

SKI OPERATIONS EASEMENT AGREEMENT
Prospect at Mt. Crested Butte, Phase 1

THIS SKI OPERATIONS EASEMENT AGREEMENT (this "Agreement") is made as of this 8th day of July, 2002, by and between CBMR REAL ESTATE, LLC, a Colorado limited liability company ("Grantor"), and CRESTED BUTTE MOUNTAIN RESORT, INC., a Colorado corporation ("Grantee").

RECITALS

A. Grantor is the owner of certain real property in Gunnison County, Colorado, that will be more particularly described as Open Space C, Prospect at Mt. Crested Butte, Phase 1, Town of Mt. Crested Butte, County of Gunnison, State of Colorado (the "Easement Area"), pursuant the final plat of Prospect at Mt. Crested Butte, Phase 1 to be filed in the real property records of Gunnison County, Colorado (the "Plat").

B. Grantee is the owner of deeded lands and permit rights across land of the United States Forest Service on which it operates the Crested Butte Ski Area within and adjacent to the Town of Mt. Crested Butte in Gunnison County, Colorado (collectively, "Grantee's Property").

C. Grantor desires to grant to Grantee, and Grantee desires to obtain from Grantor, certain easement rights on, over and across the Easement Area pursuant to the terms and conditions of this Agreement.

D. This Agreement is the "Ski Operations Easement Agreement" described in Note 4 of the Plat.

AGREEMENT

NOW THEREFORE, in consideration of \$10.00 and the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee hereby covenant and agree as follows:

1. Ski Operations Easement. Grantor hereby grants to Grantee a perpetual easement on, over, under, through and across the Easement Area (including the air space above the Easement Area) for the benefit, use and enjoyment of Grantee, its agents, employees, representatives, contractors, subcontractors, licensees and invitees ("Permittees") for the following purposes: (a) non-motorized over-the-snow winter recreation activities, including, without limitation, snow skiing (nordic and alpine), snowboarding, snow shoeing, ski patrolling activities, and similar activities now or hereafter commonly associated with a commercial ski area; (b) giving lessons and instruction in snow skiing, snowboarding and similar over-the-snow activities for a fee;

(c) construction, reconstruction, operation, use, maintenance and removal of access roads and ski ways, trails and runs, including, without limitation, tree removal, grading, earth moving, re-vegetation and installation of drainage facilities; (d) construction, reconstruction, replacement, operation, use, maintenance and removal of mechanized facilities for transporting skiers, snowboarders and other recreationalists, including, without limitation, chair lifts, gondolas and similar facilities, and including all other improvements associated with such facilities; (e) construction, reconstruction, replacement, operation, use, maintenance and removal of restaurants, bars, restrooms, lift ticket sales offices, shops for selling and renting equipment and apparel for skiing and snowboarding, and other buildings and facilities intended to provide services to customers and employees of Grantee in its operation of the Crested Butte Ski Area; (f) use and operation of any maintenance vehicles and equipment necessary or convenient for the construction, maintenance, operation and supervision of a commercial ski area and the improvements and buildings associated therewith, including, without limitation, snowcats, snowmobiles, construction equipment and trucks; (g) construction, reconstruction, installation, maintenance, and operation of snowmaking equipment; and (h) any other activity or use now or hereafter commonly associated with the operation, maintenance, use or management of a commercial ski area (the "Ski Operations Easement"). Grantee's rights under the Ski Operations Easement include the right to adopt and enforce policies, rules and regulations (both written and unwritten) regulating the conduct and actions of Grantee's Permittees with regard to their use of the Ski Operations Easement and/or the facilities of the Crested Butte Ski Area. The Ski Operations Easement is an easement appurtenant that is for the benefit of, and shall run with title to, Grantee's Property and the other property and facilities comprising the Crested Butte Ski Area.

2. Exclusivity. Grantee and its Permittees shall have exclusive use of the Easement Area for the purposes permitted under the Ski Operations Easement as described in Paragraph 1 above. In addition and without limiting the foregoing, during the time of the year that the Crested Butte Ski Area is open for operation, Grantee and its Permittees shall have exclusive use of the Easement Area for all purposes. Without limiting the preceding provisions, neither Grantor nor its successors or assigns shall have the right to utilize the Easement Area for over-the-snow recreational activities of any type (e.g., skiing, snowboarding, sledding, snowshoeing, etc.) except to the extent that they are Permittees of Grantee as the operator of the Crested Butte Ski Area (e.g., by purchasing a ski pass or lift ticket pursuant to the terms on which they are offered to members of the general public). Even if Grantor or its successors or assigns become Permittees of Grantee, they shall be subject to any policies, rules or regulations that Grantee adopts concerning use of the Ski Operations Easement and/or the Crested Butte Ski Area.

3. Grantor's Use. Except as limited by the preceding provisions of Paragraph 2, Grantor and its successors and assigns shall have the right to use the Easement Area in any manner that does not interfere with Grantee's use of the Easement Area as permitted under the Ski Operations Easement. For example, summer time recreational use of the Easement Area by Grantor or its successors or

assigns in a manner that does not interfere with any construction or maintenance activities Grantee might be undertaking is permitted, subject to any rules that Grantor or any successor in interest to Grantor may impose.

4. Compliance with Laws. All activities carried on by Grantee on or about the Easement Area shall be conducted in accordance with all applicable laws.

5. Indemnification. Except as provided in the last sentence of this Paragraph 5, Grantee hereby agrees to indemnify, defend and hold harmless, Grantor and Grantor's officers, directors, shareholders, partners, members, agents, employees, successors and assigns (collectively, the "Indemnified Parties"), from and against any and all claims, actions, causes of action, liability, losses, damages, costs or expenses, including reasonable attorneys' fees, and including, without limitation, any and all mechanics' and/or materialmen's liens and claims, which may be imposed upon or incurred by any of the Indemnified Parties, and that arise from or are related to Grantee's or its Permittees' use of the Ski Operations Easement or Grantee's failure to comply with the terms and provisions of this Agreement, except to the extent due to acts or omissions of any of the Indemnified Parties or hazardous materials or conditions that are not placed on the Easement Area or caused to be placed thereon by Grantee or its Permittees. Nothing in the preceding provisions of this Paragraph 5 is intended or shall be construed as a waiver by Grantee of: (a) the limitations on Grantee's liability established by the Colorado Ski Safety Act of 1979, as amended from time to time; or (b) any other limitation on the liability of Grantee as the operator of the Crested Butte Ski Area established by other provisions of Colorado or federal law, whether now existing or established hereafter.

6. Future Supplements. The parties anticipate that Grantor will establish additional phases of the development project known as Prospect at Mt. Crested Butte and in furtherance thereof will record one or more additional subdivision plats subdividing lands adjacent to or nearby those within Prospect at Mt. Crested Butte, Phase I. Such future plat(s) may include property that the parties desire to include as part of the Easement Area pursuant to this Agreement. Therefore, the parties shall have the right to include additional property within the Easement Area by jointly executing and recording one or more supplements to this Agreement describing the property or properties that are to be included within and considered part of the Easement Area for all purposes under this Agreement. Any such supplement shall include a reference to this Agreement and the recording information for this Agreement as well as a legally sufficient description of the property or properties to be included within the Easement Area.

7. Liens. Grantee shall keep the Easement Area free from any liens or encumbrances caused by any act or omission of Grantee or its Permittees.

8. Headings. The captions and headings of any section herein are not part of and in no manner or way define, limit, amplify, change or alter any term, covenant or condition of this Agreement.

9. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado.

10. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

11. Recordation. This Agreement shall be recorded in the real property records of Gunnison County, Colorado.

12. Amendments. No amendments, waivers or modifications hereof shall be made or deemed to have been made unless in writing and executed by the parties to be bound thereby.

13. Attorneys' Fees. In the event of any litigation, controversy, claim or dispute between the parties hereto arising out of or relating to this Agreement or the breach or threatened or claimed breach hereof, or the interpretation hereof, the prevailing party, whether by judgment or out of court settlement, shall be entitled to recover from the losing party, reasonable expenses, attorney's fees and other costs incurred in connection therewith, or in the enforcement or collection of any judgment or award rendered therein.

14. Severability. The enforceability, invalidity or illegality of any provision of this Agreement shall not render the other provisions of this Agreement unenforceable, invalid, or illegal, but rather the unenforceable, invalid or illegal provisions of this Agreement shall be deemed severed from this Agreement and this Agreement shall remain in full force and effect to the greatest extent permitted by applicable law.

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

GRANTOR:

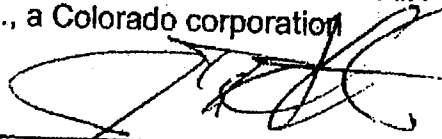
CBMR REAL ESTATE, LLC, a Colorado limited liability company

By: 

Harrison F. Russell
Vice General Manager

GRANTEE:

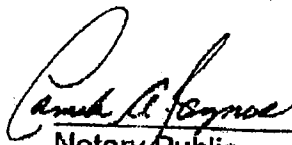
CRESTED BUTTE MOUNTAIN RESORT,
INC., a Colorado corporation

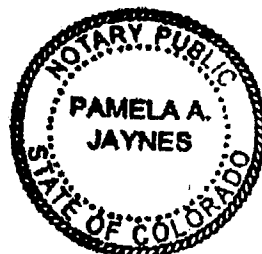
By: 
James H. Ruthven
Vice President

STATE OF COLORADO)
) ss.
COUNTY OF GUNNISON)

The foregoing instrument was acknowledged before me this 8th day of July, 2002, by Harrison F. Russell as Vice General Manager of CBMR REAL ESTATE, LLC, a Colorado limited liability company.

Witness my hand and official seal.
My commission expires: 23 April 2005.


Notary Public

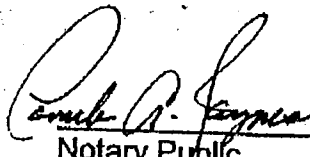


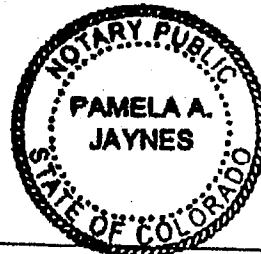
My Commission Expires
23 April 2005

STATE OF COLORADO)
) ss.
COUNTY OF GUNNISON)

The foregoing instrument was acknowledged before me this 8th day of July, 2002, by James H. Ruthven as Vice President of CRESTED BUTTE MOUNTAIN RESORT, INC., a Colorado corporation.

Witness my hand and official seal.
My commission expires: 23 April 2005.


Notary Public



My Commission Expires
23 April 2005