RENTAL AGENCY AGREEMENT

THIS RENTAL AGENCY AGREEMENT (the "**Agreement**") is entered as of September 1, 2019 by and between the Beaver Run Homeowners Association dba Beaver Run Homeowners Association, Inc. (the "**HOA**") and _____ ("**Owner**").

RECITALS

THE PARTIES ENTER INTO THIS AGREEMENT on the basis of the following facts, understandings and intentions:

A. Owner owns Unit No._____ (the "**Unit**") in the Beaver Run Condominium Development located in Breckenridge, Colorado (the "**Complex**").

B. Owner desires to employ the HOA as Owner's exclusive management agent for the purposes of renting and managing the Unit.

C. The HOA is willing to provide such rental and management services to Owner on all of the terms and conditions hereinafter set forth.

D. Owner hereby acknowledges and agrees that the Unit will be included in the Beaver Run Rental Program (the "**Rental Program**"), which is a division of the HOA. A unit in the Rental Program may be referred to hereinafter as a "**Rental Program Unit**" and all units therein as the "**Rental Program Units**."

E. This Agreement supersedes, nullifies and entirely replaces any past agreement related to the Rental Program between Owner and the HOA or any other party.

NOW, THEREFORE, in consideration of the mutual promises and covenants of the parties, the parties hereto agree as follows:

AGREEMENT

1. **EXCLUSIVE APPOINTMENT OF THE HOA**. Owner hereby appoints and employs the HOA as Owner's exclusive management agent for the purposes of providing rental management and interior maintenance service with respect to the Unit on the terms hereinafter specified.

2. **DUTIES, RESPONSIBILITIES AND OBLIGATIONS OF THE HOA**. The HOA shall provide the following services with respect to the Unit:

(a) **Rental Services**.

(i) The HOA shall use reasonable efforts to rent the Unit in accordance with Owner's Occupancy Calendar and shall perform such other rental services as are further described below.

(ii) Owner shall only receive rental income from rentals of the Unit and shall not receive rental income from rentals of any other Rental Program Unit.

(b) **Equalization Program**.

(i) The HOA shall maintain an equalization balance for each Rental Program Unit (the "**Equalization Balance**"), which shall be used to measure and compare the revenues generated by the various Rental Program Units. The Equalization Balance shall start each year with the deviation from the previous year as described in 2(b)(iv), and then will change by adding the sum of (1) Owner's Adjusted Room Revenue for the current year and (2) Equivalent Owner's Usage.

(ii) The HOA shall use reasonable efforts to maintain a rotating system for the rental of each Rental Program Unit in order to equalize Owner's Equalization Balance with the Equalization Balances of other Rental Program Units of similar type and in the same building ("**Equalization Category**"). The HOA shall use reasonable efforts to maintain a consistent ratio of revenue between Equalization Categories.

(iii) When (1) a Unit joins the Rental Program, (2) a Unit changes ownership and remains in the Rental Program or (3) a Unit is reinstated into the Rental Program following necessary refurbishment pursuant to Section 5 below, the Equalization Balance for such Unit shall begin with a balance equal to the average balance of Equalization Balances in that Unit's Equalization Category in that particular month and year.

(iv) Any deviation at the end of a year of the Unit's Equalization Balance from the average of Equalization Balances of other Rental Program Units in the Unit's Equalization Category, whether more or less, will carry over to the following year and be reflected in the initial balance of the Unit's Equalization Balance at the beginning of the following year.

(c) **Marketing Services**. The HOA shall provide a marketing and sales program for the purpose of creating occupancy for Rental Program Units. The cost of such marketing services shall be a Rental Program Expense.

(d) **Accounting Services**. The HOA shall maintain an accurate accounting of the rents, fees and expenses pertaining to the Unit on a monthly basis. The HOA shall furnish Owner with an annual summary of revenues and expenses attributable to the Unit and shall maintain appropriate records and books of accounts which records and books shall be subject to examination in the HOA offices by Owner or his authorized agent, upon reasonable advance notice, during reasonable business hours. The books of accounts for the Rental Program shall be audited annually by an independent public accounting firm selected by the HOA.

(e) **Professional Property Manager**. The HOA may in its sole discretion employ and contract with a professional hospitality and property management company (the "**Property Manager**") which shall hire and train qualified personnel and shall manage the operations of the Rental Program. The cost of the Property Manager shall be a Rental Program Expense.

(f) **Repair and Maintenance**.

(i) The HOA shall enter into the necessary arrangements and contracts on behalf of the Owner to provide for interior repairs and maintenance of the Unit as the HOA deems necessary for rental of the Unit. The HOA may, in its sole discretion, also make the repairs referenced in Section 5(a). Except as provided below, the cost of all such repairs and maintenance shall be part of Owner's Expenses, and the HOA shall account for any such deductions on Owner's monthly statement. Notwithstanding the foregoing, interior repairs and maintenance, as shown on **Exhibit A**, shall be considered minor repairs and shall be a Rental Program Expense. In addition, interior maintenance that is a direct result of guest abuse or malicious act will be a Rental Program Expense to the extent not otherwise recovered from the responsible guest.

(ii) The HOA shall request authorization from the Owner for repairs in excess of $600, excluding unit inspections, unless such repair is deemed to be of an emergency nature necessary to protect the Unit, maintain service to guests, or protect the general common elements of the Project, in which event the HOA may cause such repairs to be made without prior Owner authorization. Owner will be notified of such emergency repairs as soon as possible. The HOA shall make reasonable efforts to schedule such repairs or maintenance so as not to impair the rental of the Unit. Owner shall bear sole responsibility, and the HOA shall not be responsible for the replacement, loss, damage, or warranty on appliances, equipment or accessory items located within or serving the Unit.

(iii) All repair and maintenance charges that are not otherwise covered under Section 2 shall be paid for by the Owner.

(g) **Cleaning Services**. As a Rental Program Expense, and except as otherwise set forth below in Section 5(c), the HOA shall make the necessary arrangements and contract to provide for an annual deep cleaning of the Unit.

(h) **Housekeeping and Inventory Services**. As a Rental Program Expense, the HOA shall provide Owner with such rental housekeeping services and supplies as the HOA deems necessary for the rental of the Unit, including but not limited to, housekeeper and linen services including the replacement of the established standards for inventory as described in **Exhibit A**. The HOA may change the provisions of **Exhibit A** from time to time as it may determine in its sole discretion.

(i) **The Rental Program's Insurance**. As a Rental Program Expense, the HOA shall procure and maintain (i) employer's liability insurance, (ii) commercial general liability insurance and commercial umbrella insurance, and (iii) automobile insurance.

(j) **Claims Assistance**. The HOA shall assist Owner in making the necessary reports to insurance companies relating to accidents or claims for damage to the Unit. If such services involve detailed work or litigation, the cost of such services shall be a direct expense to the Owner. Owner acknowledges that the HOA is not a licensed insurance agent, insurance broker, or insurance consultant and is not acting as Owner's insurance agent. The HOA shall purchase content, casualty and liability insurance on the owner's behalf. Owner fully releases

and holds harmless the HOA, its members, officers, employees, and the Property Manager from any and all liability that might arise from any defect in insurance policies or coverages.

(k) **Conference and Function Services**. The HOA shall oversee management of the meeting space that the HOA leases in the Beaver Run Conference Center (the "**Conference Center**") and arrange conferences and functions that increase rental occupancy in the Rental Program Units.

(l) **Food and Beverage Services**. The HOA shall oversee management of food and beverage services in the Conference Center to provide food and beverage service for diners and banquet service for conferences and functions (the "**F & B Operation**"). The profits and losses of the F & B Operation will be allocated to the Rental Program.

(m) **Other Rental Program Expenses**. In addition to the Rental Program Expenses set forth herein, the following shall be Rental Program Expenses:

(i) The cost of management of the Rental Program, including without limitation;

(1) travel agent commissions to the extent shared with owners;

(2) credit card commissions;

(3) property management fees for the Rental Program and the F & B Operation;

(4) housekeeping services;

(5) bad debt expense;

(6) rent;

(7) certain applicable property taxes;

(8) front office, guest services, rooms administration, reservations, PBX, bell service, refurbishment, housekeeping, laundry, purchasing, accounting, information technology, sales and marketing, employee housing, conference services, HOA Administration and human resources.

(ii) Any payments that the HOA is required or elects to make under (i) that certain Conference Center Meeting Space Lease dated August 31, 2010 between the HOA and Beaver Run Interim Center Acquisition, LLC (BRICA), which rent may be increased upon the election of BRICA if BRICA income is not sufficient to satisfy the payment obligations of any current or future mortgage loan that BRICA enters into and (ii) any other instrument required to obtain and satisfy the obligations of such a loan;

(iii) The F&B Operation Expenses;

(iv) Any equity, loan, or capital contribution that the HOA may determine to make to BRICA to the extent required to acquire free title to the Conference Center, and to pay interest or principal under any loan obligation of BRICA;

(v) Any other expense that the HOA may determine to be for the benefit of the Rental Program.

3. **OWNER'S DISTRIBUTION**.

(a) By the 25th day of each month, the HOA shall disburse to Owner an amount equal to Owner's Adjusted Room Revenue from the previous month multiplied by the Budgeted Percentage, less any accrued Owner's Expenses (hereinafter referred to as the "**Owner's Distribution**").

(b) To ensure that the HOA has sufficient funds to pay Rental Program Expenses, the HOA shall calculate the actual cost of the Rental Program Expenses. To the extent that the actual cost of Rental Program Expenses exceeds the sum of (i) the Total Adjusted Room Revenue minus the total of all Owner's Distributions for Rental Program Units and (ii) any other cash retained from operations of the Rental Program, the HOA may reduce the Budgeted percentage.

4. **DEFINITIONS**.

(a) **Average Daily Rate**. The term "**Average Daily Rate**" shall mean the average realized room rental per day.

(b) **Average Daily Revenue**. The term "**Average Daily Revenue"** shall mean the sum of the Owner's Adjusted Room Revenue for the month, divided by the number of days in the month.

(c) **Budgeted Percentage**. The term "**Budgeted Percentage**" shall mean the percentage of Owner's Adjusted Room Revenue, to be distributed to Owner pursuant to Section 3 of this Agreement, which percentage shall be determined by the HOA in its sole discretion and which may be adjusted from time to time to ensure that adequate funds are available to fund Rental Program Expenses. The HOA shall use reasonable efforts to make the Budgeted Percentage equal to or greater than 55.5%; provided, however, the amount of the Budgeted Percentage is subject to the actual financial performance of the Rental Program which is dependent on many factors that may or may not be within the control of the HOA. Therefore, the HOA does not guarantee any return or percentage to Owner. The Budgeted Percentage shall be the same for all owners of Rental Program Units.

(d) **Comp and Trade**. The term "**Comp and Trade**" shall mean expenses for complimentary, trade-out and promotional occupancy.

(e) **Equivalent Owner's Usage**. The Equivalent Owner's Usage portion of the Equalization Balance establishes the value to Owner when Owner or Owner's guests use the Unit. The term "**Equivalent Owner's Usage**" shall mean, for each Owner or Owner's guest

use of the Unit, an amount equal to the Average Daily Rate divided by the Monthly Average Daily Rate, times the Average Daily Revenue for the dates of Owner and Owner's guest usage.

If the property and specific unit type is at less than 80% occupancy for the entire time during the stay, the owner may reserve the Unit within 48 hours of arrival. The Equivalent Owner's Usage is then discounted 50%. This policy is not to exceed 15 days per calendar year.

The Equivalent Owner's Usage may be modified as determined by the HOA.

(f) **Gross Room Revenue**. The term "**Gross Room Revenue**" shall mean all revenue collected from guests as a result of the rental of a Rental Program Unit and shall include any Comp and Trade occupancy in the Rental Program Unit.

(g) **Monthly Average Daily Rate**. The term "**Monthly Average Daily Rate"** shall mean the sum of the Average Daily Rates for the month, divided by the number of days in the month.

(h) **Online Travel Agent Commission.** The term **"Online Travel Agent Commission"** shall mean the contracted commission payable to the travel agency for reservations obtained through the agency's online booking system.

(i) **Other Income**. The term "**Other Income**" shall mean any other income credited to the Rental Program including without limitation forfeited advance deposits, reservation change fees, resort fees and any applicable rental or occupancy taxes. Other Income shall be credited to the Rental Program and not to the Unit or paid to taxing authorities, as appropriate.

(j) **Owner's Adjusted Room Revenue**. The term "**Owner's Adjusted Room Revenue**" shall mean the Gross Room Revenue for Owner's Unit less Owner's Share of Comp and Trade, less Online Travel Agent Commission for the Owner's Unit.

(k) **Owner's Expenses**. The term "**Owner's Expenses**" shall mean the expenses incurred by the HOA on behalf of a Rental Program Unit owner for repair, replacement and maintenance of a Rental Program Unit plus any cash advances made from the Rental Program on the Rental Program Unit owner's behalf.

(l) **Owner's Share**. The term "**Owner's Share**" shall mean the subject costs pooled on a monthly basis and prorated among all Rental Program Units in proportion to the amount of Gross Room Revenue received by the Unit during the month relative to the Gross Room Revenue received by all Rental Program Units for the same month.

(m) **Rental Program Expense**. The term "**Rental Program Expense(s**)" shall mean all costs and expenses made and incurred by the HOA in operating the Rental Program and performing the services described in Section 2. Rental Program Expenses shall be paid with funds remaining after distributions to Rental Program Unit Owners and with funds in the Rental Program Reserve Fund.

(n) **Rental Program Reserve Fund**. The term "**Rental Program Reserve Fund**" shall mean the funds remaining at the end of the year after payment of all Rental Program

Expenses, distributions to all Rental Program Unit Owners, and payment of Owner's Expenses for all Rental Program Units. The Rental Program Reserve Fund will be accumulated annually in an account for the benefit of each Rental Program Unit Owner participating in the Rental Program prorated in proportion to the ratio of Owner's Adjusted Room Revenue divided by Total Adjusted Room Revenue. Owner's share of the Rental Program Reserve Fund shall be appurtenant to the Unit and shall automatically be transferred to any subsequent owner of the Unit. Owner agrees that the HOA may use the Rental Program Reserve Fund for such Rental Program purposes as the HOA determines appropriate in its sole discretion, including the payment of Rental Program Expenses, and such use shall reduce the balance of the Rental Program Reserve Fund.

(o) **Total Adjusted Room Revenue**. The term "**Total Adjusted Room Revenue**" shall mean the total Gross Room Revenue for all Rental Program Units less the total Comp and Trade for all Rental Program Units, less the Online Travel Agent Commission for the unit.

5. **OWNER'S DUTIES & OBLIGATIONS**.

(a) **Maintenance and Repair**. If the HOA notifies Owner that the Unit requires maintenance or repairs as the HOA deems appropriate and Owner fails to make such repair within 30 days or fails to authorize the HOA in writing to do so, the HOA may, in its sole discretion, elect to either (i) discontinue renting the Unit, (ii) terminate this Agreement, or (iii) furnish the required repairs and deduct the cost thereof, including labor, from Owner's Distribution.

(b) **Refurbishment**.

(i) The HOA shall conduct an annual refurbishment inspection of Owner's Unit, using established Rental Program Inspection Criteria. Owner shall be furnished a copy of the Unit's annual inspection report with upgrade recommendations. Owner will be charged a fee for the inspection report, which will be deducted from the Owner's distribution. The HOA, upon review of the inspection reports of the Rental Program Units, shall establish a minimum overall score that all Rental Program Units must meet or exceed. The HOA shall provide written notification to the Owner if the Unit scores below the minimum score, which may include a required refurbishment plan.

(ii) If the Unit falls below the applicable minimum overall score and (A) upgrades are not completed by December 15 of the then current year or (B) a refurbishment commitment request has not been approved by the HOA Refurbishment Department, it will be removed from the Rental Program until all necessary upgrades are completed and the Unit has been inspected to verify compliance with the minimum overall score. Notwithstanding anything herein to the contrary, the HOA shall have no obligation to equalize revenue pursuant to Section 2(b) when a Unit falls below the minimum score.

(iii) If the overall minimum score is increased, Owner shall have a 12-month period from the date of notification to meet or exceed the new minimum score, but the Unit must continue to meet or exceed the previous minimum score during such 12-month period.

(iv) Regardless of the overall score, if at any time, an item in the Unit scores a "0" on the inspection report or otherwise falls below Unit Standards for rental purposes, such item must be replaced or repaired immediately or by December 15 of the current year, as appropriate. If the cost thereof is less than $600, the HOA may elect to repair or purchase such item, and the cost thereof, including without limitation, labor will be subtracted from the Owner's Distribution. If the cost thereof is $600 or more, Owner shall have 30 days after notice from the HOA of a substandard item to provide written notice to the HOA of Owner's curative plans. If Owner fails to provide such written notice within such period, or, after providing such notice, fails to cause the item to be repaired or replaced by December 15 of the then current year the HOA may, at its sole discretion, elect to (A) discontinue renting the Unit or (B) terminate this Agreement.

(v) All items purchased through the HOA Refurbishment Department, and all remodel work coordinated through the HOA Refurbishment Department, will incur a standard service fee calculated as a percentage of the total cost, which will be added to the final invoice. (The service fee will be reviewed and adjusted periodically – contact the HOA Refurbishment Department to determine the applicable rate.) The HOA Refurbishment Department will provide 90 minutes of consultation at no charge. Owners utilizing the HOA Refurbishment Department will be subject to the HOA Payment Policy.

(vi) Independent contractors are required to follow HOA policies and procedures, whether hired by the Refurbishment Department or by the owner.

(c) **Cleaning Services**. At Owner's sole expense, the Rental Program shall make necessary arrangements and contract for (i) the annual cleaning of the Unit's flooring and upholstery, (ii) the Unit's cleaning of tile and grout as necessary, and (iii) more frequent cleanings as the HOA deems necessary for rental of the Unit.

(d) **Construction Cleans**. Any and all remodel projects are subject to a Beaver Run "**Construction Clean**," performed by the Beaver Run Housekeeping Department, at their discretion, in order to bring the unit back to rental-ready cleanliness and shall be deducted from Owner's distribution.

(e) **Unit Standards**. Owner shall cause the Unit to comply with the Unit Standards (the "**Unit Standards**") as set forth in **Exhibit A**. In the event that the Unit fails to comply with the Unit Standards at any time, the HOA may elect, provided the cost is less than $600, to undertake such replacement, repair or other remedy to cause the Unit to comply with the Unit Standards, and the cost thereof, including without limitation, labor will be subtracted from the Owner's Distribution. If the cost thereof is $600 or more, Owner shall have 30 days after notice from the HOA of the Unit's failure to comply with the Unit Standards to provide written notice to the HOA of Owner's curative plans. If Owner fails to provide such written notice within such period, or, after providing such notice, fails to cause the Unit to comply with the Unit Standards by December 15 of the then current year, the HOA may, at its sole discretion, elect to (A) discontinue renting the Unit or (B) terminate this Agreement.

(f) **Owner's Belongings**. All owner possessions, including but not limited to, clothing, food, drink, cleaning supplies, refurbishment, and maintenance supplies, paint, tile carpet remnants, must be in locked owners' closet, or removed from the Unit.

(g) **Insurance**. As a cost to Owner, the HOA shall purchase and maintain insurance coverage for all Beaver Run units. If Owner desires insurance coverage beyond that which is purchased and maintained by the HOA, such additional coverage shall be the sole responsibility of Owner. The parties hereto, on behalf of themselves and their respective heirs, successors, legal representatives, assigns and insurers, hereby (i) release each other from and waive any and all rights of recovery, claims, actions or causes of action against the other and their respective officers, directors, partners, shareholders, agents, servants, employees, guests, licensees or invitees for any property loss or damage that may occur to the Unit or other portion of the property of which the Unit is attached, or any improvements thereto, or any personal property of such party therein, by reason of fire, casualty, or any other cause, or any other damage to person or property, whether or not covered by insurance, without regard to the amount of insurance coverage or the amount of the deductible under any policy of insurance, regardless of cause or origin, including negligence of the other party hereto or its respective officers, directors, partners, shareholders, agents, servants, employees, guests, licensees or invitees and (ii) covenant that no insurer under any insurance maintained by the HOA or Owner shall have any right of subrogation against such other party. The foregoing waivers shall be effective even if either or both parties fail to carry the insurance set forth in this Section. If the respective insurers of the HOA or Owner do not permit such a waiver without an appropriate endorsement to the insurer's insurance policy, then the HOA and Owner each shall notify its insurer of the waiver set forth herein and shall secure from such insurer an appropriate endorsement to its respective insurance policy with respect to such waiver.

(h) **Ownership Costs**. Owner shall pay all fees, dues, interest and assessments payable to the HOA when due, and in the event Owner fails to make such payment within 30 days of the due date, the HOA shall have the right, at the HOA's sole discretion, to apply Owner's Distribution against the outstanding debt plus a $25.00 per month processing fee. Owner shall indemnify and hold harmless the HOA, the Property Manager and their owners, employees, Board of Directors of the HOA, officers, agents, contractors, guests, licensees and invitees against all claims, damages, losses and liabilities including attorney's fees arising from the failure of the Owner to pay any of the fees, dues and assessments provided for herein. In addition, Owner shall be responsible for paying promptly, before delinquency, all costs constituting debt service on loans encumbering the Unit, property taxes for the Unit, housekeeping charges for Owner, Owner's family and Owner's guests.

(i) **Property Wide Upgrade**. Owner shall, at Owner's expense, comply with any property-wide upgrades that may be required by the HOA.

(j) **Cleaning Charge**. Owner shall pay directly or charge to its monthly statement, the final cleaning charge for the Unit upon the departure of Owner, Owner's family or Owner's guests who are not paying rent to the Rental Program. While the Unit is occupied by Owner, Owner's family or Owner's guests, Owner may request housekeeping services, provided that Owner shall pay the Rental Program's standard rates for such service in addition to the payment of the final cleaning charge.

(k) **Indemnity**. Subject to the terms of Section 5(e) above, Owner shall indemnify and hold harmless (including payment of reasonable attorney's fees) the HOA and its owners, employees, the Board of Directors of the HOA, officers, agents, and contractors, guests, licensees and invitees, from and against any and all claims, liabilities, damages and losses arising out of any injury to or death of any person, or damage, loss or destruction of any property occurring in, on, about or to the Unit from any cause whatsoever, or from or against all other acts, omissions, errors in judgment or mistakes of fact or law, pursuant to the execution of the responsibilities set forth in this Agreement, unless any such injury or damage is caused by the gross negligence or willful misconduct of the HOA.

6. **RENTAL RATES**. The HOA shall set rates for the rental of the Unit as the HOA in its sole discretion deems appropriate.

7. **RESERVATION OF UNIT FOR PERSONAL USE**. Owner shall have the absolute right to occupy the Unit at any time or times upon the terms contained hereunder. Each year, Owner will provide the HOA with a calendar of dates for Owner's intended occupancy ("**Owner's Occupancy Calendar**") for the period from November 1 through April 30, by the preceding August 1, and for the period of May 1 through October 31 by the preceding March 1. In the event notification is not received by such dates, or if Owner desires to use the Unit for dates not specified in the notice, Owner shall have the right to occupy the Unit at any time or times that it has not been reserved or otherwise committed for rental. Owner, Owner's guests, and Owner's immediate family will register with the HOA upon checking into the Unit.

8. **USE OF UNIT FOR PROMOTION**. In order to promote rental of the Unit and other Rental Program Units, the HOA shall have the right to provide the Unit on a complimentary basis to persons who, in the HOA's judgment, shall contribute to the success of the Rental Program, including but not limited to, employees of travel companies, airlines, the media, trade-outs, and employees of Beaver Run Rental Holdings LLC. The HOA shall provide such complimentary accommodations on an equitable and impartial basis, using the Rental Program's reasonable efforts not to displace rentals. If the Unit is utilized for a night of complimentary or trade-out occupancy, Owner shall be credited with Gross Room Revenue at the Average Daily Rate for the night of occupancy, and the offsetting expense will be shared among all owners of Rental Program Units.

9. **SALE OF UNIT**.

(a) Any sale of the Unit shall be subject to the terms of this Agreement. Notwithstanding the foregoing, Owner shall have the right to terminate this Agreement upon the sale of the Unit by giving not less than 30 days prior written notice of sale and termination of this Agreement to the HOA, provided that the sale of the Unit shall in any event be subject to any firm reservation made for the Unit prior to HOA's receipt of the notice of termination and any monetary loss suffered by the Rental Program by reason of Owner's failure or neglect to cause the new purchaser to be bound by this provision shall be borne by Owner. The HOA shall, at the request of the new owner, endeavor to move any reservation made for the Unit to another comparable Rental Program Unit after sale of the Unit, but shall be under no obligation to do so. Should the Unit to which the reservation is moved be listed at a rental rate higher than

Owner's Unit, Owner shall remit to the HOA the difference in the rental rates for the term of the removed reservation.

(b) Owner acknowledges the need for the HOA to protect the privacy of guests. If the Unit is being rented at the time a potential buyer wishes to view the Unit, the HOA shall communicate with the guest for permission to show the Unit at a time convenient to the guest. The HOA shall release rental accounting information pertaining to the Unit to real estate agents only if prior written authorization has been received by the HOA from Owner.

10. **EXCLUSIVE RENTAL THROUGH THE RENTAL PROGRAM**. Owner shall conduct all rentals of its Unit exclusively through the Rental Program, in accordance with this Agreement. In the event that Owner solicits or rents the Unit to a lodger, either directly or indirectly through another party, the HOA shall have the right to immediately terminate this Agreement. In addition, the HOA shall be entitled to receive from Owner 100% of the Gross Room Revenue for the dates the Unit was rented by means other than through the Rental Program.

11. **FORFEITED ADVANCE DEPOSITS**. Upon cancellation of a reservation, all forfeited rental deposits shall be the sole property of the HOA. Owner shall not be entitled to receive any forfeited rental deposits.

12. **INTEREST INCOME**. The HOA may place advance rental deposits and earned rental income in an interest-bearing account until disbursal, as provided herein, and the Rental Program shall be entitled to receive any interest earned thereon.

13. **TRADE-OUT OBLIGATIONS**. In the event of any termination of this Agreement, Owner shall honor all trade-out obligations committed to by the HOA in fulfillment of its rights and obligations under this Agreement which cannot, after reasonable efforts by the HOA, be transferred to another Rental Program Unit.

14. **WARRANTIES**. Owner acknowledges that the Rental Program has made no warranties or representations of any kind to Owner nor shall any warranty or representations be deemed expressed or implied with respect to the size, level, or proportionate share of the amount of Gross Room Revenue to be generated through the rental of the Unit.

15. **RESTRICTIONS**. Owner acknowledges that restrictions and conditions of rental placed on the Unit by Owner may adversely affect the HOA's ability to rent the Unit. The HOA shall not be obligated to rent the Unit if Owner imposes any special restrictions or conditions of any kind whatsoever on use of the Unit by guests; and in such event, the HOA may terminate this Agreement upon 90 days prior written notice to Owner.

16. **ASSIGNMENT**. No rights under this Agreement shall be assigned, except by operation of law, by either party, without the prior written consent of the other party, and any such assignment or attempted assignment without such prior written consent shall be a breach of this Agreement. Subject to the provisions hereof, all of the terms and conditions of this Agreement shall be automatically binding upon and shall inure to the benefit of the successors and permitted assigns of the parties including, but not limited to, any purchaser of the Unit.

17. **TERM**. This Agreement shall commence on September 1, 2019, and continue through August 31, 2022.

18. **ENTIRE AGREEMENT**. This Agreement represents the entire agreement between the parties, and supersedes all prior agreements, understandings, correspondence and communications, both verbal and written, that relate to the Rental Program. No variance or modifications hereof shall be valid or enforceable except by supplemental agreement in writing duly executed by Owner and the HOA.

19. **GRANT OF RIGHTS**. Owner authorizes and hereby grants to the HOA the right to:

(a) Determine the use of the Rental Program Reserve Fund;

(b) Negotiate the terms of agreement and engage a professional hospitality property management company;

(c) Hold back or reduce the amount of Owner's Distribution in the event of cash shortages in the Rental Program;

(d) Invest Rental Program funds needed for the Rental Program operations;

(e) Change the terms and provisions, including without limitation any lease for the Conference Center, the administrative offices, food and beverage space, and front desk; and

(f) Use of funds from the Rental Program Reserve Fund as equity, loan or capital contribution to BRICA to the extent required to acquire fee title to the Conference Center and to pay interest or principal under any loan obligation of BRICA.

20. **SECTION HEADINGS**. The Section headings of this Agreement are for the convenience of reference only, and shall not be deemed to affect any provision of this Agreement.

21. **ATTORNEY'S FEES**. In the event of any legal proceeding regarding this Agreement, the prevailing party shall be entitled to its reasonable attorney's fees for trial and appeal as well as court costs and expert witness fees.

22. **ACCOUNTING**. Accounting for the Rental Program shall be done by the accrual method.

23. **NOTICE**. All notices, statements, demands, requirements, or other communications and documents ("**Communications**") required or permitted to be given, served, or delivered by or to either party or any intended recipient under this Agreement shall be in writing and shall be either delivered by hand, sent by a nationally recognized overnight courier service, prepaid certified return receipt requested, registered mail (airmail in the case of all international communications), or by email return receipt requested, to the party or intended recipient at its address stated below, or sent by facsimile machine to the party or intended recipient at its facsimile number stated below or to such other address or facsimile number as either party may from time to time have notified the other party as being its address or facsimile number for purposes of this Agreement

to the exclusion of all previously applicable addresses and facsimile numbers. Such Communications shall be deemed to have been given, served, or delivered:

(a) if delivered by hand, upon delivery;

(b) if delivered by nationally recognized overnight courier, upon receipt;

(c) if sent by mail, four days after the date of mailing; or

(d) if sent by facsimile machine, upon the next business day after successful transmission; or

(e) if sent by email, two days after transmission.

The addresses and facsimile numbers of the parties are as follows:

To HOA:	Beaver Run Homeowner's Association PO Box 2115 Breckenridge, CO 80424 Attn: Homeowner Relations Manager Facsimile Number: 970-453-4284 Email: bmartin@beaverrun.com
To Owner (also the Owner of Record as provided in (f) below)	_____ _____ _____ _____ _____
with copies to:	_____ _____ _____ _____ _____

(f) If the subject Unit is owned by an entity or more than one individual, the person designated as the Owner of Record above shall act as the primary contact on behalf of Owner and shall have the authority to act on behalf of Owner for all matters governed by or repairing Owner action under this Agreement. HOA may rely on any communications or representations from the Owner of Record and the same shall be binding on Owner.

24. **COLORADO LAW TO APPLY; VENUE**. This Agreement shall be construed under and in accordance with the laws of the state of Colorado, and venue for any court proceedings shall be in the City and County of Denver or Summit County.

25. **LEGAL CONSTRUCTION**. If one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of the Agreement, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in the Agreement. The parties each acknowledge that they and their attorneys have reviewed this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto. Whenever the singular number is used herein, it shall include the plural, and the masculine gender shall include the feminine and neuter genders, and vice versa.

26. **TIME OF ESSENCE**. Time is of the essence hereunder.

27. **COUNTERPARTS; FACSIMILE AND ELECTRONIC SIGNATURES**. Multiple copies of this Agreement may be executed by the parties hereto. Each such executed copy shall have the full force and effect of an original executed instrument. This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute the entire agreement of the parties. Facsimile and Electronic signatures of the parties will be valid.

[Signature page follows]

SIGNATURE PAGE

IN WITNESS WHEREOF, the parties hereto have executed this agreement in one or more copies or in counterparts as of this day and year first above written.

Beaver Run Homeowners' Association

_____
By: Louis K. Herman
Title: President

_____
Owner Name (printed)

_____
Owner Signature

_____
Unit Number

Exhibit A

Unit Standards

The goal of the Beaver Run Rental Program is to encourage owners to provide a residential style with decorative appointments that are attractive, well-coordinated for form and function and that provide an obvious degree of comfort and meet our guest expectations. Furniture requirements have been established based on industry standards and balance furniture volume with open space. Additional furniture is discouraged.

Entryway:

a. Condo entry area should provide adequate closet and/or hook storage.

Flooring:

a. Durable carpet. When replacing carpet, the pad must be replaced at same time (8# Minimum).

b. A sound dampening membrane must be installed underneath all new or replaced hard surface flooring. Additionally, area rugs must be installed in living areas and felt pads added to the feet of movable furniture.

Case Goods:

a. Solid wood or metal pieces.

b. Glass coffee tables and dining tables prohibited. Protective glass tops accepted.

c. Corner block or stretcher on dining chairs.

Lighting:

a. All lighting fixtures must accommodate a standard socket with a minimum of 150 lumens.

b. Halogen bulb lamps are prohibited.

Artwork:

a. Framed artwork or other decorative appointments.

b. Artwork must be of an appropriate quantity and proportion for the space.

c. No plastic frames.

Bathroom/Spa:

a. Bathing areas should offer adequate storage for both wet and dry towels. Dry storage includes a vanity cabinet, towel bar, and/or bench. Wet storage could be 2 towel bars or a towel bar plus several robe hooks.

b. Frameless, sliding (bypass) glass shower doors are prohibited.

Televisions:

a. Minimum 32” Diagonal Flat screen TVs in all Living Room areas, Bedrooms and Hotel Rooms.

b. Minimum 29” Diagonal Flat screen TVs in all Studio and Suite sleeping areas.

Upholstered Goods:

a. Queen sofa sleepers with upgraded 5-inch mattress required in all units.

b. Minimum 1 upholstered lounge chair in living room.

c. Futons are prohibited.

d. A sectional sofa may be installed in lieu of a sofa plus lounge chair provided it seats 4 and contains a queen sleeper sofa with upgraded mattress.

e. Murphy beds can be considered but require approval. Approval will be dependent on overall unit design.

Window Treatments:

a. Black out window treatment for all window coverings. Blinds, drapes and shutters are acceptable.

b. Fire retardant materials are required.

Housekeeping Inventory Provided by the Rental Program:

Sheets, pillowcases, towels, pillows, blankets, humidifiers, hair dryers, irons, ironing boards, dishes, glassware, silverware, pots and pans, coffee maker, toaster, fan, clock, and electronics charger(s).

Housekeeping Inventory Replacements:

Owner pays for the timely replacement of mattress sets, including hide-a-bed mattresses, bed frames, ash cans, hearth rugs, fireplace tool sets, and luggage rack(s).

Maintenance Services Provided by the Rental Program:

a. TV Remote service calls

b. Basic light bulb installation

c. Toilets – minor repairs/clogs

d. Key the lights to the switch

e. Kitchen/dresser drawers off track

f. Reset breakers

g. Closet/screen doors off track

h. Tub/sink drains – minor clogs

i. Basic guest service calls, jump starting cars, putting air in tires, etc.

Prohibited Items:

a. Glass coffee tables and dining tables

b. Bunk beds

c. Halogen bulbs in lamps

d. Frameless, bypass sliding glass shower doors

e. Particle board or indoor plastic furniture

f. Futons

Additional Requirements: See Schedule 1 attached hereto.

SCHEDULE 1 TO EXHIBIT A

Unit Type Furniture	**Hotel Large**	**Hotel Small**	**Mountain King**	**Studio**	**Breck Studio**	**Colorado Suite**	**Summit Suite**	**1 Bedroom**	**Building 4 1 Bedroom**	**2 Bedroom**	**Building 4 2 Bedroom**	**3 Bedroom**	**Corporate Suite**	**4 Bedroom**	**Executive Suite**
Beds	2 Queen or 1 King	2 Double or 1 King	1 King	1 Queen or 1 King	1 Queen or 1 King	1 Queen or 1 King	1 Queen or 1 King	1 Queen or 1 King	1 Queen or 1 King	3 Queen or 1 King & 2 Queen	2 Queen or 1 King & 1 Queen or 2 Kings	Lg and Sm Hotel room & 1 Bedroom requirements	1 King, 1 Queen & 2 Twin	2-Lg & 1-Sm Hotel & 1 Bedroom	6 Beds 2 King 2 Queen or 2 Doubles
Headboards	**Headboards are required for each Bed and they must match the size of the mattress. Footboards are not recommended.**														
Nightstands	**Nightstand requirements are: 1 King or 1 Queen bed needs 2 Nightstands, one on each side of the bed. 2 Queens or 2 Doubles needs 1 Nightstand in between the beds.**														
Clothing Storage	1	1	1	1	1	1	1	1	1	2	2	3	3	4	4
Desk or Task table	1	1													
Desk Chair	1	1													
Wall unit with desk, desk chair			1												
Upholstered Chair	0 or 1	0 or 1	1	1	1	1	1	1	1	1	1	1	1	1	1
Queen size sofa sleeper				1	1	1	1	1	1	1	1	1	1	1	1
Coffee table				1	1	1	1	1	1	1	1	1	1	1	1
End table				1	1	1	1	1	1	1	1	1	1	1	1
Dining Table				1	1	1	1	1	1	1	1	1	1	1	1
Dining Chairs & Barstools				4	4	4	4	4	4	6	6	7	8	8	8
TV	1	1	1	2	2	2	2	2	2	3	3	4	4	5	5
Lighting															
Bedside	**Lighting requirements are: 1 King or 1 Queen bed needs 2 lights, one on each side of the bed. 2 Queens or 2 Doubles needs 1 Light in between the beds.**														
Desk Lamp	1	1	1												

Bedroom Lamps	1	1	1					1	1	2	2	3	3	4	4
Living Room Lamps				2	2	2	2	2	2	2	2	2	2	2	2
Appliances															
Microwave	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Self-cleaning oven w/range								1	1	1	1	1	1	1	1
Refrigerator w/ice maker					1		1	1	1	1	1	1	1	1	1
Refrigerator - small	1	1	1	1		1									
Range top burners				1	1	1	1								