THIRD AMENDMENT TO
AMENDED AND RESTATED GENERAL DECLARATION
FOR BEAVER CREEK®, EAGLE COUNTY, COLORADO

This Third Amendment to Amended and Restated General Declaration for Beaver Creek, Eagle County, Colorado (this "Third Amendment") is executed this 5th day of December, 1997, by The Vail Corporation, a Colorado corporation d/b/a Vail Associates, Inc., as Declarant and Mountain Special Member ("Declarant"), and Beaver Creek Resort Company of Colorado, a Colorado nonprofit corporation (the "Resort Company"), and constitutes an amendment to the Amended and Restated General Declaration for Beaver Creek, Eagle County, Colorado, dated December 26, 1979, and recorded December 27, 1979, in Book 296 at Page 446 in the real property records of Eagle County, Colorado, as amended by the First Amendment to Amended and Restated General Declaration for Beaver Creek, Eagle County, Colorado, dated September 14, 1992, and recorded September 15, 1992 in Book 589 at Page 238 in the real property records of Eagle County, Colorado and the Second Amendment to Amended and Restated General Declaration for Beaver Creek, Eagle County, Colorado, dated December 6, 1994, and recorded January 18, 1995 in Book 659 of page 552 in the real property records of Eagle County, Colorado (collectively, the "Declaration").

RE bâtALS

A. The Declaration was established by Declarant for the purpose of providing for and maintaining a pleasant and desirable environment for all persons residing, visiting or doing business within "Beaver Creek" (as defined in the Declaration) and bestowed certain obligations upon the Resort Company in furtherance of such purpose.

B. Declarant and the Resort Company have recommended to the members of the Resort Company that the Declaration should be amended to clarify the definitions of certain terms in the Declaration.

C. At a meeting of the members of the Resort Company held on November 29, 1997, resolutions were passed by the "Affirmative Vote of a Majority of the Classes" (as such term is defined in the Articles of Incorporation of the Resort Company) calling for an amendment to the Declaration and authorizing the execution of this Third Amendment.

D. By the terms of that certain Beaver Creek Resort Company Modification Agreement entered into as of November 10, 1997 (the "Modification Agreement") by and among The Vail Corporation, a Colorado corporation, the Resort Company and Beaver Creek Property Owners Association, Inc., a Colorado nonprofit corporation, this Third Amendment shall not become effective until the "Modification Documents" (as defined in
the Modification Agreement) have been approved by the members of
the Resort Company or the Board of Directors of the Resort Company
and executed on behalf of the Resort Company, as applicable, in
accordance with the terms and conditions of the Modification
Agreement (the "Condition Precedent"). By execution and
acknowledgment of this Third Amendment below, the Resort Company
affirms that the Condition Precedent has been satisfied.

AMENDMENT

In accordance with the provisions for an amendment to the
Declaration, the Declaration is hereby amended as follows:

1. The definition of "Master Plan" as set forth in
Section 2.3 of the Declaration is revised to read as follows:

"2.3 Master Plan: Master Plan shall mean
the Amended and Restated Guide to the Beaver
Creek Planned Unit Development, dated
March 29, 1994, and recorded on April 26, 1994
in Book 638 at Page 584 of the real property
records of the Clerk and Recorder of Eagle
County, Colorado, as amended or supplemented
from time to time in accordance with the
procedures of Eagle County, Colorado."

2. The definition of "Site" as set forth in Section 2.5
of the Declaration is revised to read as follows:

"2.5 Site: Site shall mean each parcel
of real property within Beaver Creek the fee
simple interest of which may be conveyed in
its entirety to a third party without
violating the subdivision regulations of Eagle
County, Colorado as in effect from time to
time, including a condominium unit (as the
term is defined in the applicable provisions
of the Condominium Ownership Act of the State
of Colorado or the Colorado Common Interest
Ownership Act) and including any such parcel
or condominium unit owned by Declarant. If at
any time Eagle County, Colorado has no
subdivision regulations in effect or modifies
its subdivision regulations as in effect on
the date hereof in a manner which in the
reasonable judgment of Declarant would
materially affect the rights of Owners
hereunder to be represented on the Board of
Directors, Declarant may, by written
instrument recorded in the real property
records of Eagle County, Colorado, designate
each parcel in Beaver Creek which from time to
time constitutes a Site. Notwithstanding the
foregoing, a parcel of property owned, held,
or used in its entirety by the Resort Company,
or by any governmental entity (which term
shall include but not limited to Special
Districts formed pursuant to Colorado law), or
for or in connection with the distribution of
electricity, gas, water, telephone, television
or other utility services or for access to any
property within or without Beaver Creek shall
not be considered a Site. Moreover, a parcel
of land containing 35 acres of land or more
shall be considered as only one Site, even
though various parts thereof might be conveyed
without violating the subdivision regulations
of Eagle County, Colorado."

3. The definition of "Lodge" as set forth in
Section 2.6 of the Declaration is revised to read as follows:

"2.6 Lodge: Lodge shall mean a hotel or
other building containing rooms designed,
intended or used for the accommodation of
tourists, transients or permanent guests for
compensation, but a Lodge shall not include
(a) a building where all of such rooms are
contained entirely within Residential Sites,
or (b) the portion or portions of any such
building that constitutes one or more
Residential Sites or Sites used for the
operation of a "Business" (as defined in
Paragraph (b) of Article VI of the Articles of
Incorporation). For example, if a building
comprised entirely of condominiums is used for
the accommodation of tourists, then the
building is not a Lodge; or if condominium
units constitute a portion of a building
containing a Lodge, then such portion is not
included in the Lodge for the purposes of this
definition."

4. The definition of "Lessee" as set forth in
Section 2.9 of the Declaration is revised to read as follows:

"2.9 Lessee: Lessee shall mean the
person or persons, entity or entities who are
the lessees under a ground lease of any part
or all of a Site or the lessees of any space
within a building on any Site; provided that
the term Lessee shall not include tourists or
transients. All such leased property is
hereinafter referred to as the Leased
Premises. Each Lessee shall also be the
holder or holders of a particular class of
Regular Membership in the Resort Company, as
set forth below, which is appurtenant to
ownership of such Lessee's interest in the
Leased Premises. The term Lessee shall
include Declarant to the extent it is a Lessee
as defined above and shall include a sublessee
to the extent the sublessee becomes a Lessee pursuant to Section 6.8, but it shall not include the Resort Company or any governmental entity (which term shall include but is not limited to Special Districts formed pursuant to Colorado law).

5. Except as specifically set forth in this Third Amendment, the Declaration remains unchanged and in full force and effect. This Third Amendment shall hereafter be interpreted for all purposes as part of the Declaration.

IN WITNESS WHEREOF, Declarant, as Declarant and Mountain Special Member under the Declaration, and the Resort Company have executed this Third Amendment as of the day and year first set forth above.

ATTEST:

Gerry Arnold

ATTEST:

[Signature]

SECRETARY

DECLARANT and MOUNTAIN SPECIAL MEMBER:

THE VAIL CORPORATION, a Colorado corporation

By: [Signature]

Its: Senior Vice President

RESORT COMPANY:

BEAVER CREEK RESORT COMPANY OF COLORADO, a Colorado nonprofit corporation

By: [Signature]

Its: Vice President
STATE OF COLORADO  

COUNTY OF EAGLE

The foregoing instrument was acknowledged before me this 5th day of December, 1997, by James S. Mandel, as Vice President and Gerry Arnold as Secretary of THE VAIL CORPORATION, a Colorado corporation.

Witness my hand and official seal.

[Signature]
Notary Public

My Commission expires: ____________________

COUNTY OF EAGLE

The foregoing instrument was acknowledged before me this 4th day of December, 1997, by Brian Nolan, as Vice President and Jean A. Dennison as Secretary of BEAVER CREEK RESORT COMPANY OF COLORADO, a Colorado corporation.

Witness my hand and official seal.


[Signature]
Notary Public