

ELEVATION OWNERS ASSOCIATION

ASSOCIATION MANAGEMENT AGREEMENT

THIS AGREEMENT is executed at Mt. Crested Butte, Colorado, with an effective date of November 15, 2007, as follows:

1. ASSOCIATION The association (the "Association") is: ELEVATION OWNERS ASSOCIATION, a Colorado non-profit corporation.

2. HOTEL OPERATOR. The Hotel Operator ("Operator") is: CRESTED BUTTE LAND HOLDINGS, LLC., dba CBMR Properties, a Colorado Limited Liability Company.

3. PURPOSES. The following purposes apply to this Agreement:

3.1 Status of Association. Association is an association of Unit Owners, and as such has the authority on behalf of Owners to contract for management, maintenance, and repair of the Common Elements of the Project, as set forth in the Declaration, the Articles of Incorporation, and the Bylaws of the Association ("Association Documents").

3.2 Status of Hotel Operator. Operator is engaged in the business of the management of condominium, homeowner, and property owner associations in the Mt. Crested Butte, Colorado area.

3.3 Desire to Contract Association desires to contract with Operator to operate, manage, and supervise the operation of the Association.

3.4 Agreement Association and Operator agree to the terms and conditions set forth in this Management Agreement.

4. APPOINTMENT. Association hereby appoints and employs the Operator as the exclusive Operator of the Project and the Operator accepts the appointment and employment as the Manager of the Association under the terms of this Agreement.

Obligations. The Operator shall be under no obligation to follow the directions or to accommodate the wishes of any individual owner and shall only be obligated to follow the directions of the Association's Board of Directors.

Operator shall maintain business-like relations with Owners, whose service requests, to the extent appropriate, shall be received and considered. Operator shall inform Owners of the Association's rules and regulations, meetings, and other important matters of Association business. Complaints of a serious nature, after thorough investigation, shall be reported the Board of Directors along with appropriate recommendations.

The Operator shall be furnished with a complete set of plans and specifications for all improvements located within the Project to the extent they are attainable. Copies of the guarantees and warranties pertinent to the construction of such improvements shall also be furnished to the Operator.

5. TERM OF AGREEMENT. The term of this Agreement shall be as follows:

5.1 Initial Term The initial term of this Agreement shall be for a term to commence November 15, 2007 and shall continue for ten (10) years, unless terminated sooner as provided in Section 15.1 below.

5.2 Successive Terms. This Agreement shall be automatically renewed for successive five year terms unless notice of termination is given as provided in Paragraph 15.1

6. RESPONSIBILITIES OF OPERATOR.

6.1 Specific Duties of Operator. Operator shall use its best efforts and skills to manage the Association and to provide professional and competent management for the Association. The Operator shall perform the following duties and responsibilities, any or all of which duties Operator may subcontract and delegate to others (including without limitation to affiliates of the Operator or any other third party selected by Operator):

6.1.1 To hire, employ, and discharge all staff and contractors as may be necessary for the efficient operation and management of the Association and to supervise the performance of such staff and contractors. All staff shall be on the Operator's payroll and the Operator shall provide workman's compensation insurance for the staff and shall comply with all applicable governmental laws and regulations pertaining to such staff.

6.1.2 To operate the facilities of the Association and to supervise and maintain the operations of all common areas and amenities in a neat, clean, and safe condition according to reasonably acceptable standards.

6.1.3 Provide for maintenance and repair of the Common Elements located in the Project in accordance with the terms and conditions of the Association Documents, and within the limits of the approved budget or any approved amended budget provided by the Association's Board of Directors.

6.1.4 To obtain insurance proposals as requested by the Board; maintain insurance for the Association as required by the Association Documents at the expense of the Association in accordance with the provisions of Paragraph 8 of this Agreement.

6.1.5 To collect dues and other income for the benefit of the Association and to deposit the same in a financial institution whose deposits are insured by the Federal Deposit Insurance Corporation and to establish the required accounts necessary for the operation and management of the Association. Operator shall deposit into such accounts all monies

obtained from the Association and the operation of the Association and shall not commingle any funds with any other association or entity managed by the Operator. All such accounts shall be interest-bearing accounts unless otherwise agreed between Association and Operator.

6.1.6 To disburse from such accounts checks in the payment of all obligations and accounts payable incurred by the Operator on behalf of the Association pursuant to the terms of this Agreement and in accordance with the provisions of the Annual Operating Budget. All checks shall require two signatures.

6.1.7 To prepare a proposed annual operating budget for the Association (the "Annual Operating Budget") and to submit the same to the Board of Directors for approval at least sixty (60) days prior to the beginning of each budget year. The Operator and the Board shall then use their respective good faith diligent efforts to agree upon a budget. If the budget is not approved by the commencement of the fiscal year for which the proposed budget was prepared, then the Operator shall continue to operate under the budget that was most recently approved, with such revisions as have been agreed to by the Association and the Operator.

6.1.8 To operate and maintain the Project according to the highest standards available, consistent with customary practices, the dictates of the Association and the budget available to the Operator for such purposes.

6.1.9 Exercise such additional powers and rights delegated to it, if any, by the Board or under the Association Documents.

6.1.10 To schedule, send notices for, and assist the Board in managing all meetings of the Members and the Board.

6.2 Reimbursement of Expenses. The Association shall reimburse the Operator for: (i) 50% of the costs of all employees hired to perform Front Office, Guest Service, and Administrative Duties, including their salaries and wages, taxes, benefits, and other employment expenses, or a pro-rata portion thereof if an employee performs services for other associations; (ii) 50% of the fees and expenses of any independent contractors retained by the Operator to perform the Front Office, Guest Service, and Administrative Duties; (iii) the costs of all employees hired to perform maintenance and repair duties, including their salaries and wages, taxes, benefits, and other employment expenses, or a pro-rata portion thereof if an employee performs services for other associations; (iv) the fees and expenses of any independent contractors retained by the Operator to perform the maintenance and repair duties; and (v) all direct expenses incurred by the Operator on behalf of the Association. "Direct Expenses" shall include any ordinary and necessary expenses made on behalf of the Association pursuant to a Board approved budget or as otherwise permitted under this Agreement. "Direct expenses" shall not include any salaries, wages, benefits, rent, or other expenses for executive officers of the Operator.

6.3 Expenditures for Emergencies. Operator shall have the authority in emergency situations to act with reasonable diligence based upon its best knowledge at the time of any emergency to incur obligations or expenses for the Association. In any such emergency,

Operator shall first contact the President of the Association and if he/she is not available, any other officer of the Association that may be available. If the President or another Director is not available, the Operator may proceed subject to the condition that within five (5) days thereafter, it submits to the Board of Directors a written report setting forth the emergency, the actions taken, and the reasons therefore.

6.4 Reports. The Operator shall prepare and furnish to the Association the following reports:

6.4.1 An annual Budget Variance Report within 30 days following the end of each budget year.

6.4.2 An Annual Statement of Operations and Balance Sheet within 60 days of the close of the Budget Year.

6.4.3 Quarterly financial reports and operating reports as requested by the Board of Directors or its President.

6.4.4 All such reports shall be prepared in accordance with generally accepted accounting principles or as otherwise permitted under the declaration and in a form acceptable to the Association.

6.5 Annual Audit. The Association shall, at its expense, obtain an annual independent audit or review of the financial records of the Association by a qualified certified public accountant or other qualified person of its choice to the extent required under the declaration or applicable law.

6.6 Income Tax Returns. The Operator, at the Association's expense, shall have the certified public accountant performing the annual audit or review also prepare the federal and state income tax returns for the Association.

6.7 Books and Records. Operator shall maintain accurate, complete, and separate financial records for the Association in accordance with the requirements of the declaration, showing all income, receipts, disbursements, expenditures, and accounts payable, accounts receivable, cash on hand, and other assets and liabilities of the Association. The financial records shall be the property of the Association and the Association, or its authorized representative, may, during regular business hours, inspect the financial records maintained by the Operator for the Association, together with canceled checks, deposit slips, bills, invoices, statements, and all other records kept and maintained by the Operator for the Association.

The Operator shall further keep all records of each owner and the assessments of the unit owners in accordance with the Association Documents and shall be the Association's agent for the billing and collection of all assessments.

7. LIABILITY OF OPERATOR. Operator shall be solely and strictly liable to Association for all funds, property, and money of Association received by it under this Agreement and shall be liable for and protect the Association from any defalcation or loss of the Association's funds, property, or money caused by any employee, agent, or contractor of Operator.

8. INSURANCE.

8.1 Liability Insurance. The Operator, subject to the approval of the Board of Directors, shall obtain for and at the expense of the Association the following insurance and with the Operator named as an additional insured:

8.1.1 Comprehensive General Liability Insurance in an amount not less than \$2,000,000.00 per occurrence.

8.1.2 Directors and Officers Liability Insurance for the Board of Directors and officers of the Association in the amount of \$1,000,000.00 subject to: (1) Such coverage being available to the Association and (2) the premium for such insurance being in an amount acceptable to the Board.

8.1.3 Such other additional insurance as the Association, in its sole discretion, shall require, including bonding Operator's employees as required by the Board.

8.2 Workman's Compensation Insurance. Operator shall obtain and keep in full force workman's compensation insurance in accordance with the laws of the State of Colorado and shall furnish a certificate of such insurance to the Association.

8.3 Renewal of Insurance. The Operator shall bi-annually obtain competitive bids for renewal of the insurance set forth in Paragraph 8.1.

8.4 Damage to the Elevation. If the project, or any portion thereof, shall be damaged by fire or other casualty to such an extent that the same cannot be reasonably repaired and returned to its same conditions within ninety (90) days from the date of such damage or casualty, the Operator, by written notice to the Association within thirty (30) days after such fire or other casualty, shall have the right to terminate this Agreement as to the Association, or as to such building as the case may be, in accordance with the provisions of Paragraph 15. Provided, however, that if the Association, in its sole discretion, elects to repair the damages caused by fire or other casualty, then and in that event this Agreement shall remain in full force and effect.

8.5 Insurance Claims Operator shall promptly investigate and make a full written report to the Association on all accidents, claims, and known potential claims for damages or injury pertaining to the Project and the estimated cost to repair any damage and shall, as the agent of the Association, submit and file all required reports, forms, and proof of loss required under any policy of insurance. The Operator is authorized to settle any claim under any policy of insurance, which does not exceed the amount of \$5,000.00 in the aggregate.

9. ADDITIONAL RIGHTS AND DUTIES OF OPERATOR.

9.1 Negotiation of Agreements. Operator may, subject to final approval by the Board of Directors negotiate any agreement or contract with any third party or licensee.

9.2 Contracts for Operation and Maintenance. In accordance with the Annual Operating Budget, Operator shall, upon behalf of the Association at its expense, enter into contracts for the furnishing to the Project of all utility services, garbage and refuse collection, cable television, and all other services as may be required for the maintenance and operation of the Project. Operator shall utilize its best efforts to obtain all such contracts and services at the lowest and best price obtainable.

9.3 Personal Property Acquisitions. In accordance with the provisions of the Annual Operating Budget, Operator shall, on behalf of the Association, place orders for supplies, equipment, furnishings, and other items necessary for the proper operation of the Project. Title to all such property shall be in the name of the Association.

9.4 Licenses. Operator shall apply for, obtain and use its best efforts to maintain all licenses and permits required of the Association or Operator in connection with the operation and management of the Project. The Association agrees to execute and deliver any and all applications and other documents and to otherwise cooperate to the fullest extent with Operator in applying for, obtaining, and maintaining such licenses and permits. All licenses shall be held in the name of the Association.

9.5 Compliance with Rules and Regulations. Operator shall at all times comply with all rules and regulations of the governmental entities having jurisdiction over the Project. The cost of compliance with such rules and regulations shall be the cost of the Association. The Association, at its sole expense, shall have the right to contest by an administrative or legal proceeding the validity or applicability of any such rule or regulation and subject to the condition that at all times the Association will indemnify, protect, and hold harmless the Operator from any loss, liability or expense (including reasonable attorneys' fees) related to such proceedings. In the event that the Association contests such rule or regulation, it may postpone compliance thereof to the extent provided by law until the final determination of such proceedings and any interest, penalties or other charges occasioned by postponing compliance with such rule or regulation shall be the sole cost of the Association. The Association agrees to prosecute all such proceedings with due diligence.

9.6 Legal Actions. All legal actions involving litigation or potential litigation involving the Association and the Elevation shall be in the name of the Association and at the expense of the Association including all costs, fees, and expenses and reasonable attorneys' fees. The Operator shall institute all required legal action or other proceedings to collect all assessments, charges, rents, or other receivables due the association or any other legal action to protect or enforce the rights of the Association. Provided, however, that the Operator may not institute any legal action to foreclose assessment liens against a condominium unit without prior consent of the Board of Directors.

10. COMPENSATION OF OPERATOR. In consideration of the Operator's services, the Association, during the term of this Agreement, shall pay to the Operator the following compensation:

10.1 Management Fee and Accounting Fee. The Association shall pay to the Operator (i) an accounting fee (the "Accounting Fee") in the amount of \$36,000 per year, payable quarterly in advance within ten (10) days after the beginning of each fiscal quarter of the Association, for the performance of accounting services for the Association, and (ii) a management fee (the "Management Fee"), payable quarterly in advance within ten (10) days after the beginning of each fiscal quarter, for the performance of the Duties other than the accounting services. The Management Fee shall be 3% of the total Board-approved annual budget for operating expenses for the Project, as such budget may be amended from time to time (the "Costs of Services"). The Costs of Services shall exclude the Management Fee, and depreciation and amortization, if any.

10.2 Capital Project Management. The Operator shall bill and the Association shall pay 5% of the total project cost for the coordination and management of capital projects authorized by the Board of Directors. Project management shall include collecting bids, interviewing contractors, monitoring work in-progress and reviewing invoices. This fee will be waived for all projects costing less than \$5,000.

10.3 Common Area Cleaning. The Manager shall charge and the Association shall pay \$25.00 per man-hour for cleaning of the common areas. These amounts shall be billed on a monthly basis. Operator reserves the right to adjust these rates on an annual basis to reflect current market conditions.

10.4 Specialized Maintenance Labor. The Operator shall bill and the Association shall pay \$30.00 per man-hour for carpentry and plumbing services and \$40.00 per hour for electrical and HVAC services provided by Operator. These amounts shall be billed on a monthly basis. Operator reserves the right to adjust these rates on an annual basis to reflect current market conditions.

11. OPERATOR'S PROPERTY. The Operator, at its sole discretion, may elect at any time to install certain equipment owned by the Operator for the direct or indirect purpose of managing the operations of the Association. Such equipment may include, but not be limited to, computer and telephone equipment and internet access for Operator's employees. The expenses for installation of such equipment shall be the expense of the Operator and, if the Agreement is terminated by the Association or the Association elects at any time not renew the Agreement for a successive term, any expenses to disconnect equipment of the Operator shall be an expense of the Operator.

12. USE OF FACILITIES BY OPERATOR. The Association shall make available to the Operator common areas, closets, storage, parking and other facilities, equipment, and supplies ("Association Assets") as are reasonably necessary or desirable for the Operator's use in performing the Duties on-site at the Project. The Operator agrees to comply with reasonable rules

and regulations concerning the use of such Association Assets that the Association provides to the Operator from time to time.

13. UNIT DAMAGE. The Operator shall be authorized to charge, bill, and collect from a member of the Association for maintenance, repairs, or replacements to or within a Unit when such maintenance, repair, or replacement is caused by: (a) negligence or misuse of a member of the Association, such member's family, servants, guests, invitees, or lessees'; or (b) failure of a member to maintain those portions of such member's Unit and Limited Common Elements assigned to his Unit, as such member is required to repair and maintain to protect the Association's Common Elements or other Members' interests; or (c) violation of the provisions of the Declaration which increases the cost of maintenance or repair upon the Operator, or increases the cost of insurance.

14. OTHER RIGHTS OF OPERATOR. In addition to the other provisions of this Agreement:

A) Operator has the right to sell to Owners and their guests, tenants, visitors, and licensees, housekeeping, maintenance, restaurant and telephone services, spa packages, rental equipment, or any other amenities or services.

B) Operator has the right to market and enter into agreements with Owners for the rental of the Units to members of the public and other third parties (the "Rental Program")

15. TERMINATION OF AGREEMENT. This Agreement may be terminated in any one of the following manners:

15.1 End of Term and Upon Turnover of Control of Board. By either party giving not less than ninety (90) days' prior written notice before the expiration of the term of this Agreement or any successive term to the other party electing not to renew this Agreement for an additional term.

15.2 For Cause. By the failure of either party to cure any default of its duties and obligations under this Agreement, which default remains uncured after thirty (30) days written notice by the non-defaulting party to the defaulting party setting forth such default.

15.3 Mutual Agreement. By the mutual agreement of Association and Operator.

15.4 Action Upon Termination. Upon termination of this Agreement, the parties agree as follows:

15.5.1 On the effective date of termination Operator shall do the following:

15.5.1.1 Surrender and deliver to the Association possession of the Project and all funds, money and accounts of the Association.

15.5.1.2 Deliver to the Association any monies due the Association under this Agreement, but received after such termination.

15.5.1.3 Deliver to Association all of the Association's property and records including materials and supplies, keys, contracts, leases, and other such documents.

15.5.1.4 To the extent necessary, assign such existing operating licenses and contracts relating to the operation and maintenance of Project as Association may reasonable require.

15.5.2 It is expressly understood that except for a termination of this Agreement by Association for a breach of this Agreement by Operator, the Operator shall receive its management fee until the effective date of termination of this Agreement, except for the period of time that Operator may be in default of this Agreement as provided in Paragraph 11.2, the Association may withhold the Operator's fee for the last month of this Agreement until the Operator delivers to the Association the items required in Paragraph 15.5.1.

15.5.3 Within thirty (30) days after termination, Operator shall deliver to the Association the monthly reports required by Paragraph 6.4 for any period not covered by any prior monthly report.

15.5.4 Operator shall cease to act and shall have no responsibility to act, as Operator under this Agreement after the effective date of termination.

16. INDEPENDENT CONTRACTOR. The status of the Operator with the Association is that of an independent contractor and neither the Operator nor any of its employees shall be considered as employees of the Association. The Operator, in carrying out its duties under the terms and condition of this Agreement, shall be an agent of the Association and in such capacity has a fiduciary duty to the Association. As an independent contractor, the Operator shall at all times hold the Association harmless and shall indemnify the Association from any claim, demand, or cause of action arising from the employment of any person by the Operator.

17. NOTICES. All notices required by this Agreement shall be in writing and shall be either personally delivered to the required party or sent by facsimile transmittal, regular mail, email or overnight courier directed to the telecopier number or address of Association and Operator set forth under their signatures.

ASSOCIATION: c/o Louis Birdman
 425 North Federal Highway
 Hallendale, FL 33009

OPERATOR: CRESTED BUTTE LAND HOLDINGS, LLC
P.O. Box 5700
Mt. Crested Butte, CO 81225
Attn: Lynn Kiklevich

Any party may change its address by giving written notice of the change of address to the other party in the manner herein provided.

18. ENTIRE AGREEMENT. This Agreement contains the entire and only agreement between Association and Operator, and no oral statements or representations not contained in this Agreement shall be of any force and effect between said parties. This Agreement shall not be modified or amended in any manner except by written instrument executed by the parties.

19. APPLICABLE LAW. This Agreement is entered into in the County of Gunnison and State of Colorado, and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Agreement shall be in the District Court of Gunnison County, Colorado.

20. ATTORNEYS' FEES. It is understood and agreed that if any action is brought in a court of law by either party to this Agreement as to the enforcement, interpretation or construction of this Agreement or any document provided for herein, the prevailing party in such action shall be entitled to reasonable attorneys' fees, as well as all costs incurred in the prosecution or defense of such action.

21. ASSIGNMENT. The Operator may assign its rights and delegate its duties under this Agreement upon notice to the Association.

22. INTEGRATION. This Agreement constitutes the entire agreement and understanding of the parties, and all prior negotiations, agreements, representations and understandings shall be deemed to be merged, included in and superseded by this Agreement.

23. TIME IS OF THE ESSENCE. It is expressly agreed that time shall be deemed to be of the essence of this Agreement. The failure of either party to exercise any right under this Agreement upon any default by the other party shall not constitute a waiver of any rights hereunder and shall not prevent such party from exercising any of the rights herein granted upon any subsequent default.

24. AMENDMENT AND VALIDITY. No addendum, amendment, change, or modification of this Agreement shall be binding between the parties unless in writing and executed by Association and Operator. If any portion of this Agreement, or amendment thereto, shall be held invalid or contrary to law, such portion shall be severable from this Agreement and the remainder of this Agreement shall remain in full force and effect and shall be valid and enforceable between the parties.

25. SEVERABILITY. If any term or provision of this Agreement shall be invalid or unenforceable, the remainder of this Agreement and the terms and provisions thereof shall not be affected thereby and all other terms and provisions of this Agreement shall be valid and enforceable to the full extent permitted by law.

26. BINDING AGREEMENT. It is understood and agreed that this Agreement shall be binding upon the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement the date first above written.

ASSOCIATION:

ELEVATION OWNERS ASSOCIATION, a Colorado non-profit corporation

By: _____

Title: _____

OPERATOR:

CRESTED BUTTE LAND HOLDINGS, LLC, a Colorado limited liability company

By: _____

Title: _____