

**SECOND SUPPLEMENT  
TO  
MASTER DECLARATION FOR RIVERFRONT VILLAGE**

**Expansion of Club Recreational Facilities Easement**

This Second Supplement to Master Declaration for Riverfront Village (this "Second Supplement") is made effective as of January 1, 2012, by Riverfront Village Hotel, LLC, a Delaware limited liability company ("Hotel Unit Owner"), and Riverfront Village Master Association, a Colorado nonprofit corporation (the "Master Association").

WITNESSETH:

WHEREAS, Hotel Unit Owner is similarly defined as the "Hotel Unit Owner" under that certain Master Declaration for Riverfront Village recorded November 14, 2006, at Reception No. 200631239 (the "Declaration") in the Eagle County, Colorado real property records (the "Records"), and the Hotel Unit Owner owns all of the real property and facilities subject to the Club Recreational Facilities Easement as defined in the Declaration;

WHEREAS, the Master Association is the owners' association representing the interests of Owners under the Declaration;

WHEREAS, Section 5.8 of Declaration sets forth procedures pursuant to which real property, improvements and/or facilities may be added to Shared Easements (all capitalized terms used herein shall have the meaning as defined in the Declaration, unless otherwise defined herein), and the applicable Shared Easement may be thereby expanded, subject to any conditions to such expansion proposed by the Shared Easement Owner and approved by each Class of Directors representing the interests of each Class of Members benefited by the applicable Shared Easement;

WHEREAS, the Hotel Unit Owner and the Master Association desire that the Club Recreational Facilities Easement be expanded as described in this Second Supplement, subject to certain conditions as described herein, and the Club Recreational Facilities Easement is currently benefiting the following Classes of Members: the Hotel Residential Members, the Vacation Club Members and the Hotel Unit Owner;

WHEREAS, while the full Executive Board of the Master Association has not been seated as contemplated by Section 4.4 of the Declaration and, therefore, not all Class Directors have been established, Directors representing each benefited Class of Members have approved this Second Supplement as follows: (a) the Class Director currently seated on the Executive Board of the Master Association and representing the interests of the Vacation Club Members, and (b) the Hotel Residential Committee formed by the Executive Board of the Riverfront Resort & Spa Owners' Association to represent the interests of the Hotel Residential Members, which

approvals are within the intent of the procedures set forth in Section 5.8 of the Master Declaration for the expansion of Shared Easements; and

WHEREAS, the Hotel Unit Owner has executed this Second Supplement evidencing its approval of the expansion of the Club Recreational Facilities Easement as described herein, and the Master Association has executed this Second Supplement evidencing that such expansion of the Club Recreational Facilities Easement was approved by the Vacation Club Director and the Hotel Residential Committee representing the interests of each other Class of Members benefited by the Club Recreational Easement as described in the Recital immediately above.

NOW, THEREFORE, the Club Recreational Facilities Easement is hereby expanded and related improvements and facilities are hereby added to the Club Recreational Facilities Easement, as follows:

1. Expansion of Club Recreational Facilities Easement. Upon the recording of this Second Supplement in the Records, the Club Recreational Facilities Easement is hereby expanded to annex and include the area depicted on Exhibit A attached hereto and incorporated herein (the "Expanded Easement Area"), together with all improvements and facilities to be constructed within the Expanded Easement Area, which Expanded Easement Area comprises an expansion of the locker room facilities serving the Club Recreational Facilities Easement. The Expanded Easement Area is located in a portion of Unit C-107 of the Hotel Project of approximately 787 square feet, as shown on Exhibit A. The improvements and facilities to be constructed within the Expanded Easement Area shall be constructed by the Hotel Unit Owner at its sole cost and expense and no related initial Capital Expenses will be charged as a Shared Easement Expense, it being acknowledged and agreed that the specific plans and specifications for such improvements and facilities are at the Hotel Unit Owner's sole and exclusive discretion. The Expanded Easement Area and all related improvements and facilities, upon completion of construction, shall thereafter be subject to all of the covenants, conditions, restrictions and reservations pertaining to the Club Recreational Facilities Easement as set forth in the Declaration, and the Operating Expenses and Capital Expenses applicable to such Expanded Easement Area shall be charged to the Master Association as provided in Section 5.4.2 of the Declaration (although no Capital Expenses will be charged directly arising from the initial construction of locker room improvements and facilities located within the Expanded Easement Area).

2. Unit C-107.

(a) Improvements to and Operations Within the Unit C-107 Commercial Area. It is acknowledged and agreed that the Hotel Unit Owner owns and is constructing certain fitness and wellness-related improvements within that portion of Unit C-107 of the Hotel Project located outside of the Expanded Easement Area (the "Unit C-107 Commercial Area"), and that the Unit C-107 Commercial Area is not part of the Club Recreational Facilities Easement. As separate commercial space within the Hotel Project not subject to the Club Recreational Facilities Easement, the Unit C-107 Commercial Area will be operated by the Hotel Unit Owner, or by any subsequent Owner of Unit C-107 (the "C-107 Owner"), at its sole cost and expense (and shall be

entitled to all revenues, subject to Section 2(b) below) and in any manner within its sole and absolute discretion, including, without limitation, the right to operate the Unit C-107 Commercial Area in coordination with the operations of the Club Recreational Facilities Easement (located in Unit H-4 within the Hotel Project (“Unit H-4”) and the Expanded Easement Area). The methodology for charging Operating Expenses and Capital Expenses applicable to the Club Recreational Facilities Easement will remain unchanged, subject to Sections 2(b) and 2(c) below. The foregoing absolute discretion of the C-107 Owner to operate the Unit C-107 Commercial Area also includes, without limitation, the right to modify, reduce or eliminate in any manner and at any time, without notice, the space, facilities, operations and/or equipment applicable to the Unit C-107 Commercial Area, it being acknowledged that the C-107 Owner has expended significant capital costs with respect to Unit C-107 and must retain the foregoing discretionary powers in order to meet changing market conditions, facility demands and fitness industry needs, among other considerations.

(b) Classes/Personal Training. It is further acknowledged and agreed that the Hotel Unit Owner currently contemplates, without obligation, that the Unit C-107 Commercial Area may be utilized for yoga, Pilates, spin, Compu-trainer, conditioning and other fitness classes. Because the offering of such classes may reduce or eliminate the number of class offerings within the Club Recreational Facilities Easement and thus the level of operating revenues to be shared with the Master Association pursuant to Section 5.4.2 of the Declaration, the C-107 Owner and the Club Owner agree to share certain operating revenues (e.g. class and personal training revenues) with the Master Association to offset costs of the Club Recreational Facilities Easement, as described in detail below, in lieu of the revenue sharing previously employed pursuant to Section 5.4.2 of the Declaration. For clarification, prior to the recording of this Second Supplement, the Club Owner paid to the Master Association pursuant to Section 5.4.2 of the Declaration a sum equal to 80% of revenues from fitness operations (e.g., from class offerings and personal training) generated within the Club Recreational Facilities Easement, which sum was used to offset the 80% allocation of Operating Expenses (such expenses included the direct cost of the service providers of classes and personal training) and Capital Expenses of the Club Recreational Facilities Easement (the “Original Revenue Structure”). Upon the recording of this Second Supplement and in lieu of the Original Revenue Structure, the Club Owner and the C-107 Owner will pay to the Master Association a sum equal to five percent (5%) of the operating revenues from fitness operations (e.g., from class offerings and personal training) generated within both the Club Recreational Facilities Easement and the Unit C-107 Commercial Area, which sum will similarly be used to offset the 80% allocation of Operating Expenses and Capital Expenses of the Club Recreational Facilities Easement (the “New Revenue Structure”). In addition, Operating Expenses associated with the Club Recreational Facilities Easement shall not be deemed to include the direct costs of the service providers (whether it be as an employee or independent contractor) of classes and personal training as those direct costs will be paid by the Club Owner. Owners are hereby deemed to have waived all right and interest in and to the Original Revenue Structure from and after January 1, 2012, in exchange for the right to payments under the New Revenue Structure and the right to fixed annual payments under Section 2(c) below.

Owners acknowledge the discretionary powers granted to the Club Owner over the operations, management and facilities of the Club Recreational Facilities Easement pursuant to Section 5.4 of the Declaration and that such powers include, without limitation, the right to offer or to not offer classes to the general public and the terms of any such offerings and to modify existing club membership categories and/or create new membership categories with fitness classes bundled into or unbundled from such memberships (which bundled or unbundled fitness classes may also be held in Unit C-107 with the C-107 Owner's consent). Owners acknowledge that club members participating in fitness classes under a bundled membership package will not be deemed to have contributed revenue to be shared pursuant to the New Revenue Structure.

Payments to the Master Association pursuant to this Section 2(b) shall be made quarterly on or before the date falling thirty (30) days after the calendar quarter to which such payment relates (e.g., April 30 for the January 1 through March 31 calendar quarter) with a minimum annual payment of \$10,000.00 due, if applicable, on or before January 30 for the prior calendar year.

(c) Fixed Annual Payment. For a period of twenty (20) years, beginning January 1, 2012, the Club Owner will pay to the Master Association an annual sum equal to \$35,000.00 to be used to offset the 80% allocation of Operating Expenses and Capital Expenses of the Club Recreational Facilities Easement (the "Fixed Annual Payment").

Payments to the Master Association pursuant to this Section 2(c) shall be made in equal quarterly installments due on or before April 30, July 30, October 30 and January 30 for the prior calendar quarter.

(d) Discontinuance or Modification of C-107 Fitness Operations. Without in any manner limiting the absolute discretion of the C-107 Owner with respect to the Unit C-107 Commercial Area as described in Section 2(a) above, the C-107 Owner has the unilateral right (i) to fully and permanently discontinue its fitness operations within the Unit C-107 Commercial Area at any time for any reason or no reason, or (ii) to reduce or otherwise modify the area where fitness operations are conducted within the Unit C-107 Commercial Area. In the event of any such discontinuance or modification, the Unit C-107 Commercial Area, or applicable portion thereof, may be utilized for any purpose permitted for commercial units within the Hotel Project as set forth in the PUD Plan as exists now or as may hereafter be amended. No such discontinuance or modification will affect the validity of any provision of this Second Supplement, including without limitation, the payments required under Section 2(b) and 2(c) above, recognizing, however, that the level of fitness operating revenues (subject to the minimum payment) under Section 2(b) above may be affected by any such discontinuance or modification.

3. Acknowledgement of Consideration. It is acknowledged that the consideration provided to Owners benefited by the Club Recreational Facilities Easement by this Second Supplement includes, without limitation, (a) expanded locker room facilities without the burden of participating in the Capital Expenses to construct such expanded facilities, (b) a guaranteed fixed offset against Operating Expenses and Capital Expenses of the Club Recreational Facilities

Easement as described in Section 2(c), (c) a percentage of gross revenues generated from class and personal training offerings as described in Section 2(b) to offset against Operating Expenses and Capital Expenses of the Club Recreational Facilities Easement, and (d) subject to the rights of the C-107 Owner as described in Sections 2(a) and 2(d) above, the potential availability of new fitness facilities constructed within the Unit C-107 Commercial Area without the burden of participating in the Capital Expenses to construct such facilities.

4. General. The terms and provisions contained in this Second Supplement to Declaration shall be in addition and supplemental to the terms and provisions contained in the Declaration. All terms and provisions of the Declaration, including all definitions, except those terms and provisions specifically modified herein, shall be applicable to this Second Supplement. The definitions used in the Declaration are hereby expanded and shall hereafter and in the Declaration be deemed to encompass and refer to this Second Supplement. For example, reference to the "Club Recreational Facilities Easement" shall mean both the area originally described in the Declaration and the Expanded Easement Area described herein, and reference to the "Declaration" shall mean the Declaration as supplemented by this Second Supplement to Declaration. The rights, obligations and liabilities of Owners are hereby modified as described herein.

5. Reservation. The Hotel Unit Owner reserves all rights and interests in the Expanded Easement Area as set forth in the Declaration, including, without limitation, the right to utilize the Expanded Easement Area and to employ the Club Recreational Facilities as part of the Hotel Unit Owner's operation of a hotel, spa and private fitness and health club as reserved in the Declaration.

6. Severability. The invalidation of any one of these covenants or restrictions by judgment or court order shall render this entire Second Supplement wholly invalid and void and the Expanded Easement Area will be released of all rights, interest and restrictions as contained in this Second Supplement. In such event, the C-107 Owner shall have the right, but not the obligation, to reconstruct the improvements comprising the Expanded Easement Area and to physically separate Unit C-107 from the Club Recreational Facilities Easement.

7. Conflicts Between Documents. In case of conflict between the Declaration, as supplemented hereby, and the Articles or Bylaws of the Association, the Declaration as supplemented shall control.

Executed as of the date and year first written above.

HOTEL UNIT OWNER:

RIVERFRONT VILLAGE HOTEL, LLC, a  
Delaware limited liability company

By: East West Hotel Holdings, LLC,  
a Delaware limited liability company  
Its: Manager

By: RVH Management, Inc., a Colorado corporation,  
Its: Manager

By: [Signature]  
Name: Craig Ferraro  
Title: VP

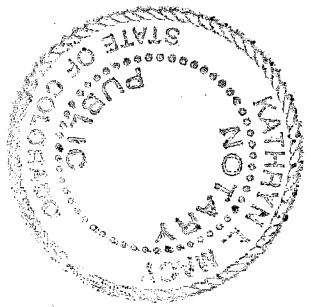
STATE OF COLORADO    )  
  ) ss.  
COUNTY OF EAGLE    )

The foregoing instrument was acknowledged before me this 16<sup>th</sup> day of December, 2011, by Craig Ferraro, as vice president of RVH Management, Inc., Manager of East West Hotel Holdings, LLC, Manager of Riverfront Village Hotel, LLC.

WITNESS my hand and official seal.

My commission expires: 9-28-14  
[SEAL]

[Signature: Kathryn S. Macy]  
Notary Public





**EXHIBIT A**

**Depiction of Expanded Easement Area**



# Exhibit A/Expanded Easement Area

