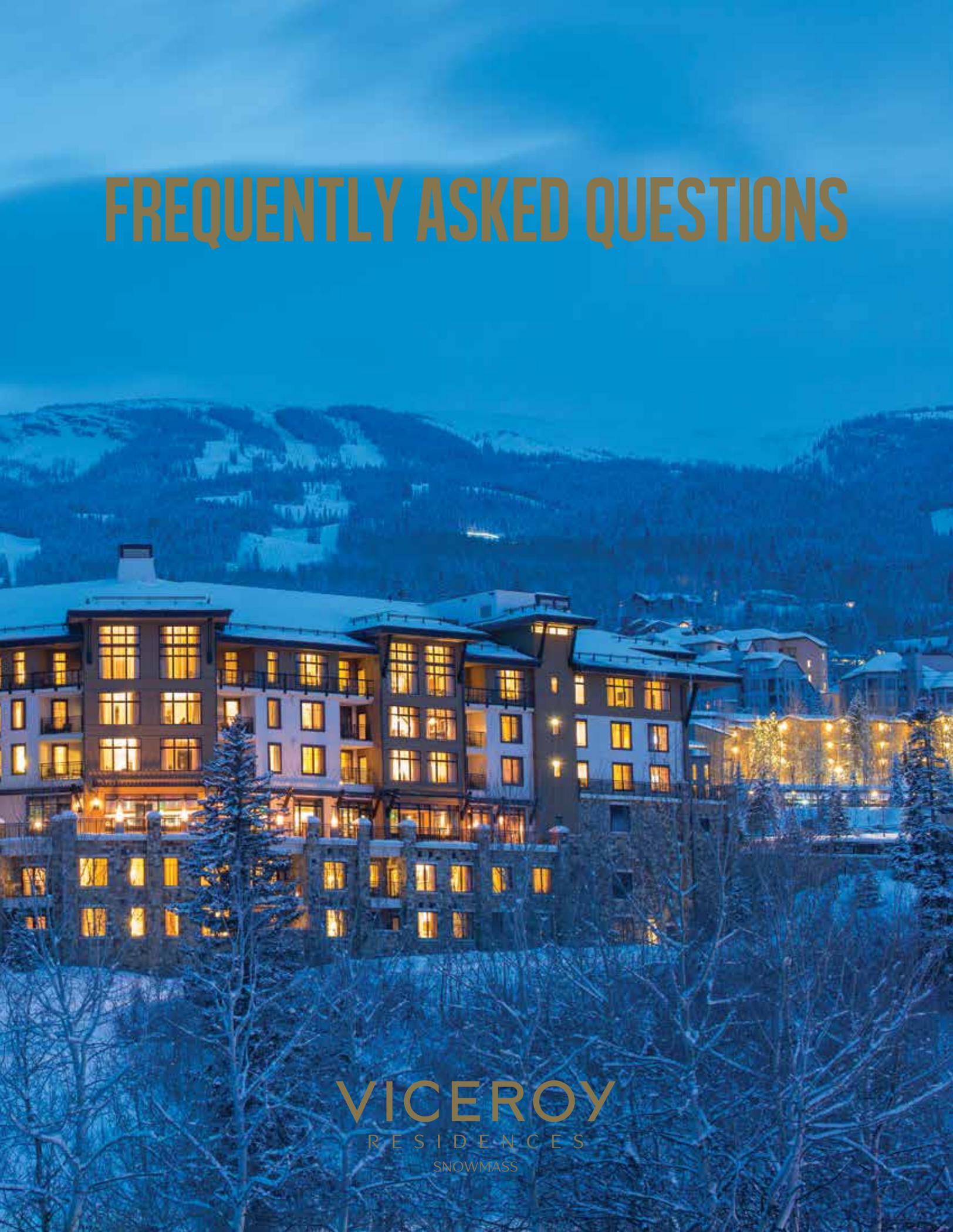


FREQUENTLY ASKED QUESTIONS



VICEROY
RESIDENCES
SNOWMASS

VICEROY RESIDENCES: FREQUENTLY ASKED QUESTIONS

Welcome to the Viceroy Snowmass.

We are thrilled that you are interested in purchasing a residence at the Viceroy Snowmass. Snowmass is truly a special place and the Viceroy is a terrific opportunity to establish ownership in Snowmass's most luxurious property. With the next phase of Base Village fully under construction, now is an exciting and opportune time to buy at the Viceroy.

Purchasing a resort property often comes with many questions and legal documents. This FAQ packet attempts to address the common questions buyers have and to summarize the pertinent legal documents in an easy to understand format. We have included information on Base Village as a whole, the developer, the hotel brand, the property associations and more.

While this document is fairly comprehensive, it is not all encompassing, so we highly recommend that you or your legal representative read all of the legal documents themselves to ensure a complete understanding. You should also feel free to contact your local real estate agent, myself or Lindsay and Taylor in the Viceroy Residential Services Department (970-923-8040) with any questions. We want you to be fully comfortable with your purchase.

Sincerely,

Andy Gunion
Managing Partner—Roaring Fork Valley
East West Partners
agunion@ewpartners.com

Disclaimer

IMPORTANT NOTE: This FAQ is provided as a convenience to persons interested in acquiring property within Assay Hill Lodge Condominium, but is not intended as a substitute for full and careful review of all documents related to such purchase, including the purchase contract and addendum and its related disclosures, and association declarations and other governing documents of Assay Hill Lodge Condominium. Future dates, densities, development plans, phasing and other information contained in this FAQ are non-binding and subject to change without notice.

THE VILLAGE EXPERIENCE

Basics of the Existing Village

What exists in Base Village today? A significant portion of Base Village already exists. It consists of: approximately 90 residences in Hayden and Capitol Peak Lodges; over 35,000 sq. ft. of retail and restaurant space—comprised of over 10 outlets; an Aspen Skiing Company ticket office; the Treehouse children’s center; the Base Village Conference Center; an over-600 stall parking garage, an expansive transit center; a central mechanical plant; the plaza abutting the ski slopes; and, of course, the Viceroy Hotel—comprised of 150 residences a restaurant and spa.

Is Base Village a good place to access skiing? Absolutely. Base Village offers unparalleled ski access. It is the premier ski access portal in all of Snowmass. All critical ski infrastructure is already installed. This includes the Village Express Lift, Elk Camp Gondola, Assay Hill Lift, and a ski way cutting directly through the village with multiple bridges. The Base Village site plan is unique in offering each building ski-in, ski-out access within a walkable village setting.

Who owns Base Village? Base Village is owned by a joint venture comprised of East West Partners, Aspen Skiing Company and KSL Capital Partners (the “Joint Venture”).

Next Phase of the Village

What is planned for the next phase of the Village? The next phase of the Village is already under construction. This includes:

- o The Limelight Hotel & Residences which contains 99 hotel rooms, 11 residences, the Mountain Club at Snowmass, a vibrant lobby/lounge and Colorado’s tallest climbing wall. This will be the third Limelight Hotel adding to the collection that already includes Aspen, Colorado and Ketchum, Idaho.
- o Lumin. A boutique residential and commercial building containing three unique residences on the second and third levels and a new Four Mountain Sports ski shop that will convert to an outdoor recreation hub in the summer. Plans are also in the works for a micro food and beverage outlet on the bottom corner of Lumin—perhaps ice cream, cookies, etc.
- o The Plaza. Featuring an ice rink in the winter which transforms into a fun play lawn and children’s pop jet fountain in the summer.
- o Building 6. A Town-owned building that integrates seamlessly with the plaza. The programming of this building is still in the planning process, but the potential is exciting for a vibrant public space featuring an indoor/outdoor bar and café.

One Snowmass is planned to be under construction soon. At the time of this writing, One Snowmass is fully designed and awaiting an entitlement modification to allow construction to commence. This critical entry statement to Base Village features iconic contemporary alpine architecture, 41 residences, an arrival center, a medical clinic, private ski locker room, private fitness studio, a yoga studio, four plaza level stores, and a rooftop infinity edge spa tub.

When is this next phase scheduled to be complete? The Limelight, Plaza, Lumin and Building 6 are all currently scheduled to be complete in the 4th quarter of 2018. One Snowmass completion is dependent upon its start date. It is currently estimated that an early winter start on One Snowmass should allow for a summer of 2019 completion.

Future Phases of the Village

What does full build out of Base Village look like? In addition to what was described in the section above regarding the Next Phase of the Village, the current PUD entitlements allow for another five buildings to be constructed. All of these buildings are east of the village ski way. The existing approvals call for these buildings to contain approximately 200 residences, additional employee housing units, and some limited additional commercial space. Per current approvals, at full build-out, Base Village is estimated to contain nearly 500 residences (including condo hotel residences), 99 hotel rooms, over 25 employee housing units, approximately 70,000 sq. ft. of commercial space and extensive community amenities.

Are zoning approvals in place for the rest of the village? Yes. The Joint Venture assumed the PUD zoning approvals for the entire village that were obtained by the prior owner (Related) in 2016. These approvals are very specific as to what can and needs to be built. The Joint Venture has the ability to seek administrative modifications or amendments to the PUD approvals, has already done so and will likely continue to do so.

What is the timing for full build out? The rate of build-out is primarily dependent upon market conditions. The Joint Venture is incentivized to complete Base Village as quickly as possible. Current estimates are for an eight to ten year build-out.

How will views be effected by build-out of the rest of the village? As additional buildings are constructed, views will be impacted to varying degrees and need to be evaluated by purchasers on a case-by-case basis. There are no guaranteed view corridors associated with the project.

How many additional stores and restaurants will be added to Base Village? The current phase is planned to include the addition of the Limelight Lobby/Lounge—which offer casual fare and cocktails, the Building 6 Café & Bar—the details of which are still in planning and under the control of the Town, a Four Mountain Sports store—which will be a ski shop in the winter and mountain adventure hub in the summer, a micro retail F&B space in Lumin—which is still in planning, but perhaps ice cream, cookies, etc. and four additional stores in One Snowmass (subject to Town approval)—the programming of those four stores has yet to be determined. The amount of additional retail and restaurant in future phases is to be determined.



The Mountain

How does Snowmass Mountain compare to other ski resorts? Snowmass was recently ranked the fourth best resort in the Western United States by Ski Magazine. Of the four ski areas in the Aspen area, Snowmass is the most visited. Aspen Skiing Company (ASC) has invested over \$100M in Snowmass Mountain over the past 10 years. The grooming, lift access and on-mountain dining are all exceptional. ASC continues to explore additional investments into the mountain.

When does the ski mountain typically open and close each year? Mountain operations are always subject to snow and weather conditions, but typically Aspen Skiing Company tries to open Snowmass Mountain by Thanksgiving and typically closes mid-April. Early and late season operations are often limited to certain areas of the mountain as snow coverage permits.

How big is the mountain? 3,332 skiable acres. Snowmass is by-far the largest of the four ski areas in the Aspen area.

How much vertical does the mountain have? 4,406 vertical feet. The most lift-served vertical in the United States.

Where can I access ski school? You could not ask for a more convenient place to access ski school than in Base Village. Snowmass boasts a state-of-the-art children's ski school facility called the Treehouse located directly in Base Village. In addition, adult ski school meets on the Base Village ski plaza.

Summer Activities

Are there good hiking and biking trails nearby? Yes. The Town of Snowmass Village has an extensive trail network accessible from Base Village, featuring some of the best mountain biking in Colorado. Aspen Skiing Company also has an extensive and growing network of trails on the ski mountain. In addition, the areas surrounding Snowmass feature a broad array of trails and paths ranging from easy paved paths to challenging wilderness ascents up 14,000+ peaks. In total, the trail offerings available to Base Village owners and guests are truly phenomenal.

What is the Lost Forest? The Lost Forest is a new winter and summer mountain activity center located right at the top of the Elk Camp Gondola—accessed directly from Base Village. Aspen Skiing Company is investing millions of dollars in this mountain enhancement which will feature an alpine coaster, zip line, canopy tours and a climbing wall. The Lost Forest is scheduled to open summer of 2018 and will provide significant additional summer activity to Snowmass and Base Village, as Base Village will act as the primary access portal.

Restaurants & Night Life

Are there good restaurants nearby? Absolutely. Within Base Village there are several offerings. Base Camp offers an energized après ski scene and a tasty casual menu. Slice is an excellent choice for homemade pizza, pasta and salads. Sake is celebrating its second year as an outstanding destination for high quality sushi, cooked Asian cuisine and an active bar scene. The Snowmass Mall can be quickly reached from Base Village by a short walk or gondola ride—which runs into evening hours. The Mall houses a number of restaurants from fine dining Italian to festive Mexican to local BBQ. Of course Aspen is also a short drive away where many excellent restaurants can be found.

Are there any new restaurants planned in Base Village? Yes. The restaurant offerings in Base Village continue to grow. TORO, a brand new vibrant pan-Latin restaurant will be open this ski season in the Viceroy. In addition, State 38 will open this ski season on the skier plaza—featuring fresh farm to table cuisine and craft cocktails. The Limelight Hotel will open for the 2018/2019 ski season and will feature a vibrant lounge offering their signature wood fired pizzas and other casual cuisine. Planning is also underway for additional new food and beverage offerings as well—possibilities include a new bar and café in Building 6 and a fun ice cream/cookies outlet in Lumin. There is the potential for additional food and beverage outlets in One Snowmass, but planning for this is still in the approval process.

What about après, live music and nightlife? Base Camp is the village's most popular après ski spot, featuring extensive drink options and a sunny deck with fire pits and direct mountain views. Sake has established a solid after dinner bar scene filled with locals and guests alike. TORO plans to feature live music most evenings. The Limelight Lounge will also feature live music on a regular basis and is slated to become Snowmass's community

living room. Plans are in the works for additional evening activity nodes as well. Elk Camp Restaurant (accessed directly from Base Village via the Elk Camp Gondola) features Ullr Nights every Friday in the winter. These on-mountain celebrations feature live music, bonfires and more and draw locals and guests alike from families to young singles. Aspen Skiing Company is evaluating adding more Ullr Nights in the future.

Children's Activities

Is there anything for kids to do in Base Village and Snowmass? Yes and more is on the way. The Treehouse, located directly in Base Village, is an incredible winter and summer children's activity center operated by Aspen Skiing Company. There is a Very Important Kids (VIK) program in the village that offers kids activities most days of the week during the winter. The Limelight Hotel will feature a kids game area and Colorado's tallest climbing wall. In addition, the new plaza will feature an ice rink in the winter and a children's pop jet fountain and play lawn in the summer. Anderson Ranch (a true Snowmass gem) offers children's art classes. The Snowmass Rodeo is a weekly mecca for family fun in the summer. The Snowmass Recreation Center features an expansive kids pool facility, full basketball courts and a skate park. In total, Snowmass is one of the premier kid friendly mountain resorts in the country. The completion of the Lost Forest and the build-out of Base Village will continue to build on that.



Groceries & Liquor

Where can I purchase groceries? A small convenience market (Clarks) is located directly in the Village. A full Clarks super market is located in the Snowmass Center just a short walk or car ride away from the Village.

Where can I purchase alcohol? There are liquor stores in both the Snowmass Center and the Mall with a variety of wine, spirits and beer. Both are easily accessible from the Village.

Can I have groceries and alcohol delivered to my residence? Your property manager may offer this service or there are companies, such as Resort Delivery, that provide these services for a fee.

Sports Equipment and Gear

Can I rent and purchase ski gear in Base Village? Absolutely. Base Village has a variety of high quality ski gear outlets already in place and a large new Four Mountain Sports is planned in the plaza level space of Lumin. The Viceroy Hotel has a full service ski rental shop located within the building.

How is ski storage handled? With its direct, slopeside ski access, there are a variety of ski storage options available in Base Village. These include storage solutions offered by individual properties, rental shops and a new ski corral owned and operated by Aspen Skiing Company, scheduled to open winter of 2018/2019 with the ability to have your gear conveniently transported to the other local Aspen area ski resorts.

Can I rent and purchase bikes in Base Village? Yes, many of the winter ski gear outlets convert to bikes in the summer.

Clothes and Apparel Shopping

Where can I go shopping in or around Base Village? The retail experience in Base Village is and will continue to be primarily focused on athletic and adventure gear. The Joint Venture is exploring the potential of adding some clothing/apparel stores in the future. The Snowmass Mall (a quick and free gondola ride away) offers several apparel shops—including Patagonia, Roxy and Gorsuch. Of course, Aspen is a short drive away with one of the best retail shopping experiences of any ski town in the country.

Spa & Fitness

Is there a spa in Base Village? Yes, the Viceroy features a full service luxury spa that is available to outside guests.

Are there exercise facilities in Base Village? Capitol Peak and the Viceroy each contain their own private fitness center. The Viceroy's is undergoing an extensive expansion and upgrade at the time of this writing. The Limelight Hotel will offer a fitness facility accessible to its

hotel guests and to Limelight Residence owners. One Snowmass is planned to contain a large fitness facility accessible to owners, guests and renters of One Snowmass, Lumin and potentially other buildings.

Is there a yoga studio in Base Village? Currently there is not, but plans for One Snowmass include a public Yoga studio (subject to Town of Snowmass Village approval).

Getting to Base Village

How good is the airlift into the Aspen/Pitkin County Airport? Air Service is excellent. United, Delta and American all fly into the airport. Direct flights are available from Denver, Los Angeles, Dallas, Houston, Chicago, Atlanta, Phoenix, Salt Lake City and San Francisco. On any given day in the winter you may find over twenty arrivals and twenty departures to and from the airport. The percentage of on-time flights is very high. Summer access is similarly exceptional with only a slight drop in service. In the shoulder seasons service does drop to around five arrivals and five departures per day.

How do I get to and from the Aspen airport to Base Village? Very easily. The Aspen/Pitkin County Airport (ASE) is only seven miles (15 minute drive) from Base Village. The Viceroy, Snowmass Mountain Lodging and most other property management companies offer complimentary shuttle service to and from the airport for owners and guests. The Limelight Hotel plans to follow suit.

Are there other flight options to get to Snowmass? Yes. The Eagle County Airport (EGE) has similarly strong airlift (including direct flights from Miami, Washington DC, Newark, Kennedy and Toronto). EGE is only 70 miles away (about an hour and a half drive). There are various shuttles services available to and from this airport. Grand Junction Airport (GJT) is a two hour drive and has direct service to Denver, Dallas, Los Angeles, Salt Lake City, Phoenix and Las Vegas. Of course you can fly to and from just about anywhere from Denver International Airport (DEN) which is about a four hour drive from Base Village.

Access to Aspen

How do I get to and from Aspen? It's an easy drive to Aspen. Less than ten miles on an incredibly scenic road. It usually takes less than 20 minutes. Various shuttle services are available that are property-specific and described in more detail in the property-specific section of this document. In addition, there are free and frequent skier shuttles run by RFTA (the local transportation agency) as well as nighttime busses at a minimal cost. Utilizing this public transportation to and from Base Village is incredibly convenient, given the location of the Base Village Transit Center right in the garage. Additionally, current plans call for a public car sharing service to be available in Base Village starting in 2018 or 2019—the details of which are yet to be defined.

BASE VILLAGE DETAILS

The Developer

Who is the Developer? The developer is a Joint Venture comprised of East West Partners, Aspen Skiing Company and KSL Capital Partners. All three groups are headquartered in Colorado and have deep existing relationships, ski industry experience and resort developer experience.

Who is East West Partners? East West Partners has been one of the nation's foremost mountain resort development companies for over 30 years. The company is based in Colorado and has developed in numerous mountain resorts, including Deer Valley, Vail, Beaver Creek, Breckenridge and North Lake Tahoe. East West also develops large scale urban projects such as the Union Station Neighborhood in Denver. East West also has substantial ocean resort development projects in Charleston, SC and in Hawaii.

Who is Aspen Skiing Company? Aspen Skiing Company is the owner and operator of Aspen Mountain, Aspen Highlands, Buttermilk and Snowmass ski areas, as well as Limelight Hotels and The Little Nell. The company is based locally in the Roaring Fork Valley and enjoys stable and long-term ownership by the Crown Family of Chicago.

Who is KSL Capital Partners? KSL is a Denver-based private equity firm with over \$5B of assets under management. KSL's investment mandate is focused around the leisure/resort/hospitality industries. They have deep roots in the ski business, including past ownership of Whistler and present ownership of Squaw Valley and Alpine Meadows.

Did the Joint Venture build the existing phases of Base Village? No. The Joint Venture acquired Base Village from Related in December of 2016. Related is one of the nation's largest real estate development companies—headquartered in New York. The existing phases of Base Village were constructed by Related and its predecessor—a joint venture lead by Intrawest. The Joint Venture's acquisition included all of the undeveloped and partially developed parcels in Base Village, all of the commercial space, unsold residences in the Viceroy and the hotel assets in the Viceroy. The Joint Venture did not purchase the Mall or other assets outside of Base Village from Related.

Master Association

What is the Master Association? The Master Association, also known as Base Village Company, is an association that is responsible for the village plaza (maintenance and snowmelt), public restrooms, walkways through the village, and other miscellaneous common elements. The easiest way to think about the Master Association is that it essentially covers all the common elements from the building eaves outward throughout the village.

How much are Master Association dues? Currently the Master Association assesses \$3.00 per square foot, per year on all residential properties within its boundaries—which extend from the Viceroy to the Hayden Lodge. The Master Association also collects a 1.0% transfer assessment on the sales of all residential property within its boundaries. This is in addition to the 1.0% transfer assessment levied by the Town of Snowmass Village. In addition, the Master Association assess 1.5% on all rental revenue collected within its boundaries.

Is the Master Association financially stable? The Master Association had a surplus in 2017. This was primarily due to a transfer assessment paid on the Joint Venture’s acquisition of Base Village from Related. The 2018 budget projects a net surplus of approximately \$75,000, but this is highly dependent upon real estate sales volume.

Does the Master Association have adequate reserve funds? As of 10/31/2017, the Master Association’s reserve fund balance is approximately \$300,000. A full reserve study is available upon request.

What is the Master Association board composition? The Master Association is still in the developer (“Declarant”) control period, but the Declarant recently opened up two additional residential seats such that the board is now comprised of three residential members, three representatives of the Joint Venture and one representative of Aspen Skiing Company. This structure is effectively equivalent to the stabilized Master Association board composition.

Who manages the Master Association? Snowmass Mountain Lodging, under a management agreement with the Master Association.

Where can I learn more about the Master Association? The Master Association maintains a website at <http://www.basevillagemaster.com>. Interested buyers can access the documents through the owner portal by using Username: “guest”, Password: “guest”.

Central Plant

What is the Central Plant? All Base Village properties west of the village ski way receive their heating and cooling from a natural gas powered central plant located beneath Capitol Peak. This will include Limelight, Lumin and One Snowmass. The Central Plant does not service any property east of the village ski way—including the Viceroy.

Who owns the Central Plant? The Master Association does, but it is essentially tracked as a separate entity within the Master since not all properties within the Master Association are serviced by the Central Plant.

Who runs the Central Plant? Snowmass Mountain Lodging, under a management agreement with the Master Association.

How does the Central Plant charge its users? Through regular assessments to individual building HOA’s based on sub meter readings. These HOA’s then pass the cost through to individual unit owners in the HOA dues—typically based upon a square footage allocation or

specific sub meter readings. The Central Plant rates are set to target a break-even financial performance each year. In other words the Central Plant is a not-for-profit entity.

How do Central Plant rates compare to direct utility rates? As a not-for-profit entity, the Central Plant is essentially just passing through the cost of natural gas, maintenance, etc. to end users. As a result, heating and cooling costs are estimated to be comparable with local market rates.

Does the Central Plant have adequate reserve funds? As of 10/31/2017, the Central Plant’s reserve fund balance is over \$600,000. A full reserve study is available upon request.

Garage Association & Village Parking

What is the Base Village Subterranean Condominium Association? All properties west of the village ski way share a large common parking garage that will be organized into this Base Village Subterranean Condominium Association (the “Garage Association”). Properties east of the village ski way (including Viceroy) are not part of the Garage Association—these properties, including Viceroy, have their own garages and this section therefore does not apply to them. This section does apply to Limelight, Lumin and One Snowmass.

Has the Garage Association been formally established? Not yet. It is largely ready to be “stood up”, but is pending final Town approval. In the meantime, the garage is operating and billing under an easement agreement as if the Garage Association were in place.

Who are the members of the Garage Association? The Master Association will own all of the residential parking zones. Aspen Skiing Company will own or otherwise control the Limelight Hotel and Mountain Club parking zones. Base Village Metropolitan District 1 will own all of the skier and commercial parking. The Joint Venture will own the valet parking zone.

What is the board composition of the Garage Association? The Base Village Subterranean Condominium Association Board will be comprised of five Directors. Two directors will be selected from Commercial and Residential Owners (at least one of these two must be a Residential Owner in Base Village and will be appointed by the residential directors on the Master Association board). Two directors will be selected by Metro District #1, and one director will be selected by Aspen Skiing Company.

Who will manage the Garage Association? Snowmass Mountain Lodging, under a management agreement with the Garage Association.

How many cars can residential owners park in the garage? Residential owners are permitted to park one car in the garage while in residence. Owners cannot leave any vehicles in the garage while not in residence.

Where can residential owners park within the garage? There are several residential zones within the garage. Residential owners can park within any of these zones. Certain zones are naturally used by certain buildings based upon proximity, but, with the exception of

employee housing units, there are no assigned parking stalls or zones dedicated to specific residential owners or specific buildings. Such designations would violate the PUD Parking Management Plan with the Town.

Which zone is going to be most convenient to park in for my residence? A Snowmass Mountain Lodging representative can help you determine this and show you the options on a garage map.

What if I need to park more than one vehicle or have guests come over with a vehicle? There is currently no documented solutions for this. The residential owners, via their representative on the board of the Garage Association, may choose to set policies for visitor or extra vehicle parking within the residential zones of the garage, subject to compliance with the PUD Parking Management Plan.

What happens if the residential zones fill up and there is no place for me to park? Based upon Base Village history and historical parking norms in resort communities this is not expected to be an issue. In the event this occurs then management will endeavor to utilize stalls in the valet zone or possibly in the commercial zones, subject to compliance with the PUD Parking Management Plan.

How will the Garage Association assess its members? Based upon square footage of the different parking zones. For residential owners these assessments are passed through the Master Association, which passes them through to individual building HOA's, which then include these costs in the individual building HOA assessments.

How much are garage assessments? Based on the 2018 garage budget, residential owners effectively pay, on average, approximately \$565 per residence, per year to the Garage Association.

Who pays for the commercial parking operation? Base Village Metropolitan District #1 pays for the cost of the commercial/skier parking operations and also collects all the revenue from users of these parking areas. The easiest way to think about this is that this Metro District is a member within the Garage Association (just like the Master Association, ASC and the Joint Venture are members) and it operates the public portion of the garage within its designated zones.

Where can I learn more about the Garage Association? At the time of writing this FAQ, the Garage Association has not yet been formally established, but draft documents (which are subject to change) can be found at www.basevillagegaragehoa.com. Username: "guest". Password: "guest".

Special Taxing Districts

Is the property located within any special taxing districts? Yes, in addition to being within the Town of Snowmass Village, school district, fire district, etc. all Base Village residential

properties, including the Viceroy residences, are in Base Village Metropolitan District #2 (D2) and a General Improvement District (GID). All commercial properties in Base Village are in Base Village Metropolitan District #1 (D1), with the exception of Treehouse—which is contained in D2. It is recommended that purchasers ask their real estate agent to obtain a prior year tax bill in order to see the full extent of property taxes charged in Base Village.

What do these special districts do? D1 (commercial properties) is responsible for operating and maintaining all district assets which include: the transit center; the public/commercial parking area of the village parking garage; the base village conference center; the transit center and the ski way bridges. D2 (residential properties) is the financing district that issued debt (bonds) to fund the construction of various public improvements, including those listed above as well as the skier bridges, bridges over ski ways, the skittles gondola and other improvements. Currently D2 also pledges 6.0 mills over to D1 to help fund operations. This 6.0 mill pledge is forecasted, but not guaranteed, to decrease to zero as the rest of the project is built out. The GID funds the operating cost of the "Skittles Gondola"—which connects Base Village to the Mall.

How much tax do these special districts add to the property? D2 currently assesses 43.5 mills to the property and the GID currently assesses 6.0 mills. This total of 49.5 mills currently represents approximately 50% of the total mill levy assessed on Base Village properties (98.844 for 2016). In other words, property tax rates in Base Village are approximately double that of other property in Snowmass Village that are not located within these special districts. With a total mill levy of 98.844 for 2016, a \$1,000,000 residence at the property will pay approximately \$7,868 in annual property taxes. Approximately \$3,940 of this would be paid to D2 and the GID.

Can the property taxes go up? D2's mill levy is capped at 43.5. Increasing this would require a majority vote of all D2 qualified voters. This mill levy is forecasted, but not guaranteed, to decrease to 37.5 once the core of the project is complete. The GID's mill levy may be able to increase from 6.0 to 10.0 in the future. The rest of the mill levy composition (town, school, fire district, etc.) is subject to whatever increases or decreases occur within each of these taxing entities—most of which require a taxpayer vote. Property tax amounts will also change over time in accordance with changes in assessed property valuations (i.e. if values increase, property taxes will increase proportionately, and vice versa).

Who controls the special district boards? The D2 board is currently controlled by a single residential owner, but additional board seats are available to be filled by qualified candidates who both directly own residential property in Base Village and are Colorado residents. The GID board is controlled by the Town of Snowmass Village. The D1 board is controlled by owners of the commercial properties in Base Village—currently the Joint Venture and Aspen Skiing Company.

What is the Metro District Capital Facilities Fee? In addition to collecting property tax, D2 collects a Capital Facilities Fee in the amount of \$5,150 upon the closing of each initial residential transaction (initial developer sales only) within the district. This fee is not collected on resales.

How much debt does D2 have? Approximately \$45M. This was refinanced in 2016 into two simple tranches. Financial statements for D1 and D2 are available on the district's website—see below.

Where can I learn more about the Base Village Metropolitan Districts? Base Village Metropolitan Districts #1 and #2 maintain a shared public website. www.basevillagemetro.com

Where can I learn more about the General Improvement District? The GID is controlled and run by the Town of Snowmass. Please contact Clint Kinney (CKinney@tosv.com) at the Town for more information.



VICEROY DETAILS

The Property

Is there somebody at the property dedicated to helping owners? Yes. Viceroy has a Residential Services department that is based at the property and is responsible for taking care of the needs of residence owners. Lindsay Pulaski is the Director of Residential Services and Taylor Burstyn is the Residential Services Coordinator. Lindsay and Taylor can be reached by phone at (970-923-8040) or via email (lindsay.pulaski@viceroysnowmass.com | taylor.burstyn@viceroysnowmass.com) .

How many residences are in the building? There are approximately 150 deeded residences in the building. Some of the residences include a lock-off bedroom that have another room number assigned to them for rental purposes—this results in approximately 169 rentable “keys”.

What types of residences are in the building? The building contains a mix of residence types including studios, 1BR's, 2BR's, 3BR's, large penthouses and various iterations of each of these.

Does the building contain any traditional hotel rooms? The building does not contain any rooms or units other than the 150 residences (and lock-off bedrooms within) mentioned above. The structure is set up to be a condo hotel—meaning all 150 residences may ultimately be owned by individuals. In addition, there are three employee housing units contained within the building.

What are the amenities in the building? The building includes many of the amenities you would find in a traditional hotel, including a restaurant and lounge, spa, fitness room, lobby, ski valet, swimming pool and deck, meeting space and other supporting back of house spaces.

When was the building constructed? The building was completed in 2009.

Are there any major problems with the building? The Joint Venture has only owned the property since late December 2016 (see below). The Joint Venture is not aware of any unresolved significant problems with the building, with the exception of some speculation regarding settlement around the pool area. A renovation is planned for the pool in spring of 2018 and the settlement issue will be further investigated then. As with all properties of this size and complexity there are ongoing maintenance issues that are handled by the on-site engineering team.

How is the WiFi service in the building? The Joint Venture and Viceroy recently performed a full upgrade of the WIFI system in the property. This included the addition of wireless access points. The Joint Venture and Viceroy recognize the importance of WiFi quality and will continue to monitor coverage and bandwidth capacity.

How is cell coverage in the building? Coverage varies by carrier and location in the building. Buyers should test their phone throughout the building and within the residence(s) they are considering for purchase to ensure the coverage is adequate for their needs.

Ownership

Who owns the building? At the time of this being written approximately 99 of the residences have already been sold to over 80 individuals. The remaining approximately 51 unsold residences are owned by the Joint Venture. The Joint Venture also owns the restaurant, spa, meeting space, swimming pool, hot tubs, fitness center, business center, storage areas, trash facilities, lobbies, elevators, hallways, garage and other spaces within the property (collectively the “Hotel Assets”). The Joint Venture also owns significant other assets in Base Village, as described above.

Do residential owners have guaranteed access to the Hotel Assets? The Hotel Amenities, Facilities and Garage License Agreement (the “License Agreement”) grants residential owners access to the Hotel Assets, subject to closure, remodel, etc. at the Joint Venture’s discretion. Pursuant to the License Agreement, the Assay Hill Lodge Condominium Association (the “Property Owners Association” responsible for the building) is obligated to pay the Joint Venture for access to the Hotel Assets. The Property Owners Association could vote to terminate the License Agreement with a 67% vote. For a complete picture on building ownership, access and control prospective buyers should carefully review the Property Owners Association Declaration, Condo Map, the License Agreement and the Rental Management Agreement or Property Management Agreement—these are critical documents for buyers to review.

Does the hotel ever close? Yes, closure of the hotel is at the discretion of the Joint Venture. Historically the hotel has closed down in the spring (after the mountain closes until around Memorial Day) and in the fall (October thru Thanksgiving). Owners can occupy their residences during these closure periods, but there are no hotel services or amenities available and access may not be through the main lobby.

What components of the building does the Property Owners Association own? The Property Owners Association owns the roof, walls, mechanical systems, decks, etc. as common elements. Please refer to the Declaration and Condo Map for more detail.

Did the Joint Venture develop the building? No. The building was developed by an affiliate of the Related Companies (“Related”). Related is a prominent developer based in New York. The general contractor was PCL. The architect of record was OZ. The Joint Venture purchased approximately 65 unsold residences and the Hotel Assets from Related in December of 2016, along with all of Related’s other assets in Base Village.

The Hotel Brand

What/who is Viceroy? Viceroy Hotels & Resorts is a Los Angeles-based hotel brand and management company with properties under management across the globe. This company is owned by international institutional investors including Mubadala—an investment vehicle of the government of Abu Dhabi. Viceroy is commonly considered to be a luxury lifestyle brand.

Where are other Viceroy’s located? At this time of this writing Viceroy has other properties in Beverly Hills, Santa Monica, San Francisco, Chicago, New York, Riviera Maya Mexico, Saint Lucia and Abu Dhabi. Future properties are planned in Buenos Aires, Bocas del Toro Panama, Algarve Portugal, Da Nang Vietnam, Istanbul Turkey and Kopaonik Serbia.

Will the property always be a Viceroy? The Joint Venture assumed from Related and amended a Hotel Management Agreement (HMA) with Viceroy Hotels & Resorts. As with all HMA’s there are various termination rights. As such, there is always the possibility of the Viceroy brand not being associated with the property at any point in the future.

Is the property required to be branded? There is no obligation to maintain any brand or standard, but the current entitlements with the Town requires this property to be operated to AAA “Four Diamond” standards and this requirement applies to individual residence owners as well.

What is the Viceroy license fee? Viceroy charges a 1.25% brand license fee on all initial sales of residential units in the building. The Joint Venture will pay for this fee on this initial sale of residences. Buyers will have to pay a license fee to Viceroy (currently 1.0%) if they wish to use the Viceroy name and marks when they resell their residence.

Do owners have the right to use the Viceroy name and marks? The Viceroy brand will be used by Viceroy to rent residences that are under a branded Rental Management Agreement. Owners who chose not to enter into a Rental Management Agreement may not use the Viceroy name or marks to market their residence for rental. No owner is permitted to utilize the Viceroy name or marks to sell their residences unless they enter into a resale license agreement with Viceroy which includes the obligation to pay Viceroy a resale license fee upon the closing of a resale transaction (currently 1.0%).

Reserve Funds & Punch Lists

Have the unsold residences already been rented? Yes. All unsold residences have been in the branded rental program rotation along with all of the sold residences since the hotel opened in 2009.

Has anything been replaced in the unsold residences since the original construction? Yes. As furniture, carpets or other elements in the residences became worn Viceroy/Related replaced items on a case-by-case basis. However, a global refresh of the residences has not yet occurred.

Will the Joint Venture fix any punch list items in the unsold residences? Per the terms of the purchase and sale agreement, buyers will have an inspection period prior to any deposit becoming nonrefundable. Buyers can submit an inspection objection list to the Joint Venture for consideration.

Is the Joint Venture offering a warranty on the residences it is selling now? The Joint Venture is providing buyers with a 90-day warranty period after closing for any items that truly break or are discovered to be broken. This will not cover wear and tear issues that buyers determine to be a concern after closing. Buyers are encouraged to do a thorough review of their residence and hire a professional inspector during the contract inspection period to identify any issues that they want to see resolved as part of any inspection objection.

How do reserve funds work for the residential units? Reserve funding is mandated under the branded rental management program. Owners that do not sign a rental management agreement are not required to reserve funds but are encouraged to do so in order to have funds available to maintain their residence to Viceroy standards, as required under the Property Management Agreement.

Will Viceroy or the Joint Venture mandate periodic upgrades within residences? Yes. Whether under a Property Management Agreement or Rental Management Agreement owners are obligated to maintain their residences to Viceroy standards and in accordance with AAA “Four Diamond” standards, per requirements imposed by the Town. Standard practice in hotels is to conduct a “soft goods” refresh (furniture, carpet, wallcovering, mattresses, TV’s, linens, etc.) every 5-7 year and a “hard goods” refresh (case work, trim, etc.) every 10-14 years. While worn out items have been replaced in some of the residences, no global refresh has been conducted across all residences to-date as Viceroy has done an excellent job at maintaining the property’s condition. The Joint Venture and Viceroy are currently exploring/designing a soft goods refresh with a goal of implementing this refresh over the next 18 months.

Who pays for residence refreshes? Individual residence owners are responsible for the cost of all residence refreshes. To the extent a residence’s reserve fund is not adequate to cover the cost of a refresh then the owner of the residence will be obligated to fund the balance. For residences under a Rental Management Agreement the hotel manager targets, but does not guaranty reserve funding levels adequate to fund refreshes. New owners are encouraged to fully fund their residence’s reserve fund upon acquiring their residence or else it is likely that they will need to come out-of-pocket for residence refreshes. For purchasers that entered into a contract to buy a residence from the Joint Venture after November 30, 2017 the Joint Venture will cover the cost of the currently planned residence refresh. All future refreshes will be the responsibility of the individual residence owners.

Rental & Property Management

What are the details of the Viceroy rental program? Viceroy Hotels & Resorts runs the Viceroy branded rental management program. Please contact Residential Services for detailed information on this rental program.

Am I required to rent my residence through Viceroy? No, Viceroy offers a rental program, but there is no obligation for owners to participate in this. Owners can choose to rent with Viceroy, rent with an alternative management company or not rent at all. However, all owners must enter into either a Viceroy Rental Management Agreement or a Property Management Agreement.

What happens if I don’t want to rent my residence? You will still need to execute a Property Management Agreement with Viceroy. Please contact Residential Services for a complete summary of the Property Management Agreement and/or a form of the Property Management Agreement itself.

Why do I have to execute a Property Management Agreement? This helps to ensure that the Town requirement that all owners in the building maintain their residences to a AAA “Four Diamond” standard is met. Further, part of the value of the Viceroy brand is consistency and quality of the residences across the property. Requiring all residences to either be on Rental Management Agreement or Property Management Agreement ensures this consistency which helps to preserve the value of all residences in the building.

How much are the fees and costs associated with the Property Management Agreement? There is an Occupancy Service Fee charged per week for owner stays. This fee currently starts at \$175 for a studio and increases for larger residence types. There is a Daily Housekeeping Service charge required at least every 3 days during owner stays. This charge currently starts at \$50 per service for a studio and increases for larger residence types. At least one Major Cleaning Service is required per year at a current cost of \$500 for a studio (more for larger residences). Maintenance Services charges are assessed for any non-routine maintenance needs. These fees are consistent whether an owner selects to enter into a Rental Management Agreement or a Property Management Agreement. All fees are subject to change.

What services will I receive under a Property Management Agreement? Check-in, concierge, key system, routine maintenance, assistance with resale, inspections, wireless internet and other in-room amenities, transportation in Snowmass and Aspen, pickup and drop off at the Aspen airport, housekeeping, deep cleaning, non-routine maintenance.

Do I lose out on any amenities or services by going with a Property Management Agreement instead of an Rental Management Agreement? Nothing aside from the rental program itself.

If I don't rent my residence through Viceroy can it still be rented as a "Viceroy" branded residence? No. Only residences that are under the Viceroy branded rental program can be rented as a "Viceroy" residence. This is strictly enforced by Viceroy.

If I rent my residence outside of the Viceroy rental program will my rental guests still receive all of the Viceroy amenities, services, etc? Per the terms of the License Agreement, only owners, branded rental program guests and accompanied guests of owners are technically assured access to the amenities. Enforcement of this is at Viceroy's discretion.

What services and amenities are not included in the association dues and property taxes? Owners must pay the Occupancy and Housekeeping fees in accordance with the Property Management Agreement or Rental Management Agreement. These fees cover items such as internet access, transportation within Aspen/Snowmass and regular housekeeping. Other services and amenities are provided to owners on more of an al-a-carte basis such as any food and beverage (including room service), spa services, deep cleans, maintenance, transportation outside of Snowmass and Aspen, and certain special services such as pre-arrival shopping, moving stored items, setting up residences pre-arrival, etc.

If not in the rental program can owners furnish and decorate their residence as they please? Per the terms of either the Rental Management Agreement or Property Management Agreement residences must be decorated and maintained to Viceroy brand standards. Owners on Property Management Agreement can place various personal items in their residence, such as photographs, etc. subject to Viceroy approval. Alternative furniture, artwork, etc. may be approved by Viceroy at their sole discretion, on a case-by-case basis. These standards are required to maintain property quality and consistency.

If not in the rental program can owners obtain different TV service? No. The building is only wired for the single television service provided. At the time of writing this document the Joint Venture and Viceroy are upgrading the property's TV service to a new state-of-the-art system and the most commonly desired channels should be available in high definition. The TV's themselves are not being replaced as part of this upgrade, but may be replaced as part of the residence refresh described above.

Are the rental management and property management fees and charges fixed forever? No. The Joint Venture and Viceroy have the ability to change these fees. Historically they have not varied much. The Joint Venture and Viceroy will evaluate the cost of resources that it takes to provide the services on an annual basis, factoring in fluctuations in inflation.

Viceroy Specific Transportation

How do I get to and from the Aspen airport? Currently the Viceroy offers owners and owners' "Authorized Users" (a defined term in the Property Management and Rental Management Agreements that includes accompanied and unaccompanied owner guests) complimentary access to and from the Aspen airport with prior reservations, subject to vehicle availability. This policy is subject to change, but the Town currently mandates that all

property management companies within Base Village must provide transport to and from the airport.

How do I get to Aspen? Currently the Viceroy offers owners and owners' "Authorized Users" complimentary access to and from the Aspen with prior reservations, subject to vehicle availability. This policy is subject to change.

Amenity Access

Are the amenities private to the building? No. The property operates similarly to a traditional hotel. All amenities and services are available to guests at the property. In addition, the restaurant and spa are available to the general public. The Joint Venture also reserves the right to offer membership or pay-for-use arrangements for the general public to utilize other amenities such as the pool and fitness. For example: the Joint Venture currently offers a limited number of pool passes for existing owners in the other completed sections of Base Village.

Will my unaccompanied, non-rental guests receive all of the Viceroy amenities, services, etc? Per the terms of the License Agreement, only owners, branded rental program guests and accompanied guests of owners are technically assured access to the amenities. However, standard practice to-date and the current form of the Rental Management and Property Management Agreements allows for "Authorized Users" (which includes owners' unaccompanied guests) access to the amenities and services, subject to the same fees and use rights as owners themselves.

Does the Hotel charge a resort fee? Yes. Viceroy has the right to charge any guest at the property a resort fee to cover access to amenities and services—excluding owners themselves and owners' accompanied guests. Standard practice has been to not charge this fee to owners' unaccompanied guests either, but that is not assured. The resort fee is currently \$40 in the winter season and \$20 in the summer. The resort fee is subject to change at Viceroy's discretion.

Who has to pay the resort fee? Under the terms of the License Agreement essentially anybody staying at the property other than owners and owners accompanied guests is potentially subject to a resort fee. However, Viceroy reserves the right to waive the resort fee for any guest at its discretion. The current Rental Management Agreement and Property Management Agreement allow "Authorized Users" of an owner to receive the same fee structure and use rights as owners themselves—this does not include "rental guests" (somebody renting an owner's residence) or "leisure guests" and is subject to change.

Ski Access

What is the best way to access skiing from the Viceroy?

The Assay Hill lift and ski run can be found right out the back door of the Property. It doesn't get much easier for ski access. Alternatively, you can walk or take a "Luge" Shuttle provided by the hotel over to the Elk Camp Gondola or Village Express Lift.

What are the typical operating dates for the Assay Hill ski lift and ski back trail to the Viceroy? This is entirely dependent upon snow conditions and no assurances can be provided in this regard, but historically the Assay Hill lift and ski back trail have lagged the opening of the overall resort by a few weeks or so and have closed around the same time as the overall mountain closing.

How do I or my kids access ski school? Private lessons can be arranged to meet you at the hotel. Group lessons meet over near the Village Express Lift—which can be reached by taking a Luge Shuttle.



Parking

How many parking stalls are in the Viceroy garage? The garage for both phase 1 and phase 2 were built at the same time. There are currently over 200 stalls in the garage—which is more than is needed for just phase 1. The excess stalls can be used at Viceroy and the Joint Venture's discretion.

How many cars can owners park in the garage? Each residential owner is permitted to park one vehicle in the garage when in residence. Owners are not permitted to leave vehicles in the garage when not in residence. Acceptance of additional owner vehicles or owner guest vehicles while an owner is in residence is at the discretion of the hotel manager and may require additional charges.

Do owners have to pay for parking? The parking privilege of a single vehicle while in residence is included in payment of an owner's Property Owners Association dues. Daily charges may apply for any additional owner or owner guest vehicles.

Do owners' guests have to pay for parking when the owner is in residence? Yes, at the discretion of Viceroy and the Joint Venture.

Do owners' guests have to pay for parking when the owner is NOT in residence? The License Agreement does not provide for unpaid parking access to owners unaccompanied guests. However, standard practice to date and the current Rental Management Agreement and Property Management Agreement language allows for owners' unaccompanied guests

to be treated as "Authorized Users" that receive the same access and services and are subject to the same fee structure as owners themselves.

Can owners self-park? No, valet is required.

Is there an extra charge for valet parking? Not for owners, but gratuity is customary and any such gratuity paid is an out-of-pocket expense for the owners.

Does the garage ever fill up? If so, where do owners park? Occasionally, but garage capacity has not been a regular issue as the garage currently contains enough stalls for phase 2 which is not yet constructed. Per the License Agreement, if the garage is more than 90% full then parking priority will be granted to residential owners.

Does the Hotel charge parking fees? Not for owners, but for others, including owner guests, the hotel may charge parking fees at its discretion. Current parking fee rates are \$35 per night in winter and \$20 per night in summer. Changes to parking fee rates are at the discretion of Viceroy and the Joint Venture.

Storage

Do the residences come with any storage? Yes. Each residence comes with the right to utilize one caged storage unit in the garage. Ask Residential Services to show you these storage units.

Does owner storage cost any extra? No, owner storage is covered under the Property Owners Association dues. Having Residential Services move items in and out of storage may be charged to owners individually.

Can owners leave their skis at the property? When in residence during ski season owners ski gear can be stored in the ski valet. When owners are not in residence each residence's caged storage unit may be utilized for long-term ski storage. There is currently no long-term ski storage available outside of each owner's storage cage.

The Second Phase

Where is the second phase? The second phase is directly across the entry driveway from the main hotel building. The garage and first level of the second phase have already been constructed. The answers below discuss current plans, but no assurance can be given as to when or if the second phase will be developed and, if built, what it will contain.

Who owns the second phase? The Joint Venture owns the real property comprising the second phase, the existing improvements thereon and the related development rights.

How tall will the second phase be? The existing PUD zoning approvals contain a height matrix showing maximum height by building. This matrix contains various height points for the second phase and indicates a maximum absolute elevation for the primary ridge of

8,468. This compares to an absolute elevation of 8,461 on the existing building. The Town can administratively approve an extra foot of height within the PUD. In addition, the Joint Venture intends to pursue an amendment of the PUD to increase the maximum height on the second phase. The extent of this increase is TBD, but initial studies indicated an increase of over 6 feet in certain areas, but no increase to the maximum ridge.

How will views from my residence be impacted by the second phase? This must be evaluated on a case-by-case basis, but most residences that look south will be significantly impacted by the second phase.

What will the second phase look like? Related prepared a design of the second phase that featured a similar, but not identical architectural appearance to the existing building. The Joint Venture may or may not follow these plans. The Town must approve the final architecture.

How many residences will be in the second phase? The PUD zoning allows for approximately 50 market rate residences in the second phase along with 7 restricted (employee) housing units. Procedures exist to administratively modify certain details for the second phase including residence counts and types. In addition, the Joint Venture or future owner could apply to amend the existing PUD approvals. The Declaration for Assay Hill Lodge Condominium permits up to 138 additional residences in either the existing building and/or the second phase.

What uses will be in the second phase? The second phase may be built containing additional residential condo hotel units, timeshare, fractional, traditional hotel rooms, additional amenities or other uses as allowed per the PUD entitlements—which are subject to amendment. In addition, in accordance with the current PUD entitlements the second phase must contain restricted housing units.

Will the second phase be integrated with the first phase? The level of integration between the existing building and the second phase is at the discretion of the Joint Venture. At the time of this writing the Joint Venture is leaning towards significant integration—including shared brand, check-in, amenities and services. This is however subject to change. At the other extreme the second phase could be an entirely stand-alone project with no integration.

Will the second phase be part of the Property Owners Association? This decision is at the discretion of the Joint Venture.

Where will the second phase park? The parking for the second phase has already been constructed as part of one combined garage beneath both phases with one shared entrance. Again, the garage is over-built today.

What is the timing on the second phase? The Joint Venture's first development priority is completion of the core of Base Village. Following the core, the Joint Venture will evaluate the sequence for the remaining phases. At the time of this writing the Joint Venture is

considering the development of the second phase of this property as the next phase following the core, however there is no assurance as to when and if the second phase gets developed.

Will the second phase impact the Property Owners Association dues for the first phase? Potentially. This depends upon the operating costs of any shared amenities added as part of the second phase relative to the additional dues collected on second phase residences. If the second phase residences pay more in net dues than the cost of additional amenities, then this will offer the opportunity for phase 1 dues to be reduced. If such costs exceed additional dues provided then the phase 1 dues could increase.

Property Owners' Association

Is there a property owners' association for the building? Yes, the Assay Hill Lodge Condominium Association is the association (the "Property Owners Association") for all ownership interests in the property including residential units and commercial units.

What is the board composition of the Property Owners Association? Because there are still a significant number of unsold residences in the building the Property Owners Association is still in the declarant control period under Colorado Condominium law. As such, currently the board is comprised of one residential member and two representatives of the Joint Venture.

When will the declarant control period end and what will the stabilized board look like? The Property Owners Association Declaration and Colorado law specify when the declarant control period will end, which will occur no later than the sale of 75% of the residences developed or to-be-developed at the property. The stabilized board after the declarant control period will be comprised of two directors elected by and representing the residential units and one director for the commercial units.

What are the dues for the Property Owners Association? The dues are calculated by residence based on square footage. The 2017 budget established dues that are on average approximately \$24.60 per sq. ft. Master Association dues of \$3.00 per sq. ft. are assessed to each residence in addition to this (see below).

Do owners need to fund dues at closing of purchase of a residence? Regular dues will be prorated as required by the purchase contract. No additional dues are required at closing.

What do the Property Owners Association dues cover? Property Owners Association dues cover maintenance, repair and reserve funding of all building common elements, all standard utilities except internet and phone (which is provided under the Property Management Agreement or Rental Management Agreement), snow and ice removal and other misc. responsibilities.

Are there any utilities or other typical ongoing ownership costs that owners need to cover outside of the Property Owners Association dues and Property Management Agreement/Rental Management Agreement fees and charges? Owners need to obtain a contents insurance policy and pay property taxes. In addition, those owners that rent will need to pay the 1.5% lodging assessment on gross rental revenue to the master association. Viceroy is going to begin charging guests this 1.5% this ski season—this is to be considered a trial program. Additionally, owners must fund any require residence refreshes (which may be funded out of owner reserve funds), as discussed above.

Does the Property Owners Association charge utilities based upon use or a fixed allocation? The Property Owners Association charges utilities based upon a sq. ft. allocation and does not track residence by residence utility use.

Is the Property Owners Association running an annual deficit? No, the association is currently running a break even budget.

Does the Property Owners Association have adequate reserves? As of 12/31/2016 the HOA had over \$1M of reserve funds. Under Related’s ownership the association conducted a reserve study that indicated that annual reserve funding should be increased by approximately 10% per year. The Joint Venture is in the process of fully evaluating the reserve study to determine the adequacy of reserves and reserve funding.

Are there any major reserve fund expenditures planned that the Property Owners Association must fund? Purchasers interested in this should obtain a copy of the most recent capital expenditure budget and the long-term reserve study for the association. Residential Services can help you obtain these.

Are there any special assessments planned by the Property Owners Association? No.

Where can I learn more about the Property Owners Association? The Property Owners Association maintains a website at <http://www.assayhillhoa.com>. Interested buyers can access the documents through the owner portal by using Username: “guest”, Password: “guest”.

Ownership Cost Summary

Can you summarize the complete ongoing costs of ownership and transaction costs? This is difficult to fully quantify without addressing the details of an individual case but the following chart quantifies what is consistent across owners and lists the other costs without numbers being assigned.

Unit Price	\$ 500,000	\$ 1,000,000	\$ 1,500,000	
Sq. Ft.	500	1,000	1,500	
Basic Ownership Costs (2017–annual)				
Property Association Dues	\$ 24.60 psf	\$ 12,300	\$ 24,600	\$ 36,900
Master Association Dues	\$ 3.00 psf	\$ 1,500	\$ 3,000	\$ 4,500
Property Taxes	98.844 mills	\$ 3,904	\$ 7,809	\$ 11,713
Total–Basic Ownership Costs		\$ 17,704	\$ 35,409	\$ 53,113
Additional Ownership Costs				
Master Association Rental Agreement	1.5% of any rental income. Hotel is going to start charging guests			
Condo Contents Insurance Premium				
Property Management Agreement or Rental Management Agreement fees and charges				
Charges for a la carte hotel services (food and beverage, spa, etc.)				
Transaction Costs				
Viceroy License Fees	1.25% of price	\$ 6,250	\$ 12,500	\$ 18,750
Master Association Transfer Assessment	1.00% of price	\$ 5,000	\$ 10,000	\$ 15,000
TOSV Transfer Assessment	1.00% of price	\$ 5,000	\$ 10,000	\$ 15,000
Metro District Capital Facilities Fee	\$ 5,150	\$ 5,150	\$ 5,150	\$ 5,150
Real Estate Brokerage Commission (typical)	6% of price	\$ 30,000	\$ 60,000	\$ 90,000
Typical Closing Costs (case by case)				



Viceroy Residences Snowmass

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