursement obligation as provided in Paragraph 5 above, which shall not constitute an Event of Default, it shall be an "**Event of Default**" under this Agreement if either Party fails to perform or observe any of the covenants, agreements, or conditions made by such Party herein (whatever the reason for such event or condition and whether it shall be voluntary or involuntary or be affected by operation of law or pursuant to any judgment, decree, rule, regulation, or order of any court or any administrative or governmental body). A Payment Default is an Event of Default.

(a) Grace Period. Except for a Payment Default, for which there is no cure period, upon the occurrence of an Event of Default by either Party, such Party shall, upon written notice from the other Party, proceed immediately to cure or remedy such Default and, in any event, such Default shall be cured within thirty (30) days after receipt of such notice, or, if such default is

of a nature which is not capable of being cured within the applicable time period, shall be commenced within such time period and diligently pursued to completion.

(b) Remedies on Default. Whenever any Event of Default occurs and is not cured under Section 6 (a) hereof, either Party may proceed to protect and enforce its rights by such suit, action, or special proceedings as the Party deems appropriate under the circumstances, including without limitation an action in mandamus or for specific performance.

(c) Default Interest. Any payment by the Developer of any Shortfall Amount that is not paid when due hereunder shall bear simple interest at a rate of eight percent (8%) per annum, accruing from and after the due date of such Shortfall until paid. Interest accrued on any missed or partial Shortfall payment shall be added to and increase the annual operations funding commitment due from the Developer as provided hereunder for the applicable fiscal year

7. Miscellaneous.

(a) Assignment and Delegation. Neither this Agreement, nor either of the Parties' rights, obligations, duties or authority hereunder may be assigned or delegated in whole or in part by either Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Any improper attempt of assignment or delegation shall be deemed void and of no force or effect. Consent to one assignment or delegation shall not be deemed to be consent to any subsequent assignment or delegation nor the waiver of any right to consent to such subsequent assignment.

(b) Modification. This Agreement may be modified, amended or changed only by an agreement in writing duly authorized and executed by both Parties.

(c) Integration. This Agreement contains the entire agreement between the Parties and no statement, promise or inducement made by either Party or the agent of either Party that is not contained in this Agreement shall be valid or binding.

(d) Severability. If any portion of this Agreement is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion of this Agreement, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

(e) Survival of Obligations. Unfulfilled obligations of both parties arising under this Agreement shall be deemed to survive the expiration or termination by court order or otherwise of this Agreement, and shall be binding upon and inure to the benefit of parties and their respective successors and permitted assigns.

(f) Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Colorado.

(g) Headings for Convenience Only. The headings, captions and titles contained herein are intended for convenience and reference only and are not intended to construe the provisions hereof.

(h) Persons Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon or to give to any person, other than Parties hereto, any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all of the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the Parties shall be for the sole and exclusive benefit of the Parties hereto.

(i) Notices. Any notices, demands, or other communications required or permitted to be given by any provision of this Agreement shall be given in writing, delivered personally, sent by facsimile with a hard copy sent immediately thereafter by first class certified mail, or sent by first class certified mail, postage prepaid and return receipt requested, addressed to the Parties at the addresses set forth below, or at such other address as either Party may hereafter or from time to time designate by written notice to the other Party given in accordance herewith. Notice shall be considered given when personally delivered, transmitted by facsimile or mailed by first class mail, return receipt requested, and shall be considered received on the earlier of the day on which such notice is actually received by the Party to whom it is addressed, or the third day after such notice is mailed.

Notices to District No. 1:
Base Village Metropolitan District No. 1
c/o White Bear Ankele Tanaka & Waldron
Attn: Mr. William P. Ankele, Jr.
2154 E Commons Ave., Ste. 2000
Centennial, CO 80122
(303) 858-1800
wpankele@wbapc.com

Notices to the Developer:
East West Partners
Attn: Mr. Andy Gunion
126 Riverfront Lane, 5th Floor
P.O. Drawer 2770
Avon, CO 81620
(970) 748-7585
agunion@ewpartners.com

j. Instruments of Further Assurance. The Parties hereto each covenant that they will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

k. Non-Waiver. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed to be a waiver of any subsequent default hereunder.

l. Binding Agreement. This Agreement shall inure to and be binding on the heirs, executors, administrators, successors, and permitted assigns of the Parties hereto.

m. Governmental Immunity. Nothing herein shall be construed as a waiver of the rights and privileges of the Districts pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S., as amended from time to time.

n. Counterpart Execution. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

[Signature page immediately follows]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

SNOWMASS VENTURES, LLC

By: _____
Name: Andy Carr
Its: Authorized Person

BASE VILLAGE METROPOLITAN DISTRICT NO. 1

By: _____
Officer of the District

ATTEST:

_____

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

SNOWMASS VENTURES, LLC

By: _____
Name: _____
Its: _____

BASE VILLAGE METROPOLITAN DISTRICT NO. 1

By: _____
Officer of the District

ATTEST:

_____